



AIRCRAFT OWNERS AND PILOTS ASSOCIATION OF AUSTRALIA
ABN 004 274 588 | Incorporated as a Company Limited by Guarantee | Est. 1949

2017 Audited Accounts

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DIRECTORS REPORT

Your directors present their report on the association for the financial year ended 31st December 2017.

DIRECTORS

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

Mr Marc De Stoop	(Originally appointed 14.11.13 & appointed resident on 30.5.15)
Mr Perry McNeil	(Originally appointed 22.08.17 & appointed Vice President on 11.12.17)
Dr Tony Van Der Spek	(Originally appointed 22.05.10 & appointed Vice President on 30.05.16)
Mr Dominic James	(Originally appointed 27.05.17 & appointed Secretary 27.05.17)
Ms Aminta Hennessy	(Originally appointed 27.05.17 & appointed Vice President on 11.12.17)
Mr John Glynn	(Originally appointed 27.05.17)
Mr Michael Smith	(Originally appointed 27.05.17)
Mr Benjamin Morgan	(Originally appointed 01.07.16 & appointed Executive Director on 01.07.16)
Mr Phillip Reiss	(Originally appointed 21.09.07 & resigned 21.06.17)
Mr Spencer Ferrier	(Originally appointed 16.05.09 & resigned 05.06.17)
Mr Phil Yates	(Originally appointed 27.05.17 & appointed Vice President 27.05.17 & resigned 03.11.17)

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

COMPANY SECRETARY

Mr Phillip Reiss held the position of association secretary up until 21.06.17 and Mr Dominic James held the position of association secretary since 21.06.17 of this financial year.

PRINCIPAL ACTIVITIES

The principal activities of the Association are the promotion of Australian general aviation 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 \$ 8,906.

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 an increase in the number of members, as at 31st December 2017 the number of members is 2,726, up from 2016 at 2,487.

The net operating profit for the year ended 31st December 2017 to \$ 8,906.

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

QUALIFICATIONS	BE(Hon)
EXPERIENCE	Director of Axis Flight Training School and Combined Aviation Services (CAS) Flight College from 1989 until 2003. (CAS bought AFTS), Director of FalconAir, Founder & Director – Climatech Pty Ltd, a leading Mechanical Services Company. Aircraft owner.
RESPONSIBILITIES	Director and President of the Board

SPENCER FERRIER

QUALIFICATIONS	PPL, MECIR, LLB (SYD)
EXPERIENCE	Practicing Solicitor & Business Proprietor
RESPONSIBILITIES	Director

TONY VAN DER SPEK

QUALIFICATIONS	ME/CIR, CASA DAME
EXPERIENCE	Just over 35 years of flying experience, General Practitioner in Victoria and aircraft owner – Piper Twin Comanche
RESPONSIBILITIES	Director, Vice President and Treasurer

PHILLIP REISS

QUALIFICATIONS	Australian ATPL, USA ATPL, MECIR, Business Management, Company Director & CEO Investment Company
EXPERIENCE	Corporate Chief Pilot/Director Aviation 30 years, Marketing Sales Manager 2 years, Instructor/Charter 3 years Turbine Aircraft operated – Learjet, Hawker 700, Challenger 601, Boeing 727, King Air B90. Aircraft owner – Piper Twin Comanche
RESPONSIBILITIES	Director and Secretary

DIRECTORS PARTICULARS (Cont.)

BENJAMIN MORGAN

QUALIFICATIONS	RPL, GFA Certificate, HGFA Certificate
EXPERIENCE	10 years retail business experience, 15 years general aviation business experience, Founder and CEO of Aviation Advertiser, Aircraft owner – E33C Aerobatic Bonanza
RESPONSIBILITIES	Director and Executive Director

AMINTA HENNESSY OAM

QUALIFICATIONS	ATPL, CPL & PPL
EXPERIENCE	ATPL & CPL since 1980. Co-founder and Chief Pilot of Clamback & Hennessy – Since 1985. Experienced Non-Executive Director of various boards. Aircraft owner – Piper, Beech and Cessna.
RESPONSIBILITIES	Director and Vice President

DOMINC JAMES

QUALIFICATIONS	BSC (AVI), ATPL, CPL(h), PPL, UAV Certificate
EXPERIENCE	Commenced flying in 1994. Completed an Aviation Science degree at University of Newcastle.
RESPONSIBILITIES	Director and Secretary

JOHN GLYNN

QUALIFICATIONS	DIP LAW, SAB
EXPERIENCE	Founder and Legal Practitioner Director, Partner and Lawyer. Specialist in Aviation Law. PPL held since 1980. Aircraft Owner – Cirrus SR20.
RESPONSIBILITIES	Director

DIRECTORS PARTICULARS (Cont.)

MIKE SMITH

QUALIFICATIONS	US Single/Multi ATPL, US Flight Instructor Single/Multi, US Instrument Instructor, US A&P Certificate, US IA Certificate and US Part 107 Remote Pilot Certificate. Australian CPL, MECIR, Grade 2 Instructor & LAME and aircraft owner.
EXPERIENCE	Flight school owner/operator, aircraft maintenance business owner/operator.
RESPONSIBILITIES	Director

PHIL YATES

QUALIFICATIONS	ATPL
EXPERIENCE	Former airline pilot and general aviation industry participant.
RESPONSIBILITIES	Director and Vice President

PERRY MCNEIL

QUALIFICATIONS	ATPL, MEd, BAvn, GDLT, Assoc. Deg in AVET
EXPERIENCE	QANTAS B747 Captain, General aviation business owner/operator. Former National Council Member of the SAAA. Aircraft owner – Vans RV8S
RESPONSIBILITIES	Director and Vice President

DIRECTORS MEETING ATTENDANCE

Name	Position	Date Appointed	Date Resigned	Directors Meetings	
				Number Eligible to Attend	Number Attended
Marc de Stoop	President	14.11.13	-	5	5
Aminta Hennessy	Vice President	27.05.17	-	5	5
Tony Van Der Spek	Treasurer	22.05.10	-	5	5
Dominc James	Secretary	27.05.17	-	5	5
John Glynn	Director	27.05.17	-	5	5
Benjamin Morgan	Director	01.07.16	-	5	5
Mike Smith	Director	27.05.17	-	5	3
Perry McNeil	Vice President	22.08.17	26.05.17	5	5
Phil Yates	Vice President	27.05.17	03.11.17	5	3
Spencer Ferrier	Vice President	16.05.09	05.06.17	5	2
Phillip Reiss	Director	21.09.07	21.06.17	5	2

AUDITOR'S INDEPENDENCE DECLARATION – DIRECTORS

A copy of the auditor's independence declaration as required under Section 308C of the Corporations Act 2001 is set out on page 9.

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



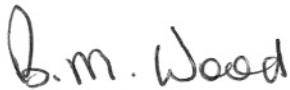
MARC DE STOOP AMINTA HENNESSY

Dated this 23RD day of MAY 2018

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 2017 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.



Bruce M. Wood
Registered Company Auditor
497 Avro Street
BANKSTOWN AIRPORT NSW 2200

23rd MAY 2018

**STATEMENT OF FINANCIAL PERFORMANCE
FOR YEAR ENDED 31 DECEMBER 2017**

	Note	2017	2016
		\$	\$
Operating Profit/(Loss) before Income Tax		8,906	85,602
Income Tax attributable to Operating Profit		-	-
Operating Profit after Income Tax		<u>8,906</u>	<u>85,602</u>
Retained Surplus at the beginning of the financial year		169,064	83,462
Prior Year Adjustment		7,658	-
Retained Surplus at the end of the financial year		<u><u>185,628</u></u>	<u><u>169,064</u></u>

**STATEMENT OF FINANCIAL POSITION
FOR YEAR ENDED 31 DECEMBER 2017**

	Note	2017 \$	2016 \$
Current Assets			
Cash	2	105,781	188,802
Receivables	3	42,347	80,792
Deposit Bond & Others		8,851	2,766
Prepayments		5,475	5,475
Inventory		5,058	12,517
Total Current Assets		<u>167,512</u>	<u>290,352</u>
Non-Current Assets			
Plant & Office Equipment and Bus	4	<u>75,096</u>	<u>3,527</u>
Total Non-Current Assets		<u>75,096</u>	<u>3,527</u>
Total Assets		<u>242,608</u>	<u>293,879</u>
Current Liabilities			
Creditors and Accrual	5	55,100	106,620
Provision of Employee Entitlements		1,880	9,104
CASA Sponsorship		-	9,091
Total Current Liabilities		<u>56,980</u>	<u>124,815</u>
Total Liabilities		<u>56,980</u>	<u>124,815</u>
Net Asset		<u>185,628</u>	<u>169,064</u>
Members' Equity			
Retained Surplus	1a 1	<u>185,628</u>	<u>169,064</u>
Total Member's Funds		<u>185,628</u>	<u>169,064</u>

**STATEMENT OF CASH FLOWS
FOR YEAR ENDED 31 DECEMBER 2017**

	Note	2017 \$	2016 \$
Cash Flow from Operating Activities			
Receipts from Customers		310,908	295,979
Receipts from Membership Income		137,330	149,219
Payments to Suppliers and Members		(454,806)	(410,647)
Interest received		179	214
Net cash provided by (used in) operating activities	8	(6,389)	34,765
Cash Flow from Financing Activities			
Purchase of Non-current assets		(76,632)	-
Net cash (used in) financing activities		(76,632)	-
Net (decrease) / increase in cash held		(83,021)	34,765
Cash at beginning of the year		188,802	154,037
Cash at the end of the year	7	105,781	188,802

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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 2017 the number of members was 2,726 (2016: 2,487)

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 2017**

	2017	2016
NOTE 2 – CASH		
Cash at Bank	104,898	187,919
Ron Bertram Memorial Fund – Bank Account	10	10
Petty Cash	873	873
	<u>105,781</u>	<u>188,802</u>
NOTE 3 – RECEIVABLES		
Trade Debtors	43,847	82,292
Provision for Doubtful Debts	(1,500)	(1,500)
	<u>42,347</u>	<u>80,792</u>
NOTE 4 – PLANT & OFFICE EQUIPMENT AND BUS		
Computers & Equipment at Costs	156,390	142,009
Less: Accumulated Depreciation	(141,897)	(138,482)
	<u>14,493</u>	<u>3,527</u>
Airshow Equipment at Costs	6,481	-
Less: Accumulated Depreciation	(395)	-
	<u>6,086</u>	-
Airshow – MV Bus Members Coach at Costs	55,770	-
Less: Accumulated Depreciation	(1,253)	-
	<u>54,517</u>	-
Total Plant & Office Equipment and Bus	<u>75,096</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

	2017	2016
NOTE 5 – CREDITORS & ACCRUALS		
Trade Creditors	30,153	41,007
Accruals	12,795	5,095
Payroll Liabilities	3,601	6,052
Other	(2,684)	43,231
Ron Bertram Memorial Fund	11,235	11,235
	<u>55,100</u>	<u>106,620</u>
NOTE 6 – AUDITORS REMUNERATION		
Audit Fee – Bruce Wood	3,000	4,000
	<u>3,000</u>	<u>4,000</u>

NOTE 7 - RECONCILIATION

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.

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:

Cash at Bank	104,908	187,929
Petty Cash	873	873
	<u>105,781</u>	<u>188,802</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

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

Operating Surplus after income tax	8,906	85,602
Non-Cash Flows in Operating Surplus / (Deficit)		
Depreciation	5,064	3,877
Prior Year Adjustment	7,658	-
Changes in assets and liabilities		
(Decrease)/Increase in Creditors and Accruals	(60,612)	22,594
Decrease/(Increase) in Assets	1,374	(2,703)
(Increase) in Prepayments	-	(5,475)
Decrease/(Increase) in Receivables	38,445	(66,377)
(Decrease)/Increase in Provisions	(7,224)	(2,753)
Cash flows (used in) from Operations	<u>(6,389)</u>	<u>34,765</u>

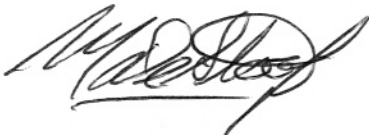
DIRECTORS' DECLARATION

The directors of the association declare that:

1. The financial statement and notes set out on page 3 to 16:
 - a. comply with Accounting Standards and the Corporations Law; and
 - b. give true and fair view of the financial position as at 31 December 2017 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.

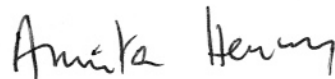
This declaration is made in accordance with a resolution of the Board of Directors.

Dated this 23rd day of May 2018



MARK DE STEOP

Director



AMINTA HENNESSY

Director

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 2017 as set out on pages 3 to 16. 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.

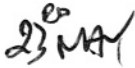
My audit has been conducted in accordance with Australian Auditing Standards. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of significant accounting estimates. These procedures have been undertaken 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.

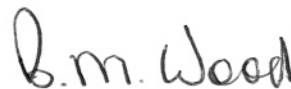
The audit opinion expressed in this report has been formed on the above basis.

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 2017 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,  23 MAY 2018



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 2017. 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, 23RD MAY 2018

B. M. Wood

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 2017**

	Note	2017 \$	2016 \$
OPERATING INCOME			
Membership Income		310,908	295,979
Magazine Advertising Income		28,144	52,526
Airfield Directory Income		55,702	60,809
AOPA Goods Income		614	-
Airshow Income		2,210	-
Donations Received		-	30,010
Sponsorship Received		44,942	-
Interest Received		179	214
Other Income		5,718	5,874
TOTAL OPERATING INCOME		448,417	445,412
COST OF SALES			
Airfield Directory Costs		7,401	(2,726)
Magazine Costs		163,996	165,254
TOTAL COST OF SALES		171,397	162,528
OTHER EXPENSES			
Accounting fees		11,254	15,600
Advertising and promotion		786	-
Airshow costs		30,091	-
Audit fees	6	3,000	4,000
Bank charges		4,771	3,410
Cleaning		2,122	4,162

**TRADING STATEMENT AND DETAILED PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017	2016
		\$	\$
OTHER EXPENSES (con't)			
Committee Expenses		-	8,145
Computer Software & Supplies		1,682	159
Conferences & Seminars		1,473	3,354
Corporate Body Expenses		641	823
Depreciation		5,064	3,877
Hire of Plant		7,707	6,544
Insurance		5,531	5,577
Membership & Subscriptions		3,454	868
Members Coach Bus Expenses		13,782	-
Postage		6,298	5,712
Printing & Stationery		5,876	4,705
Provision for Employee Entitlements		(7,224)	(2,753)
Rent		26,279	20,000
Repairs & Maintenance		9,164	10,270
Stock Adjustment		7,063	23
Sundry Expenses		3,329	-
Superannuation		2,049	2,203
Telephone		5,393	3,703
Travel – Executive Director		1,660	4,063
Wages & Salaries		116,591	92,425
Worker Compensation Insurance		278	412
TOTAL OTHER EXPENSES		268,114	197,282
OPERATING PROFIT		8,906	85,602

**STATEMENT OF CHANGES IN EQUITY
FOR YEAR ENDED 31 DECEMBER 2017**

	\$
Balance at 1 January 2016	83,462
Profit attributable to members	85,602
Balance at 31 December 2016	<u>169,064</u>
Balance at 1 January 2017	169,064
Profit attributable to equity shareholders	8,906
Prior Year Adjustment	7,658
Balance at 31 December 2017	<u>185,628</u>