



**AIRCRAFT OWNERS AND PILOTS ASSOCIATION OF AUSTRALIA**

ABN 004 274 588 | Incorporated as a Company Limited by Guarantee | Est. 1949

## **2016 Audited Accounts**

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## DIRECTORS REPORT

Your directors present their report on the association for the financial year ended 31st December 2016.

### DIRECTORS

The names of the directors in office at any time during or since the end of the year are:

Marc de Stoop	(Originally appointed 14.11.13 & appointed as President on 30.05.15)
Spencer Ferrier	(Originally appointed 16.05.09 and appointed as Vice President on 30.05.16)
Tony Van Der Spek	(Originally appointed 22.05.10 and appointed as Treasurer 30.05.16)
Allan Bligh	(Originally appointed 23.11.09 and appointed as Secretary on 30.05.16)
Phillip Reiss	(Originally appointed 21.09.07)
Neil Rear	(Originally appointed 09.02.11)
Peter Holstein	(Originally appointed 12.01.10 and Resigned on 01.11.16)
Mark Smith	(Originally appointed 09.11.15)
Robert Liddell	(Originally appointed 30.05.15)
Bas Scheffers	(Originally appointed 30.05.16)
Benjamin Morgan	(Originally appointed 01.07.16)
Jeff Muller	(Originally appointed 16.10.08 and Resigned on 30.05.16)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

### COMPANY SECRETARY

Mr. Jeff Muller held the position of association secretary up until 30th May 2016 and Mr. Allan Bligh held the position of association secretary since 30<sup>th</sup> May of this financial year.

### PRINCIPAL ACTIVITIES

The principal activities of the Association are the promotion of flight and defending the right of its members to fly without unnecessary restrictions and costs.

### OPERATING RESULT

The operating profit of the company for the financial year amounted to \$ 85,602.

### REVIEW OF OPERATIONS

A review of the operations of the association during the financial year and the results of those operations are as follows:

There has been a decrease in the number of members.  
The net operating profit for the year ended 31st December 2016 to \$ 85,602.

### SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

No significant changes in the Association's state of affairs occurred during the financial year.

### AFTER BALANCE DAY EVENTS

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the association in future financial years.

## **FURTHER DEVELOPMENTS**

The association expects to maintain the present status and level of operations and hence there are no fundamental changes anticipated in the operations in future financial years.

## **DIVIDEND**

No dividends are payable.

## **DIRECTORS BENEFITS**

Neither since nor during the financial year has a director received or become entitled to receive a benefit by reason of a contract made with a director, a firm of which the director was a member, or an entity in which the director has a substantial financial interest, by the association or an entity that the association controlled, or a body corporate that was related to the association when the contract was made or when the director received or became entitled to receive a benefit.

## **INDEMNIFICATION AND INSURANCE OF OFFICERS**

In accordance with clause 57 of the Articles of Association of the company and to the extent permitted by law, the association indemnifies every person who is an officer and auditor of the association against any liability incurred by that person.

## **PROCEEDINGS ON BEHALF OF THE ASSOCIATION**

No person has applied for leave of court to bring proceedings on behalf of the association or intervene in any proceedings to which the association is a party for the purpose of taking responsibility on behalf of the association for all or any part of those proceedings.

The association was not a party to any such proceedings during the year.

## DIRECTORS PARTICULARS

### MARC DE STOOP

<b>QUALIFICATIONS</b>	BE(Hon)
<b>EXPERIENCE</b>	Director of Axis Flight Training School and Combined Aviation, Services (CAS) Flight College from 1989 until 2003. (CAS bought AFTS), Director of Resijet Pty Ltd, Founder & Director - Climatech Pty Ltd, a leading Mechanical Services Company
<b>RESPONSIBILITIES</b>	Director and President of the Board.

### SPENCER FERRIER

<b>QUALIFICATIONS</b>	PPL, MECIR, LLB (Syd)
<b>EXPERIENCE</b>	Practicing Solicitor, Business Proprietor
<b>RESPONSIBILITIES</b>	Director and Vice President of the Board.

### TONY VAN DER SPEK

<b>QUALIFICATIONS</b>	ME/CIR, CASA DAME
<b>EXPERIENCE</b>	Just over 35 years of Flying experience and an aircraft owner, General Practitioner in Victoria.
<b>RESPONSIBILITIES</b>	Director and Treasurer of the Association.

### ALLAN BLIGH

<b>QUALIFICATIONS</b>	CPL, IFR
<b>EXPERIENCE</b>	Represented some of the biggest General Aviation aircraft companies in the world, Australia wide. Allan specialised in Sales and technical support. Over 40 years in the aviation business.
<b>RESPONSIBILITIES</b>	Director and Secretary of the Association.

## **PHILLIP REISS**

<b>QUALIFICATIONS</b>	Australian ATPL, USA ATPL, MECIR, Business Management, Company Director, CEO Investment Company.
<b>EXPERIENCE</b>	Corporate Chief Pilot/Director Aviation 30 years, Marketing sales Manager 2 years, Instructing/Charter 3 years Turbine Aircraft operated – Learjet, Hawker 700, Challenger 601, Boeing 727, King Air B90.
<b>RESPONSIBILITIES</b>	Director and Past President of the Board.

## **JEFF MULLER**

<b>QUALIFICATIONS</b>	PPL, ME, PIFR, BAgSc
<b>EXPERIENCE</b>	Warbird Owner, Business Proprietor.
<b>RESPONSIBILITIES</b>	Director.

## **NEIL REAR**

<b>QUALIFICATIONS</b>	CPL, ME/CIR and a grade two instructor rating
<b>EXPERIENCE</b>	Just over 45 years of flying experience and aircraft owner. Also an active company director.
<b>RESPONSIBILITIES</b>	Director.

## **PETER HOLSTEIN**

<b>QUALIFICATIONS</b>	CPL(H) AND (A). CEO and Chief Pilot for Aerowasp.
<b>EXPERIENCE</b>	Over 9,000 hours in fixed wing and rotary wing aircraft
<b>RESPONSIBILITIES</b>	Director.

## **ROBERT LIDDELL**

**QUALIFICATIONS** Medical practitioner, ATPL

**EXPERIENCE** Previous Director Aviation Medicine CASA (1988-96), Previous RFDS Medical Director, Flying professionally and recreationally, Medical director Health Watch Clinics and Medical Air.

**RESPONSIBILITIES** Director.

## **MARK SMITH**

**QUALIFICATIONS** CPL, MECIR. Pilot for 32 years

**EXPERIENCE** Magazine Editor/Photographer. Owner Mark Smith Photography.

**RESPONSIBILITIES** Director.

## **BAS SCHEFFERS**

**QUALIFICATIONS** PPL

**EXPERIENCE** Co-Founder and Director of OzRunways EFB

**RESPONSIBILITIES** Director.

## **BENJAMIN MORGAN**

**QUALIFICATIONS** GFPT, GFA Certificate, HGFA Certificate

**EXPERIENCE** 15 years general aviation business experience. Founder and CEO of Aviation Advertiser –aircraft sales and marketing.

**RESPONSIBILITIES** Executive Director.

## DIRECTORS MEETING ATTENDANCE

				Directors Meetings	
Name	Position	Date Appointed	Date Resigned	Number Eligible to Attend	Number Attended
Marc de Stoop	President	14.11.13	N/a	5	5
Spencer Ferrier	Vice President	16.05.09	N/a	5	5
Tony Van Der Spek	Treasurer	22.05.10	N/a	5	3
Allan Bligh	Secretary	23.11.09	N/a	5	5
Phillip Reiss	Director	21.09.07	N/a	5	5
Neil Rear	Director	09.02.11	N/a	1	1
Peter Holstein	Director	12.01.10	01.11.16	5	2
Mark Smith	Director	09.11.15	N/a	5	5
Robert Liddell	Director	30.05.15	N/a	5	1
Bas Scheffers	Director	30.05.16	N/a	5	4
Benjamin Morgan	Director	01.07.16	N/a	5	5
Jeff Muller	Director	16.10.08	30.05.16	5	0



# AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under Section 308C of the Corporations Act 2001 is set out on page 7.

Signed in accordance with a resolution of the Board of Directors:

Dated this

day of

2017



Director

MARL DESTOOP.



Director

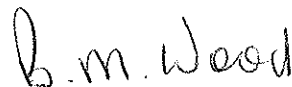
Barbara Horwood

## AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 308C OF THE CORPORATIONS ACT 2001

I declare that, to the best of my knowledge and belief, during the year ended 31st December 2016 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the auditor; and
- (ii) no contravention of any applicable code of professional conduct in relation to the audit.

SYDNEY, 9TH MAY 2017



BRUCE WOOD FCA  
Registered Company Auditor  
497 Avro Street  
BANKSTOWN AIRPORT NSW 2200

## STATEMENT OF FINANCIAL PERFORMANCE FOR YEAR ENDED 31 DECEMBER 2016

	Note	2016	2015
		\$	\$
Operating Profit/(Loss) before Income Tax		85,602	66,401
Income Tax attributable to Operating Profit		-	-
<b>Operating Profit after Income Tax</b>		85,602	66,401
Retained Surplus at the beginning of the financial year		83,462	17,061
<b>Retained Surplus at the end of the financial year</b>		169,064	83,462

## STATEMENT OF FINANCIAL POSITION FOR YEAR ENDED 31 DECEMBER 2016

	Note	2016 \$	2015 \$
<b>Current Assets</b>			
Cash	2	188,802	154,037
Receivables	3	80,792	14,415
Deposit Bond & Others		2,766	2,766
Prepayments		5,475	-
Inventory		12,517	9,814
<b>Total Current Assets</b>		290,352	181,032
<b>Non-Current Assets</b>			
Plant & Office Equipment	4	3,527	7,404
<b>Total Non-Current Assets</b>		3,527	7,404
<b>Total Assets</b>		293,879	188,436
<b>Current Liabilities</b>			
Creditors and Accrual	5	106,620	84,026
Provision of Employee Entitlements		9,104	11,857
CASA Sponsorship		9,091	9,091
<b>Total Current Liabilities</b>		124,815	104,974
<b>Total Liabilities</b>		124,815	104,974
<b>Net Asset</b>		169,064	83,462
<b>Members' Equity</b>			
Retained Surplus	1a 1	169,064	83,462
<b>Total Member's Funds</b>		169,064	83,462

## STATEMENT OF CASH FLOWS FOR YEAR ENDED 31 DECEMBER 2016

	Note	2016 \$	2015 \$
<b>Cash Flow from Operating Activities</b>			
Receipts from Customers		295,979	305,707
Receipts from Membership Income		149,219	154,170
Payments to Suppliers and Members		(410,647)	(382,695)
Interest received		214	115
<b>Net cash provided by (used in) operating activities</b>	<b>8</b>	<b>34,765</b>	<b>77,297</b>
<b>Cash Flow from Financing Activities</b>			
Purchase of Non-current assets		-	(4,122)
<b>Net cash (used in) financing activities</b>		<b>-</b>	<b>(4,122)</b>
<b>Net increase in cash held</b>		<b>34,765</b>	<b>73,175</b>
Cash at beginning of the year		154,037	80,862
<b>Cash at the end of the year</b>	<b>7</b>	<b>188,802</b>	<b>154,037</b>

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

## NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a special purpose financial report in order to satisfy the financial report preparation requirements of the Corporations Act 2001. The directors have determined that the association is not a reporting entity.

The financial report covers Aircraft Owners and Pilots Association of Australia, a company limited by guarantee incorporated in Victoria.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets.

The following is a summary of the material accounting policies adopted by the association in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

### Member's Equity

The company is limited by guarantee and as such no shares are issued. If the company is wound up, the articles of association does not provide for any amounts to be guaranteed by members. At 31st December 2016 the number of members was 2,487 (2015: 2,508).

### Property, Plant and Equipment

Each class of property, plant and equipment is carried at a cost or fair value less, where applicable, any accumulated depreciation.

The carrying amount of property, plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated over their estimated useful lives to the association commencing from the time the asset is held ready for use. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

### Revenue

Revenue from memberships is recognised on a cash received basis.

Revenue from advertising is recognised on the delivery of service to the customer.

Revenue from donations is recognised on a cash received basis.

### Inventory

Inventories are valued at the lower of cost and net realisable value.

### Income Tax

The association adopts the liability method of tax-effect accounting whereby the income tax expense shown in the income and expenditure statement is based on the operating surplus before income tax adjusted for any permanent discount.

Only non-member income of the association is assessable for tax as member income is excluded under the principle of mutuality. There was no provision for tax for the year as the association could claim deduction for the losses of the previous year.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
<b>NOTE 2 – CASH</b>		
Cash at Bank	187,919	153,154
Ron Bertram Memorial Fund – Bank Account	10	10
Petty Cash	873	873
	188,802	154,037
 <b>NOTE 3 – RECEIVABLES</b>		
Trade Debtors	82,292	15,915
Provision for Doubtful Debts	(1,500)	(1,500)
	80,792	14,415
 <b>NOTE 4 – PLANT &amp; OFFICE EQUIPMENT</b>		
Computers & Equipment at Costs	142,009	142,009
Less: Accumulated Depreciation	(138,482)	(134,605)
	3,527	7,404
 <b>NOTE 5 – CREDITORS &amp; ACCRUALS</b>		
Trade Creditors	41,007	18,327
Accruals	5,095	5,095
Payroll Liabilities	6,052	9,281
Other	43,231	40,088
Ron Bertram Memorial Fund	11,235	11,235
	106,620	84,026
 <b>NOTE 6 – AUDITORS REMUNERATION</b>		
Audit Fee – Bruce Wood	4,000	4,000
	4,000	4,000

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
<b>NOTE 7 - RECONCILIATION</b>		
<p>For the purpose of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.</p> <p>Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:</p>		
Cash at Bank	187,919	153,164
Petty Cash	873	873
	188,792	154,037

### NOTE 8 – RECONCILIATION OF CASH FLOWS FROM OPERATIONS WITH OPERATING PROFIT AFTER INCOME TAX

Operating Surplus after income tax	85,602	66,401
Non-Cash Flows in Operating Surplus / (Deficit)		
Depreciation	3,877	3,447
Changes in assets and liabilities		
Increase/(Decrease) in Creditors and Accruals	22,594	(10,191)
(Increase) in Assets	(2,703)	(851)
(Increase) in Prepayments	(5,475)	-
(Increase)/Decrease in Receivables	(66,377)	14,229
(Decrease)/Increase in Provisions	(2,753)	4,262
Cash flows (used in) from Operations	34,765	77,297



# DIRECTORS' DECLARATION

The directors of the association declare that:

1. The financial statement and notes set out on page 3 to 14:
  - a. comply with Accounting Standards and the Corporations Law; and
  - b. give true and fair view of the financial position as at 31 December 2016 and performance for the year ended on that date of the association.
2. In the directors' opinion there are reasonable grounds to believe that the association will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Dated this

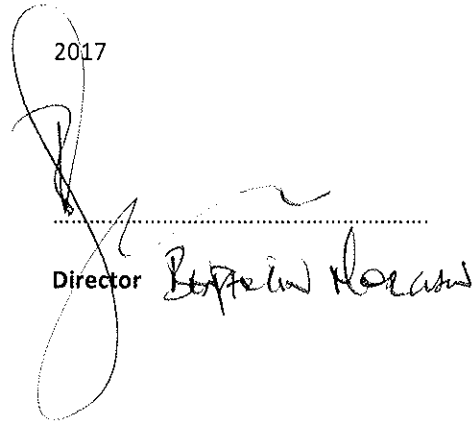
day of

2017



Director

MARK DE STOOP.



Director

STEPHEN HORAN

# INDEPENDENT AUDITOR'S REPORT

## Scope

I have audited the financial report of Aircraft Owners and Pilots Association of Australia for the financial year ended 31st December 2016 as set out on pages 3 to 14. The company's directors are responsible for the financial report and have determined that the accounting policies used in Note 1 to the financial statements which form part of the financial report are appropriate to meet the requirements of the Corporations Act 2001 and are appropriate to meet the needs of the members. I have conducted an independent audit of this financial report in order to express an opinion on it to the members of the Aircraft Owners and Pilots Association of Australia. No opinion is expressed as to whether the accounting policies used, and described in Note 1, are appropriate to the needs of the members.

The financial report has been prepared for distribution to members for the purpose of fulfilling the financial reporting requirements under the Corporations Act 2001. I disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

My audit has been conducted in accordance with Australian Auditing Standards. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial position, and performance presented by the results of its operations and cash flows. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia.

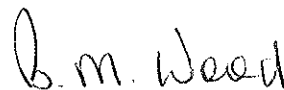
The audit opinion expressed in this report has been formed on the above basis.

## Audit Opinion

In my opinion the financial report of Aircraft Owners and Pilots Association of Australia is in accordance with:

- (a) the Corporations Act 2001, including:
  - (i) giving a true and fair view of the company's financial position as at 31st December 2016 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
  - (ii) complying with Accounting standards in Australia to the extent described in Note 1 and the Corporations Regulations 2001; and
- (b) other mandatory professional reporting requirements to the extent described in Note 1.

SYDNEY, 9TH MAY 2017




BRUCE WOOD FCA  
Registered Company Auditor  
497 Avro Street  
BANKSTOWN AIRPORT NSW 2200

## TRADING STATEMENT AND DETAILED PROFIT AND LOSS STATEMENT DISCLAIMER

The additional financial data presented in the following page is in accordance with the books and records of Aircraft Owners and Pilots Association of Australia ('My Client') which have been subjected to the auditing procedures applied in my statutory audit of the association for the year ended 31st December 2016. It will be appreciated that my statutory audit did not cover all details of the additional financial data. Accordingly, I do not express an opinion on such financial data and no warranty of accuracy or reliability is given. Neither myself nor any other member or employee of my firm undertakes responsibilities in any way whatsoever to any person (other than my client) in respect of such data, including any errors or omissions therein however caused.

SYDNEY, 9th MAY 2017



BRUCE WOOD FCA  
Registered Company Auditor  
497 Avro Street  
BANKSTOWN AIRPORT NSW 2200

## TRADING STATEMENT AND DETAILED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016	2015
		\$	\$
<b>OPERATING INCOME</b>			
Membership Income		295,979	305,707
Magazine Advertising Income		52,526	63,545
Airfield Directory Income		60,809	70,036
AOPA Goods Income		-	27
Commission Received		-	145
Donations Received		30,010	-
Sponsorship Received		-	14,091
Interest Received		214	115
Other Income		5,874	6,326
<b>TOTAL OPERATING INCOME</b>		<b>445,412</b>	<b>459,992</b>
<b>COST OF SALES</b>			
Airfield Directory Costs		(2,726)	(836)
Magazine Costs		165,254	194,549
<b>TOTAL COST OF SALES</b>		<b>162,528</b>	<b>193,713</b>
<b>OTHER EXPENSES</b>			
Accounting fees		15,600	15,600
Advertising and promotion		-	750
Airshow costs		-	12,342
Audit fees	6	4,000	4,000
Bank charges		3,410	3,697
Cleaning		4,162	4,219

## TRADING STATEMENT AND DETAILED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2016 (Cont)

	Note	2016	2015
		\$	\$
<b>OTHER EXPENSES (con't)</b>			
Committee Expenses		8,145	4,976
Computer Software & Supplies		159	2,291
Conferences & Seminars		3,354	4,781
Corporate Body Expenses		823	98
Depreciation		3,877	3,447
Hire of Plant		6,544	6,544
Insurance		5,577	4,049
Membership & Subscriptions		868	1,377
Postage		5,712	5,676
Printing & Stationery		4,705	3,344
Provision for Employee Entitlements		(2,753)	4,262
Rent		20,000	19,917
Repairs & Maintenance		10,270	5,986
Stock Adjustment		23	(15)
Sundry Expenses		-	29
Superannuation		2,203	3,435
Telephone		3,703	3,797
Travel – Executive Director		4,063	-
Wages & Salaries		92,425	84,928
Worker Compensation Insurance		412	348
<b>TOTAL OTHER EXPENSES</b>		<b>197,282</b>	<b>199,878</b>
<b>OPERATING PROFIT</b>		<b>85,602</b>	<b>66,401</b>

## STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 31 DECEMBER 2016

	\$
<b>Balance at 1 January 2015</b>	17,061
Profit attributable to members	66,401
<b>Balance at 31 December 2015</b>	<u>83,462</u>
<b>Balance at 1 January 2016</b>	83,462
Profit attributable to equity shareholders	85,602
<b>Balance at 31 December 2016</b>	<u>169,064</u>