

Mercury Bay Aero Club Inc

Financial Statements

FOR THE YEAR ENDED 28 FEBRUARY, 2021

Mercury Bay Aero Club Inc

Contents of Financial Statements

For the Year Ended 28 February 2021

Compilation Report	2
Directory	3
Divisional Statements of Financial Performance	4
Combined Statement of Financial Performance	5
Statement of Movements in General Funds	6
Statement of Financial Position	7
Statement of Movements in Equity	8
Depreciation Schedule	9 - 10
Notes to and forming part of the Financial Statements	11 - 14

COMPILATION REPORT TO THE MEMBERS OF THE COMMITTEE

Reporting Scope

On the basis of information that you provided we have compiled, in accordance with "Service Engagement Standard Number 2: Compilation of Financial Information", the Financial Statements of Mercury Bay Aero Club Inc for the year ended 28 February 2021 as set out on the following pages.

These statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (GAAP) as described in Note 1 to the Financial Statements.

Responsibilities

You are solely responsible for the information contained in the financial statements and have determined that the financial reporting basis stated above is appropriate to meet your needs and for the purpose that the financial statements were prepared. The financial statements were prepared exclusively for your benefit. We do not accept responsibility to any other person for the contents of the financial statements.

No Audit or Review Engagement Undertaken

Our procedures use accounting expertise to undertake the compilation of the financial statements from information that you provided. Our procedures do not include verification or validation procedures. No audit or review engagement has been performed and accordingly no assurance is expressed.

Ownership of Work papers

Material that you provided to us remains yours and will be returned to you when the engagement is completed. Work papers that we create remain our property. However if your affairs at some time in the future are handled by another Chartered Accountant, we will make available, as required by the code of ethics, such information regarding your affairs that is essential to enable your new Chartered Accountant to perform the services we previously provided.

Disclaimer

As mentioned earlier in our reports, we have compiled the financial information based on information provided to us. We have not performed an audit or review on the financial statements and therefore neither we nor our employees accept any responsibility for the accuracy of the material from which the financial statements have been prepared. Further, the financial statements have been prepared at the request of, and for the purposes of, our client and neither we nor any of our employees accept any responsibility on any grounds whatever, including liability in negligence, to any person.

Hart & Associates Limited

Chartered Accountants

HUNTLY

30 March 2021

Mercury Bay Aero Club Inc

Directory

As at 28 February 2021

Nature of Business	Aero Club
Inland Revenue Information	IRD Number 010-560-144 GST Registration Two Monthly/Payment Basis
Accountants	Hart & Associates Limited Chartered Accountants 168 Main Street HUNTLY
Bankers	Bank of New Zealand Whitianga
IRD Number	010-560-144

Mercury Bay Aero Club Inc

Divisional Statement of Financial Performance

For the Year Ended 28 February 2021

	Note	2021	2020
		\$	\$
AIRFIELD INCOME			
Operating Revenue			
Hangarage		63,687	56,356
Hire & Dual - less Landing Fees & Instructing		12,243	20,129
Landing Fee/Airway		24,996	32,413
Automatic Weather Station/Airway		901	900
Total Revenue		101,827	109,798
Less Cost of Sales			
Aircraft Fuel		4,436	3,990
Aircraft Insurance		3,878	2,899
Repair & Maintenance - Aircraft		18,201	3,027
Total Cost of Sales		26,515	9,916
Gross Surplus from Trading		75,312	99,882

Mercury Bay Aero Club Inc

Combined Statement of Financial Performance

For the Year Ended 28 February 2021

	Note	2021	2020
		\$	\$
Divisional Revenue			
Surplus from Airfield Income		75,312	99,881
Operating Revenue			
Subscriptions		14,316	13,350
Z Energy - Lease & Annual Check		4,523	3,040
Club Room Hire		3,491	6,533
Rent - House		13,500	15,300
Rent - Office		2,086	3,355
Hay & Sileage		9,000	9,000
Interest Received		4,255	6,502
Sundry Income		551	(1,083)
Total Operating Revenue		51,722	55,997
Net Revenue		127,034	155,878
Less Expenses			
Administration Expenses			
Accountancy Fees		2,500	2,500
Advertising		819	467
Bank Fees & Charges		-	10
Computer Expenses		653	619
Printing & Stationery		1,596	731
Subscriptions		7,120	2,442
Telephone & Tolls		1,464	1,445
		14,152	8,214
Overhead Expenses			
Administration		9,044	6,607
Electricity		4,836	3,888
General Expenses		178	1,000
Insurance		10,727	8,170
Tractor Expenses		1,224	1,041
Repair & Maintenance - Airfield		4,530	9,963
Repair & Maintenance - Buildings		6,007	2,463
Repair & Maintenance - House		1,788	-
Repair & Maintenance - Plant		1,521	268
Rates		4,952	4,638
Security		520	480
		45,327	38,518
Non Cash Expenses			
Depreciation		18,975	20,868
Total Expenses		78,454	67,600
Net Surplus		48,580	88,278

Mercury Bay Aero Club Inc

Statement of Movements in General Funds

For the Year Ended 28 February 2021

	2021	2020
	\$	\$
Revenues and Expenses		
Net Surplus	48,580	88,278
Total Recognised Revenues and Expenses	48,580	88,278
General Funds at the Beginning of the Year	3,053,436	2,965,157
General Funds at the End of the Year	3,102,016	3,053,435

Mercury Bay Aero Club Inc

Statement of Financial Position

As at 28 February 2021

	Note	2021 \$	2020 \$
Current Assets			
Cash	2	50	50
BNZ - 00 Current A/C	2	39,493	29,077
BNZ - SW Hanger 97 A/C	2	160,731	-
BNZ - Rapid Saver	2	-	5,913
BNZ - 26 Aircraft Reserve A/C	2	60,004	-
Other Receivables	3	26,525	63,129
Stock on Hand	4	989	1,152
Current Investments	5	-	241,625
Total Current Assets		287,792	340,946
Non-Current Assets			
Property, Plant & Equipment		2,926,389	2,788,021
Total Assets		3,214,181	3,128,967
Current Liabilities			
Sundry Creditors	7	24,287	32,900
GST Payable		5,788	4,326
Aircraft Hire in Advance	8	3,818	3,505
Deposits on Hangars	8	52,173	-
Other Current Liabilities	9	8,700	8,700
Total Current Liabilities		94,766	49,431
Non-Current Liabilities			
Deferred Income	10	17,400	26,100
Total Liabilities		112,166	75,531
Net Assets		3,102,015	3,053,436
General Funds			
Total General Funds		3,102,015	3,053,436

Mercury Bay Aero Club Inc

Statement of Movements in Equity

For the Year Ended 28 February 2021

	2021	2020
	\$	\$
Owner's Equity		
Opening Balance	3,053,436	2,965,157
Net Surplus	48,579	88,279
	3,102,015	3,053,436
Total Owner's Equity	3,102,015	3,053,436

Mercury Bay Aero Club Inc

Depreciation Schedule

For the Year Ended 28 February 2021

	RATE & TYPE	% PVT USE	Cost on HAND	OPENING WDV	ADDITIONS	DATE of ADDITION	SALE PRICE	PARTSALE PRICE	PROFIT (LOSS)	DISPOSAL DATE	Cost	CAPITAL GAIN/LOSS	DEPN	ACC DEPN	PRIVATE DEPN	ACCUM PRIVATE	CLOSING WDV
Freehold Land - At cost																	
Land	.00D		1,736,000	1,736,000	-	01/03/02	-	-	-	-	-	-	-	-	-	-	1,736,000
Buildings	.00D		350,134	350,134	-	01/03/02	-	-	-	-	-	-	-	-	-	-	350,134
Hangar	.00P		175,040	133,200	-	01/03/02	-	-	-	-	-	-	41,840	-	-	-	133,200
Concrete Pad	.00D		27,143	27,143	-	21/12/11	-	-	-	-	-	-	-	-	-	-	27,143
Carpet & Vinyl - Clubrooms	15.60P		4,645	1,056	-	27/09/12	-	-	-	-	-	-	725	4,314	-	-	331
Cafe Fitout & Deck	10.00P		45,168	21,353	-	24/12/12	-	-	-	-	-	-	4,517	28,332	-	-	16,836
Avgas Installation	.00D		10,739	10,739	-	01/11/12	-	-	-	-	-	-	-	-	-	-	10,739
Hangar Fitout	10.00P		18,365	5,372	-	28/02/13	-	-	-	-	-	-	1,836	14,829	-	-	3,536
Car Park	.00D		80,863	80,863	-	10/08/15	-	-	-	-	-	-	-	-	-	-	80,863
Concrete Drive	.00D		35,092	35,092	-	11/04/16	-	-	-	-	-	-	-	-	-	-	35,092
T Hangar - Project	.00D		341,845	198,943	142,901	18/07/17	-	-	-	-	-	-	-	-	-	-	341,845
			2,825,035	2,599,896	142,901								7,078	89,315			2,735,720
Plant & Equipment																	
Plant & Equipment	12.50D		33,549	1,692	-	28/01/02	-	-	-	-	-	-	212	32,069	-	-	1,480
Fridge	22.00D		311	5	-	20/02/04	-	-	-	-	-	-	1	307	-	-	4
Fieldmaster Rotary Slasher	39.60D		3,375	2	-	08/02/05	-	-	-	-	-	-	1	3,374	-	-	1
Ride on Mower	48.00D		4,667	1	-	01/02/07	-	-	-	-	-	-	1	4,667	-	-	-
Trailer for Mower	48.00D		373	-	-	28/02/07	-	-	-	-	-	-	-	373	-	-	-
Aviation Radio Set (Office)	24.00D		1,803	112	-	28/01/10	-	-	-	-	-	-	27	1,718	-	-	85
Elba Free Standing Range Stove	25.00D		888	58	-	02/09/10	-	-	-	-	-	-	14	844	-	-	44
Website (www.mbac.co.nz)	60.00D		2,540	-	-	30/01/09	-	-	-	-	-	-	-	2,540	-	-	-
Brother MFC360N	30.00P		245	-	-	23/01/12	-	-	-	-	-	-	-	245	-	-	-
Computer	40.00P		600	-	-	25/11/11	-	-	-	-	-	-	-	600	-	-	-
Security Alarm	21.00P		1,574	-	-	29/05/12	-	-	-	-	-	-	-	1,574	-	-	-
Fuel Tank	7.00P		2,226	1,342	-	17/07/14	-	-	-	-	-	-	156	1,040	-	-	1,186
Trimac Procut	30.00P		12,465	-	-	02/05/16	-	-	-	-	-	-	-	12,465	-	-	-

Mercury Bay Aero Club Inc

Depreciation Schedule (continued)

For the Year Ended 28 February 2021

	RATE & TYPE	% PVT USE	Cost on HAND	OPENING WDV	ADDITIONS	DATE of ADDITION	SALE PRICE	PARTSALE PRICE	PROFIT (LOSS)	DISPOSAL DATE	Cost	CAPITAL GAIN/LOSS	DEPN	ACC DEPN	PRIVATE DEPN	ACCUM PRIVATE	CLOSING WDV
Fertilizer Spreader	10.50P		1,190	1,096	-	27/06/19	-	-	-		-	-	125	219	-	-	971
Container	7.00P		3,913	-	3,913	15/06/20	-	-	-		-	-	205	205	-	-	3,708
			69,719	4,308	3,913								742	62,239			7,479
Vehicles & Aircraft																	
John Deere 4720 Tractor & Loader	15.60D		42,000	7,406	-	08/12/09	-	-	-		-	-	1,155	35,749	-	-	6,251
RV12 ZK-MBA	10.00P		100,000	47,534	-	08/12/14	-	-	-		-	-	10,000	62,466	-	-	37,534
RV12- MBB	.00D		139,406	128,877	10,529	05/07/17	-	-	-		-	-	-	-	-	-	139,406
			281,406	183,817	10,529								11,155	98,215			183,191
TOTAL			3,176,159	2,788,021	157,343								18,975	249,769			2,926,390

1 Statement of Accounting Policies

Reporting Entity

Mercury Bay Aero Club Inc is a society.

The financial statements of Mercury Bay Aero Club Inc are general purpose financial statements which have been prepared according to the External Reporting Board.

Society is involved in Aero Club.

Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (GAAP). They comply with Financial Reporting Standards and other applicable pronouncements, as appropriate for public benefit entities as set out in the External Reporting Board Standard A1: Application of the Accounting Standards Framework.

The accounting principles recognised as appropriate for the measurement and reporting of the Combined Statement of Financial Performance and Statement of Financial Position on a historical cost basis are followed by society, unless otherwise stated in the Specific Accounting Policies.

The information is presented in New Zealand dollars. All values are rounded to the nearest \$.

Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of the Combined Statement of Financial Performance and Statement of Financial Position have been applied:

(a) **Income Tax**

Society has charitable status and is exempt from income tax.

The income tax expense charged to the Combined Statement of Financial Performance recognises the current year's provision adjusted for timing and permanent differences between taxable and accounting income. Deferred tax is calculated using the comprehensive basis under the liability method and future tax benefits are not recognised unless realisation of the asset is virtually certain.

Income tax is accounted for using the taxes payable method. The income tax expense recognised in the Combined Statement of Financial Performance is the estimated income tax payable in the current year, adjusted for any differences between the estimated and actual income tax payable in prior years.

(b) **Goods and Services Taxation (GST)**

Revenue and expenses have been recognised in the financial statements exclusive of GST except that irrecoverable GST input tax has been recognised in association with the expense to which it relates. All items in the Statement of Financial Position are stated exclusive of GST except for receivables and payables which are stated inclusive of GST.

(c) **Changes in Accounting Policies**

There have been no changes in accounting policies. All policies have been applied on a basis consistent with those from previous financial statements.

Mercury Bay Aero Club Inc

Notes to and forming part of the Financial Statements (continued)

For the Year Ended 28 February 2021

2 Cash & Bank Balances	2021	2020
	\$	\$
Cash Balance		
Cash	50	50
Bank Account Balances		
BNZ - 00 Current A/C	39,493	29,077
BNZ - SW Hanger 97 A/C	160,731	-
BNZ - Rapid Saver	-	5,913
BNZ - 26 Aircraft Reserve A/C	60,004	-
	<u>260,228</u>	<u>34,990</u>
Total Cash & Bank Balances	<u><u>260,278</u></u>	<u><u>35,040</u></u>

3 Other Receivables	2021	2020
	\$	\$
Bills Receivable	26,525	63,129
Total Other Receivables	<u><u>26,525</u></u>	<u><u>63,129</u></u>

All amounts are short-term and have been reviewed for indicators of impairment. The carrying value of trade receivables is considered a reasonable approximation of fair value.

4 Inventories	2021	2020
	\$	\$
Stock on Hand		
Stock on Hand	989	1,152
Total Inventories	<u><u>989</u></u>	<u><u>1,152</u></u>

5 Current Investments	2021	2020
	\$	\$
BNZ Term Deposits	-	241,625
Total Current Investments	<u><u>-</u></u>	<u><u>241,625</u></u>

6 Financial Assets and Financial Liabilities

Significant Accounting Policies provides a description of each category of financial assets and financial liabilities and the related accounting policy. The carrying amounts in financial assets and financial liabilities in each category are as follows:

Financial Assets 2021	Amortised Cost	Cost	Fair Value	Total
	\$	\$	\$	\$
Cash and Short-Term Deposits	260,278	-	-	260,278
Trade and Other Receivables	26,525	-	-	26,525
Total Financial Assets 2021	<u><u>286,803</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>286,803</u></u>

For the Year Ended 28 February 2021

Financial Assets 2020	Amortised Cost	Cost	Fair Value	Total
	\$	\$	\$	\$
Cash and Short-Term Deposits	35,039	-	-	35,039
Trade and Other Receivables	304,754	-	-	304,754
Total Financial Assets 2020	339,793	-	-	339,793

7 Payables & Accruals	2021	2020
	\$	\$
Accounts Payable		
Sundry Creditors	24,287	32,900
Total Payables & Accruals	24,287	32,900

8 Provisions	2021	2020
	\$	\$
Aircraft Hire in Advance		
Opening Balance	3,505	7,280
Movement for period	313	(3,775)
Closing Balance	3,818	3,505
Deposits on Hangars		
Opening Balance	-	-
Movement for period	52,173	-
Closing Balance	52,173	-
Total Provisions	55,991	3,505

9 Other Current Liabilities	2021	2020
	\$	\$
Deferred Income Current Portion	8,700	8,700
Total Other Current Liabilities	8,700	8,700

10 Provisions	2021	2020
	\$	\$
Deferred Income		
Opening Balance	26,100	34,800
Movement for period	(8,700)	(8,700)
Closing Balance	17,400	26,100
Total Provisions	17,400	26,100

For the Year Ended 28 February 2021

11 Related Parties

There were no significant transactions or transactions that were on terms and conditions that are likely to be different from the terms and conditions of transactions in similar circumstances, involving related parties during the financial year (2020: Nil).

12 Capital Commitments

The society has no capital commitments as at 28 February 2021 (2020: Nil).

13 Contingent Liabilities

The society has no contingent liabilities and no guarantees as at 28 February 2021 (2020: Contingent Liabilities Nil, Guarantees Nil).

14 Events Occurring After Balance Date

No significant events have occurred subsequent to balance date.