

Hart & Associates Limited

Director ~ Philip Hart
Associate ~ Jody Grut



Mercury Bay Aero Club Auditors Report For the Year Ended 28th February 2017

Audit Report

To the members of the Mercury Bay Aero Club

We have audited the Financial Statements. The Financial Statements provide information about the past financial performance of the society and its financial position as at 28th February 2017. This information is stated in accordance with the accounting policies attached to the accounts.

The Executives Responsibilities

The Executive is responsible for the preparation of the financial report, which fairly reflects the financial position of the society as at 28th February 2017, and of the results of operations for the year ended on that date.

Auditor's Responsibilities

It is our responsibility to express an independent opinion on the financial report presented by the executive and to report our opinion to you.

Basis of Opinion

An audit includes examining on a test basis, evidence relevant to the amounts and disclosures in the financial report. It also includes assessing:

- . The significant estimates and judgments made by the executive in the preparation of the financial report; and
- . Whether the accounting policies are appropriate to the society's circumstances, consistently applied and adequately disclosed.

We conduct our audit in accordance with New Zealand auditing standards. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to obtain reasonable assurance that the financial report was free from material misstatements, whether caused by fraud or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial report.

Other than in our capacity as auditor we were engaged to format the statutory Financial Statements from the house General Ledger. We have no other relationship with or interests in the society. Hart & Associates Limited Director, Philip Hart, is an ordinary member of the club.

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Qualified Opinion

Limited control over revenues

In common with other organizations of a similar nature, control over the receipt of income from activities, prior to income being recorded is limited and there are no practical audit procedures to determine the effect of this limited control.

Casual invoiced landing fees

We have been unable to determine the collectability of landing fees already charged but unpaid, nor establish the level of landing fees yet to be charged. It is our opinion that the two discrepancies may well cancel each other out to an immaterial level therefore it is not proposed to make an adjustment in this year's accounts. It is recommended that the executive address both the policy and the methodology as a matter of urgency.

In all other respects we have obtained all the information and explanations that we have requires.

In our opinion:

Proper accounting records have been kept by Mercury Bay Aero Club, as far as appears from our examination of those records.

- . The Financial Statements;

- Comply with generally accepting accounting practice in New Zealand: and

- Give a true and fair view of the financial position of Mercury Bay Aero Club as at year-end, and the results of its operation for the year ended on that date.

Our audit was completed on 19th April 2017 and our qualified opinion is expressed as at that date.

If there is any further information you require, please do not hesitate to contact me.

Auditor:

Hart & Associates Limited

Huntly

19th April 2017

A handwritten signature in blue ink, appearing to be "J. Hart", with a long horizontal line extending to the right.