



MODEL AERONAUTICAL ASSOCIATION OF AUSTRALIA



# ANNUAL REPORT 2015



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## MAAA EXECUTIVE

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# PRESIDENT'S REPORT



It is with pleasure that I present my report to the 2015 MAAA Council.

The 2014 – 2015 year has been a very busy year for both the Secretary and I however, I must admit that in taking on the position I underestimated the amount of time I would need to invest. Much of the work has generated out of our Strategic Planning Process and the remainder from ongoing day to day issues.

As we all know, one email from a member or Government agency can result in two or three hours research. I started off the year by recording the amount of time dedicated to MAAA issues but this eventually went by the wayside partly due to my forgetfulness and partly due to the fact many phone calls and emails were received away from my recording point.

In the following paragraphs I will address issues the Executive have dealt with during the 2014/15 financial year.

## Future Direction MAAA – Strategy

The Future Direction Strategy was revisited by the Executive early in the year and priority issues were identified, some of these being the review of our management structure, an improved communication process, the service delivery to members and education programs. All have been addressed and progress has been made in most of the areas. Education and the encouragement of younger members is our biggest challenge however with the introduction of easier to fly models, the proliferation of multi rotors and FPV challenges we have an opportunity to move forward. We must embrace these new innovations and

welcome them into our fold to ensure the safety of all.

## Civil Aviation Safety Authority (CASA)

A number of face to face meetings with CASA were conducted in Canberra and Brisbane.

These meeting related to model aircraft operations and proposed regulation and administrative changes.

## Part 101

A successful meeting was held in Canberra in respect to the rewrite of Part 101, the regulations governing the flying of model aircraft. This meeting was initiated by CASA who are aware many of the regulations do not suit current model aircraft activities. The MAAA and CASA recognise regulations must be changed to ensure future aeromodelling activities are embraced and are safe for all.

From the outset, the MAAA position was and still is any changes should not further restrict club/members' activities. The MAAA stressed and CASA recognised members flying under the MAAA banner at Club fields do so in a controlled documented safe environment and these activities should not be restricted any more than is necessary within those confines.

We also approached the meeting with the view that as the MAAA is the Recognised Aviation Administrative Organisation (RAAO) for model aircraft, we should be allowed to self-administer as much as we are legally entitled to do. Several activities now performed by CASA can quite safely be performed by the MAAA which in turn will provide more timely advice to members; this point was stressed to the CASA review members who agreed with our position.

It is also recognised the purchase and flying of model aircraft is becoming far easier and cheaper; many who are not members of the MAAA are taking up the hobby. These models are not being flown under the same conditions as those at MAAA clubs and regulations may have to be changed to ensure the safety and rights of the general public. The MAAA put forward a number of proposals which will be considered by CASA when framing future regulations.

I believe this meeting was a success and if all that was discussed is considered and taken on board we can continue our activities without unnecessary and knee jerk changes to our current operations.

## ASAC (Air Sport Australia Confederation)

Several meetings were held by the ASAC Committee throughout the year. Initially I held reservations as to our association with ASAC however I am convinced now that the MAAA should remain a member and be the sole representative for aeromodelling air sports on this committee. ASAC recently changed its name from Australian Sports Aviation Confederation to Air Sport Australia Confederation. The name change reflects more closely ASAC activities.

Through our association with ASAC I was able to attend Canberra and speak to the adviser to the Minister for Aviation, Hon. Warren Truss. During this meeting, I had the opportunity to provide information in respect to the MAAA, what we stand for, our relationship with CASA and other current issues affecting aeromodelling. This meeting was very productive and beneficial to both the Minister and the MAAA.

# PRESIDENT'S REPORT CONTINUED...



Through our membership with ASAC, aeromodelling has finally been recognised as a sport. Membership of the MAAA and ASAC is a condition of this recognition. By achieving this goal, MAAA member clubs are now able to apply for government assistance through sporting loans. One club has already obtained a sporting grant from their local Council. This club had applied previously for the grant but had been refused on the grounds aeromodelling was not a recognised sport.

I congratulate both Past President Mike Close and Secretary Kevin Dodd on this achievement.

## Membership System implementation

The computerized membership system was introduced at the beginning of the 2014 – 2015 financial year and I am pleased to say was done so with very few problems. Most organisations, clubs and ordinary members embraced the system. Most found it to be a user friendly, time saving system. All queries were efficiently handled by both the Secretary and Roger Carrig.

## Club Grants

The inaugural round of the Club Assistance Scheme commenced in early 2014, a total of 17 clubs applied for financial assistance. As this was the first allocation, the Executive agreed to try to satisfy all applications. In all

a total of \$80,000 was distributed throughout Australia.

This money was gratefully received and many clubs took the time to thank the MAAA for the assistance; items such as lawn mowers, shade facilities, security storage and club amenities were purchased. All these acquisitions make attending the club facilities more enjoyable.

## 68th Nationals - Queensland

During April this year (2015) I attend the 68th Nationals held in and around Brisbane. Firstly I must congratulate all of those involved in organising the event. The professional manner in which the organisers went about their business was the key to success. All fields were immaculately presented and all events conducted without any major issues. The input from Sustainable Marketing helped to raise the awareness to the general public. Publicity included newspaper articles, television and radio interviews.

During the week I visited the Tingalpa, LARCS, Sunshine Coast and Graton fields. I was impressed by the enthusiasm, hospitality and friendship offered. The friendly manner in which this 68th Nationals was conducted is what the Nationals are all about.

## Marketing

The engagement of the marketing firm "Sustainable Marketing" has been a big step

forward. Our communications process with the general membership has been greatly enhanced and I feel sure the public profile of the MAAA has been increased. Over the past year we have seen the implementation of:

- A new website far surpassing what it replaced.
- The advancement into social media with the introduction of the MAAA Facebook.
- The professional production of 4 issues of our online magazine "Wingspan".
- The purchase of and distribution of MAAA Chuck Gliders. 10,000 were originally purchased in excess of 3,000 have already been distributed to clubs for promotional purposes.
- The purchase of MAAA promotional pens. These were recently purchased for the 68th nationals but are also to be used for other promotional activities.
- The promotion of the 68th Nationals to the general public.

Our Secretary Kevin Dodd has worked very closely with Sustainable Marketing personnel and has achieved a great deal. Kevin has learnt much in relation to marketing and I understand Sustainable Marketing has learnt much in relation to aeromodelling.

## Sandown

As a consequence of discussions with Mr. Stephen Green (RCM) and the MAAA Executive, the Executive agreed to conduct a public aeromodelling event at the Sandown Race



Course, Victoria in January 2015. This event was centred around large scale racing but with an added perspective of demonstrating all aspects of aeromodelling. The concept also included the promotion of other radio controlled activities.

Although not as financially successful as first thought, from a marketing perspective it was a success; what price do you put on publicizing the MAAA to over 3000 people and having it aired national television.

## Working Parties

Several working parties were established throughout the year and this process proved to be more efficient and productive than the previous process of sub committees. Results were obtained in a timely manner and the Executive were able to implement processes effectively.

Several questions were received from members relating to radio transmitter, receivers and installation processes. Each question was referred to the assigned working party who were able provide immediate answers.

An issue arose early relating to the compliance with CASR 101 by Free Flight members. A working party was established and meetings arranged in Brisbane with CASA. This meeting proved fruitful as members of the working group were able to

explain and demonstrate practical free flight operations. An acceptable compromise was developed between CASA and the Free Flight representatives. This compromise is now in the process of being implemented.

A Helicopter working group was established to receive feedback relating to F3N rules for a possible rule change in 2017.

A working group is to be established in respect to an issue raised by CASA in respect to FPV racing and the involvement of MAAA Clubs.

## Incident Investigations

Two investigations were carried out by the Executive in respect to alleged breaches of CASR 101 and MAAA MOPs. The results of both are currently being assessed by CASA.

## Challenges for 2015 – 2016

The new financial year commences in July and with it will come new challenges. I believe some of the major issues we will need to address are:

- A National Jamboree.
- The future and format of the Nationals.
- MAAA National Aeromodelling Day.
- The formulation and implementation of Education Strategies.
- Business Planning and Risk Assessments strategies.
- Further deliberations relating to CASR 101.

On behalf of the MAAA Council I thank the Secretary for his dedicated efforts throughout the year. Although the position is a salaried position, I know the untold amount of hours Kevin puts in to keep the organisation running efficiently. I believe the MAAA and members receive much more than we actually pay him to do. Kevin and the Executive have a sound working relationship which will continue into the future.

I thank all Council members and members of the Executive for their support over the past twelve months and hope that we can continue to work together to make this organisation greater than what it is today.

**J. Neil Tank**  
**President**

# SECRETARY'S REPORT



## Introduction

Led by the MAAA President, the Executive has successfully dealt with issues presented during the year in a totally professional, considered and impartial manner. In certain areas, what took enormous amounts of time to deal with in previous years; this year has been relatively quiet. When State Associations are proactive in communicating with their clubs and members and seek to achieve prompt solutions when situations arise, the Secretary's time is freed up for MAAA work.

## Management

Several changes have been made again this year to streamlining operations at the MAAA Secretary's Office. You will have noticed that the MAAA Executive minutes were reorganised, moving the financial reports into annexes at the end of the minutes. The large lists of inwards and outwards correspondence have been removed, due to the fact that nearly 100% of correspondence is email, and is already stored/noted, inward and outward electronically.

## Communication

The day-to-day management of the Association has been conducted largely by email, Skype, text and telephone. Minutes from the monthly MAAA Executive meetings are distributed electronically as are Conference Agendas and Minutes. DropBox is used to store large electronic files.

Currently, the monthly Executive meetings are conducted through HotAir Conferencing which gives the Executive full control over the meeting with regard to recordings and timing. This also allows easy and fast access arrangements to other teleconference meetings which arise. Field Purchase, Insurance meetings, CASA, Sandown event and Club training on the new membership system, have all been facilitated through teleconferencing.

## Activities

The new style of Life Member and Hall of Fame plaque, which are smaller in size but much more stylishly presented were produced and distributed in a timely manner to all recipients.

During the year, 10,000 ready to fly 'chuck gliders' were purchased for distribution to clubs requiring them for promotional purposes. Clubs can either sell the gliders as a way of raising club funds or they can give them away for promotion. To date, the gliders have proved to be popular, with over 3000 being distributed all around Australia. MAAA became involved with aiding the organisation of the 2015 Sandown Racing event in December 2014. Given the short time

available, and with the assistance of Sustainable Marketing, a very well run, family attractive day resulted. The MAAA stand was only one of the numerous display stands which were on show to the public on the day. Television coverage of the event was shown nationally and certainly promoted the sport to a wide audience.

During 2014 the MAAA President and Secretary attended a meeting with CASA in Canberra to review the CASR part 101 Regulations for model aircraft. MAAA were able to put numerous ideas and suggestions forward which were taken on board; and we will continue to be involved with the re-write of the regulations.

While in Canberra for the CASA meeting, the opportunity to meet with members from various clubs around Canberra was made available. Following a dinner, the MAAA President and Secretary fielded a host of general questions from the members and where possible, provided answers, or took the questions on notice to get back with the reply. The members showed their appreciation at the end of the night.

The MAAA Executive was invited to attend the opening of the VMAA Bairnsdale State field. Four members were able to attend the two day event, and meet the club members who have developed the site. From what was general farming land a year ago, the mostly retired members have created an impressive facility. A lot of work has obviously gone into the site and the members and their wives are to be congratulated for their fine effort. It is a facility that will be enjoyed for many years to come.

## Marketing and the MAAA Web Site

Resulting from the Strategic Plan, Sustainable Marketing was engaged to assist MAAA move forward with Public Relations and Marketing. This has continued into the second of the three years of contractual agreement. The first year saw the development of a new MAAA website with many features to assist clubs and members.

The introduction of 'Wingspan' and the subsequent editions is extremely popular both with members and the general public. The third edition of Wingspan received 145,000 hits, causing a temporary failure of the website due to not enough bandwidth. This has now been rectified by purchasing additional bandwidth and sharing a server with another company.

While the marketing plan for the first year was based around the internal workings of MAAA, Associations, Clubs and members, the second phase will see MAAA being promoted outside to the public. This was done with Sandown in January and the 68th Nationals held

in South East Queensland. Both these events received various types of media coverage, to the extent we have not experienced before. Since gaining Sports Recognition, a lot of new doors have opened, allowing MAAA, through marketing, to reach and display our sport to the public.

2016 Sandown is already on the drawing board for the 30-31 January and then we have the Control Line World Championships in Perth from the 9-13 May. Both these events will see a heavy input from marketing as will other events during the year.

A full marketing report will be delivered by the MAAA Secretary during the Conference.

## Insurance

The current broker, V Insurance Group, has given good service during the year and has responded promptly to questions and requests for information from the Secretary. As part of their service, the Summary of Insurance Cover 2014/15 brochure was produced, and this along with the Certificate of Currency, Letter of Confirmation and other MAAA Insurance Policies, was made available on the MAAA web site. The Letter of Confirmation is amended regularly during the year.

Details of all Insurance renewal covers for 2015/16 will be provided when received. (Insurance policy period is from 31 May 2014 to 31 May 2015) Full details and summary of incidents reported during the year and corrective outcomes can be viewed in the monthly MAAA Executive Meeting Minutes.

Summary of Incidents and Accidents Reported in the Period to March 30 2015		
Total No. 2014/15	Type of Model	Damage or Injury
1	Electric Multicopter	Personal Injury
6	I/C Fixed Wing	Personal Injury
3	Electric Fixed Wing	Personal Injury
2	I/C Fixed Wing	Vehicle Damage
2	Electric Fixed Wing	Vehicle Damage
1	Glider	Vehicle Damage
2	Nil - Injured at facility	Personal Injury
<b>Total 17</b>		

## Air Sports Australia Confederation (ASAC) – FAI Australian NAC

The FAI Database for participating members is now active, (see 2015 CIAM Report) and members competing in international competition must ensure their details are recorded on the data base. This is achieved by completing the FAI Database Form sent to all competitors, and returning the form to the Federal Secretary.

The details are entered on a draft database and forwarded to ASAC for uploading and approval on the FAI website.

This year ASAC was successful in gaining Sports Recognition for the Airsports Organisations which are members of ASAC. MAAA were pleased with this outcome to say the least, as it bought to a close a goal which has taken six years to achieve.

## Civil Aviation Safety Authority (CASA)

MAAA continues to maintain a good working relationship with the representatives in the Self-Administering Sport Aviation Organisations Section, as well as the CASA Management. Several meetings have been held during the year either in Canberra, Sydney or Brisbane to assist and clarify situations.

- Review of CASA Regulation Part 101
- Review of CASA Regulations (draft) Part 149
- CASA Safety Forum
- Free Flight Operations in Australia

## World & Continental Championships

During 2014 Australia was represented in the following World Championships:

- F1D Indoor Free Flight (Romania)
- F2A,B,C & D Control Line (Poland)
- F3J Gliding (Slovakia)
- F4C Scale (France)
- F5B & D Electric Gliding and Pylon Racing (Austria)
- F1A,B & C Free Flight Asia Oceanic (Mongolia)
- F3A Aerobatics (Thailand)

The highlight of these events was the success of the Australian F4C team, placing second, with David Law earning third outright place in the event.

F5D Pylon Racing saw Beau Murphy placed third and Tyler Mees fourth and the team placing second.

F1 Free Flight AOC Phil Mitchel placed second in the F1A event.

IMAC 2014 World Championships, Muncie USA, Aaron Garle placed fourth in Unlimited and the team placing third.

Congratulations to everyone who competed.

## Nationals

A very successful 68th Nationals were run by MAAQ in South east Queensland. MAAA was not only the major sponsor but was able to provide assistance with a temporary fix to the Logan Control Line hard circle and support the goodies bag by way of chuck gliders and MAAA pens. Depending on future developments in the vicinity of the hard circle, an agreement was reached between the owners of the hard circle and MAAA, so that MAAA members can continue to use this facility on a monthly basis until it is not available.

Both the MAAA President and I visited the various disciplines being flown at the various sites. Despite the heavy rain experienced in the region a week prior to the event, it was pleasing to see that each club which hosted an event was able to overcome the wet conditions. It was extremely pleasing to watch the keen competitiveness taking place, even if it was slightly damp underfoot.

## Conclusion

In conclusion, I would like to thank the MAAA members, State Associations, State Secretaries and the members of the MAAA Executive for their cooperation and valued assistance during the year.

**Kevin Dodd**  
MAAA Secretary

# TREASURER'S REPORT



This is my fourth Report submitted to the MAAA Council and this year there have been significant changes.

This has been the second year we have invested in a Marketing program to assist us to expand the sport and to continue to improve our relationship with the Members.

The interest on the investments is down against the expected amounts due to the downward pressure on interest rates and the reduction in our cash held. There is no reason to be alarmed as the expenditure is very carefully controlled and our major expenses are seen as an investment into the future.

During the year we held a major promotion at the Sandown Racecourse in Melbourne. The event was a success with regards to our aim of promotion but did cost us as an association.

The Budgeted Fees should come in slightly under budget. The expenses will be over budget because of the inclusion of Sandown and Club Assistance totalling \$105,000. Deducting these expenses and the total will come in under Budget. A variation from the budget occurred as a result of expenses associated with Sandown. These items were not originally envisaged when preparing the budget.

We have active loans with Tingalpa Model Aero Club; Suncoast Aeromodellers; Kalamunda Aeronautical Model Society; Twin Cities Model Aero Club; Aeromodellers and Aviators; Southern Soaring League, Bainsdale and District; and Victorian Model Aeronautical Association and they all continue to be serviced satisfactorily. The balance of all loans is currently \$331,109.

The following is a projected surplus for the 2014/2015 financial year.

INCOME	\$625,278
EXPENDITURE	\$611,774
Surplus	\$13,504

The above income amount does not include interest on loans to various State Associations, or the Field and Insurance Levy Accounts. These amounts are applied directly to the relevant special purpose account and are not treated as General Income.

Again, I would like to take this opportunity to thank all Members of the Council and State Treasurers for their assistance.

**Brian Dowie**  
Treasurer

# MODEL AERONAUTICAL ASSOCIATION OF AUSTRALIA INC.

## FINANCIAL STATEMENTS & REPORTS FOR THE YEAR ENDED JUNE 30TH, 2015

### Model Aeronautical Association of Australia Inc.

#### Balance Sheet As at June 30th, 2015

	Note	2015	2014
<b>Current Assets</b>			
Cash	2	3,183,531.10	3,247,186.24
Receivables	3	185,712.02	87,968.38
Stock		39,412.92	19,950.53
<b>Total Current Assets</b>		<u>3,408,656.04</u>	<u>3,355,105.15</u>
<b>Loans and Investments</b>			
Loans to Associations etc.	4	296,457.13	223,962.81
Shares: Goulburn Valley Field		10,000.00	10,000.00
<b>Total Loans and Investments</b>		<u>306,457.13</u>	<u>233,962.81</u>
<b>Non Current Assets</b>			
Freehold Land	5	526,334.95	526,334.95
Property, Plant & Equipment	6	122.00	603.50
<b>Total Non Current Assets</b>		<u>526,456.95</u>	<u>526,938.45</u>
<b>Intangible Asset</b>			
Joint Venture Control Line Circle (Less Amortisation)	18	30,000.00	32,500.00
<b>Total Intangible Assets</b>		<u>30,000.00</u>	<u>32,500.00</u>
<b>Total Assets</b>		4,271,570.12	4,148,506.41
<b>Current Liabilities</b>			
Trade Creditors & Accruals	7	143,241.25	18,879.87
Provisions	8	98,990.55	107,933.77
<b>Total Current Liabilities</b>		<u>242,231.80</u>	<u>126,813.64</u>
<b>NETT ASSETS</b>		<u>4,029,338.32</u>	<u>4,021,692.77</u>
<b>Equity</b>			
Retained Earnings		4,029,338.32	3,995,142.77
Provisions Written Back		-	26,550.00
<b>Total Equity</b>		<u>4,029,338.32</u>	<u>4,021,692.77</u>

## Model Aeronautical Association of Australia Inc.

### Income & Expenditure Statement for Year Ending June 30th, 2015

	Notes	2015	2014
<b>Income</b>			
Affiliation Fees		549,847.98	555,877.93
Insurance Recoveries		-	1,363.62
Interest Received	<b>9</b>	99,698.40	102,854.48
Instructors Fees		272.70	372.72
CASA Subsidy		9,410.00	9,410.02
Sandown		38,413.92	-
Rent	<b>10</b>	546.03	496.53
Miscellaneous		1,052.56	3,155.45
		<hr/>	<hr/>
<b>Total Income</b>		699,241.59	673,530.75
<b>Less Expenses</b>			
Accounting and Audit Fee		5,250.00	5,000.00
Advertising and Promotions		11,851.18	5,991.23
Affiliation Fees - ASAC		32,818.20	32,818.20
Ammortisation of Control Line Circle	<b>18</b>	2,500.00	2,500.00
Bank Fees		58.75	56.52
CIAM Expenses		9,165.93	7,083.12
Club Assistance		46,589.21	78,453.00
Computer Expenses		16,521.36	19,159.13
Conference Expenses		28,364.48	60,003.39
Depreciation		481.50	552.50
Education Expenses	<b>11</b>	3,697.79	1,935.32
Event Sandown	<b>Note 1</b>	55,358.37	-
Field Development		50,000.00	-
International Visitors		-	3,000.00
Insurance (Public Liability and Workcover)	<b>12</b>	81,833.37	81,211.69
Insurance Excess		7,015.33	5,917.76
Internet and Web Site Expenses		1,126.31	942.04
Legal Expenses		2,744.00	2,743.91
Life and Merit Awards		1,293.25	3,490.60
Library, Museum and Storage		6,584.18	3,076.91
Marketing Expenses		72,794.48	49,260.17
Membership Expenses	<b>13</b>	7,169.00	4,588.92
Miscellaneous		833.30	2,988.22
National Grant		15,868.00	11,000.00
Office Expenses		3,985.03	1,130.06
Postage and Freight		4,296.39	1,878.22
President's Expenses	<b>14</b>	6,398.87	7,557.34
Property Expenses		1,373.95	909.09
Provision for Annual Leave and Long Service Leave	<b>15</b>	7,411.54	5,668.46
Salaries and Wages		75,417.00	71,333.37
Secretary Nationals/Worlds Expenses		-	2,493.76

Secretary Expenses		6,693.21	3,779.93
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	<b>Notes</b>	<b>2015</b>	<b>2014</b>
Superannuation		8,628.48	7,980.47
Telephone		1,009.11	1,111.38
Teleconferences	<b>16</b>	2,283.10	2,550.27
Training and Flight Proficiency	<b>17</b>	11,022.63	5,672.32
Treasurer's Honorarium		15,408.74	14,941.71
Uniforms		-	1,123.84
World Championship Team Support		<u>87,750.00</u>	<u>72,250.00</u>
Total Expenses		<u>691,596.04</u>	<u>582,152.85</u>
Surplus/(Deficiency)		7,645.55	91,377.90
Accumulated Funds at July 1st. 2014		<u>4,021,692.77</u>	<u>3,930,314.87</u>
Accumulated Funds at June 30th. 2015		<u><u>4,029,338.32</u></u>	<u><u>4,021,692.77</u></u>

Note 1 \$6,035 outstanding by Flyboys Publications

**Model Aeronautical Association of Australia Inc.**

**Income & Expenditure Statement  
for Year Ending June 30th, 2015**

	Notes	2015	2014
Superannuation		8,628.48	7,980.47
Telephone		1,009.11	1,111.38
Teleconferences	16	2,283.10	2,550.27
Training and Flight Proficiency	17	11,022.63	5,672.32
Treasurer's Honorarium		15,408.74	14,941.71
Uniforms		-	1,123.84
World Championship Team Support		<u>87,750.00</u>	<u>72,250.00</u>
Total Expenses		<u>691,596.04</u>	<u>582,152.85</u>
Surplus/(Deficiency)		7,645.55	91,377.90
Accumulated Funds at July 1st. 2014		<u>4,021,692.77</u>	<u>3,930,314.87</u>
Accumulated Funds at June 30th. 2015		<u><u>4,029,338.32</u></u>	<u><u>4,021,692.77</u></u>

**Model Aeronautical Association of Australia Inc.**

**Statement of Cashflows  
For the Reporting Period Ended June 30th. 2015**

**Payments**

Salaries and Honorarium	99,454.22
Conference Expenses	28,364.48
Other Expenses	495,764.30
	<u>623,583.00</u>

**Receipts**

Affiliation Fees	549,847.98
Interest Received	99,698.40
Other	49,695.21
	<u>699,241.59</u>

*Net cash received (used) in operating activities* **75,658.59**

**Cash flows from capital retirements and/or acquisitions**

Increase in Debtors	-109,089.71
Increase in Loans	-72,494.32
Increase in Stock	-19,462.39
Club Assistance	-75,746.52
Increase in Creditors	124,361.38
Decrease in GST Refundable	13,117.83
	<u>-63,655.14</u>

*Net cash surplus (deficiency) from activities* **-63,655.14**

Net increase (decrease) in cash held -63,655.14  
Cash at the beginning of the reporting period 3,247,186.24

**Cash at the end of the reporting period** **3,183,531.10**

**Reconciliation of Cash**

For the purposes of the Statement of Cash Flows, cash includes cash on hand, cash at banks and investments in money market instruments. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:

Cash 3,183,531.10

**Cash at the end of the reporting period** **3,183,531.10**

**Reconciliation of Net Cash used in Operating Activities to Operating Result**

Operating result	7,645.55
Depreciation	481.50
Provision for Club Assistance	57,620.00
Annual and Long Service Leave Provision	7,411.54
Ammortisation of CL	2,500.00
	<u>75,658.59</u>

*Net cash used (deficient) in operating activities* **75,658.59**

**Tax Status**

The activities of the entity are exempt from taxation.

# MODEL AERONAUTICAL ASSOCIATION OF AUSTRALIA INC.

## Notes to and Forming Part of the Accounts For the Year ended June 30th, 2015

### Note 1: Statement of Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act 1985 as amended. The committee has determined that the association is a reporting entity.

The financial report covers **Model Aeronautical Association of Australia Inc.** as an individual entity. The **Model Aeronautical Association of Australia Inc.** is an association incorporated in South Australia under the Associations Incorporation Act 1985 as amended.

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

The financial report has been prepared in the following Australian Accounting Standards as required by 'Prescribed Associations' under the Associations Incorporation Act 1985 as amended

AAS1	Income & Expenditure Statement
AAS4	Depreciation
AAS5	Materiality
AAS6	Accounting Policies
AAS8	Events Occurring After Reporting Date
AAS15	Revenue
AAS17	Leases
AAS26	Statement of Cash Flows
AAS36	Balance Sheet
AAS38	Revaluation of Non-Current Assets

No other applicable Accounting Standards, Urgent Issues Group Consensus Views or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

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

- a) **Cash**  
For the purposes of the Statement of Cashflows, Cash includes Cash on Hand, at Banks and on Deposit.
- b) **Property Plant & Equipment**  
Each class of property, plant and equipment are reported at costs less, where applicable, any accumulated depreciation.

The depreciable amount of all fixed assets are calculated using the prime cost method applied over the useful lives of the assets to the Association commencing from the time the asset is first held ready for use. Leasehold improvements, if applicable, are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

There were various depreciation rates used for depreciable Assets. An annual review of depreciation rates and methods was conducted.

# MODEL AERONAUTICAL ASSOCIATION OF AUSTRALIA INC.

## Notes to and Forming Part of the Accounts For the Year ended June 30th, 2015

(Continued)

**c) Employee Entitlements**

Provision was made for the Associations liability for employee entitlements arising from services rendered by employees and not paid at balance date.

Employee entitlements: wages, salaries, annual leave, and long service leave which will be settled after one year, have been measured at their present value.

Other employee entitlements payable later than one year have been measured at the present value of the estimated future outflows to be made for those entitlements, where applicable.

**d) Income Tax**

The **Model Aeronautical Association of Australia Inc.** has been deemed to be an income tax exempt entity under Section 50-B of the Income Tax Assessment Act 1997.

**e) Superannuation**

The **Model Aeronautical Association of Australia Inc.** makes contributions on behalf of all eligible employees to a superannuation fund and as such contributions are charged as expenses when incurred.

**f) Revenue**

Revenue of the Association comes predominately from Affiliation Fees from Members and is recognised on an accruals basis not as they are paid. These amounts paid may take the form of cash, cheque or EFTPOS transactions.

Interest revenue is recognised when it is credited to the particular account.

**g) Goods and Services Tax**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expenses.

Receivables and Payables in the Balance Sheet are shown inclusive of GST.

**h) Leases**

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the association, are classified as finance leases.

Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the association will obtain ownership of the asset or over the term of the lease.

Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

# MODEL AERONAUTICAL ASSOCIATION OF AUSTRALIA INC.

## Notes to and Forming Part of the Accounts For the Year ended June 30th, 2015

(Continued)

**i) Loans to Clubs and States**

Loans to Clubs and State Associations are shown as Non Current Assets as these income producing loans will not be repaid in full within twelve months.

**j) Freehold Land**

Freehold Land has been shown at cost or at revaluation, the basis is determined by the length of time the property has been owned.

**k) Prepayments**

The policy period for the insurance taken through Willis Australia Ltd is for the period May 31<sup>st</sup>. 2015 to May 31<sup>st</sup>. 2016. Therefore this insurance is apportioned over the eligible period.

**Model Aeronautical Association of Australia Inc.**

**Notes to and Forming Part of the Accounts  
For the Year ended June 30th, 2015**

	2015	2014
<b>Note 2:</b>		
<b>Cash</b>		
Bank: General Account	84,894.94	144,997.23
Bank: Premium Investment	a 1,026,917.55	1,183,362.57
Bank: Field Loans Account	b 1,519,555.25	1,380,002.66
Bank: Insurance Levy Account	c 552,163.36	538,823.78
<b>Total Cash</b>	<u>3,183,531.10</u>	<u>3,247,186.24</u>
<b>Note a:</b>		
<b>Premium Investment Account Summary</b>		
Balance July 1st. 2014	1,183,362.57	1,147,092.38
Interest	23,554.98	36,270.19
Transfers	-180,000.00	-
<b>Total Premium Investment Account Summary</b>	<u>1,026,917.55</u>	<u>1,183,362.57</u>
<b>Note b:</b>		
<b>Field Loan Account Summary</b>		
Balance July 1st. 2014	1,380,002.66	1,539,018.79
Interest	53,366.84	47,298.42
Repayments: VMAA	22,200.00	24,000.00
Repayments: SSL	5,361.25	-
Advance: TCMAC	-10.00	-
Repayments: TCMAC	4,602.50	-
Transfers	54,032.00	-230,314.55
<b>Total Field Loan Account Summary</b>	<u>1,519,555.25</u>	<u>1,380,002.66</u>
<b>Note c:</b>		
<b>Insurance Levy Account Summary</b>		
Balance July 1st. 2014	538,823.78	526,867.30
Interest	17,893.72	15,935.48
Insurance Excesses	-4,554.14	-3,979.00
<b>Total Insurance Levy Account Summary</b>	<u>552,163.36</u>	<u>538,823.78</u>
<b>Note 3:</b>		
<b>Receivables</b>		
Debtors	111,090.65	2,000.94
Refund (GST)	-2,733.74	10,384.09
Prepayments	77,355.11	75,583.35
<b>Total Receivables</b>	<u>185,712.02</u>	<u>87,968.38</u>

**Model Aeronautical Association of Australia Inc.**

**Notes to and Forming Part of the Accounts  
For the Year ended June 30th, 2015**

	2015	2014
<b>Note 4:</b>		
<b>Non Current Receivables</b>		
Loan: Victorian Model Aeronautical Association	124,995.95	144,447.82
Loan: Southern Sourcing League	15,600.00	20,500.00
Loan: National Aeronautical & Aviators	12,000.00	-
Loan: Kalamunda Aeronautical Modellers	60,000.00	-
Loan: Bairnsdale and District Aero Club	11,500.00	-
Loan: Twin Cities Model Aero Club	45,500.00	49,000.00
Loan: Tingalpa Model Aero Club	6,861.18	8,714.99
Loan: Suncoast Aeromodellers	20,000.00	1,300.00
<b>Total Receivables</b>	<u>296,457.13</u>	<u>223,962.81</u>
<b>Note 5</b>		
<b>Freehold Land</b>		
Sale Victoria	35,000.00	35,000.00
Toowoomba Queensland	98,181.00	98,181.00
Elgin Field	149,268.87	149,268.87
Bairnsdale Victoria	243,885.08	243,885.08
<b>Total freehold Land</b>	<u>526,334.95</u>	<u>526,334.95</u>
<b>Note 6:</b>		
<b>Property, Plant &amp; Equipment</b>		
Plant and Equipment	11,037.64	11,037.64
Accumulated Depreciation	-10,915.64	-10,434.14
	<u>122.00</u>	<u>603.50</u>
<b>Total Property, Plant &amp; Equipment</b>	<u>122.00</u>	<u>603.50</u>
<b>Note 7:</b>		
<b>Trade Creditors &amp; Accruals</b>		
Accrued Expenses	11,895.23	1,074.81
Advance Fees	129,131.53	15,330.00
Visa	2,214.49	2,475.06
<b>Total Trade Creditors &amp; Accruals</b>	<u>143,241.25</u>	<u>18,879.87</u>
<b>Note 8:</b>		
<b>Provisions</b>		
Provision for Annual Leave and LSL	36,892.31	29,480.77
Provision for Club Assistance	62,098.24	78,453.00
<b>Total Provisions</b>	<u>98,990.55</u>	<u>107,933.77</u>

Model Aeronautical Association of Australia Inc.

Notes to and Forming Part of the Accounts  
For the Year ended June 30th, 2015

	2015	2014
<b>Note 9:</b>		
<b>Interest Received</b>		
General Account	424.75	675.50
Premium Investment	23,554.98	36,275.19
Field Loan	53,366.84	44,463.17
Insurance Account	17,893.72	15,940.48
Southern Soaring League	461.25	568.13
Twin Cities Model Aero Club	1,102.50	1,181.25
Tingalpa Model Aero Club	146.23	215.02
VMAA	2,748.13	3,535.74
<b>Total Interest Received</b>	<u>99,698.40</u>	<u>102,854.48</u>
<b>Note 10:</b>		
<b>Rent</b>		
Sale Field Victoria	50.00	50.00
Elgin West Australia	81.55	78.11
Toowoomba Queensland	54.33	52.07
Bairnsdale Victoria	360.15	316.35
<b>Total Interest</b>	<u>546.03</u>	<u>496.53</u>
<b>Note 11:</b>		
<b>Education</b>		
Stock Transferred	3,697.79	1,935.32
<b>Total Education</b>	<u>3,697.79</u>	<u>1,935.32</u>
<b>Note 12:</b>		
<b>Insurance</b>		
Public Liability	81,181.96	79,922.14
Office Equipment	-	625.74
Workcover	651.41	663.81
<b>Total Insurance</b>	<u>81,833.37</u>	<u>81,211.69</u>
<b>Note 13:</b>		
<b>Membership</b>		
Stock Transferred	7,169.00	4,588.92
<b>Total Membership</b>	<u>7,169.00</u>	<u>4,588.92</u>
<b>Note 14:</b>		
<b>President's Expenses</b>		
National Expenses	1,052.79	2,405.11
Expenses	5,346.08	5,152.23
<b>Total President's Expense</b>	<u>6,398.87</u>	<u>7,557.34</u>
<b>Note 15:</b>		
<b>Provision for Annual and Long Service Leave</b>		
Annual Leave	5,473.14	4,056.15
Long Service Leave	1,938.40	1,612.31
<b>Total Provision for Annual and Long Service Leave</b>	<u>7,411.54</u>	<u>5,668.46</u>

**Model Aeronautical Association of Australia Inc.**

**Notes to and Forming Part of the Accounts  
For the Year ended June 30th, 2015**

	<b>2015</b>	<b>2014</b>
<b>Note 16:</b>		
<b>Teleconferences</b>		
Executive	2,283.10	2,041.40
Council	0.00	508.87
<b>Total Teleconferences</b>	<u>2,283.10</u>	<u>2,550.27</u>
 <b>Note 17:</b>		
<b>Training and Flight Proficiency</b>		
Stock Transfer	11,022.63	2,782.08
Training Instructors	-	2,890.24
<b>Total Teleconferences</b>	<u>11,022.63</u>	<u>5,672.32</u>
 <b>Note 18:</b>		
<b>Joint Venture Control Line Circle</b>		
Cost	50,000.00	50,000.00
Less Amortisation	<u>-20,000.00</u>	<u>-17,500.00</u>
<b>Balance Outstanding</b>	<u>30,000.00</u>	<u>32,500.00</u>

**MODEL AERONAUTICAL ASSOCIATION OF AUSTRALIA INC**  
**Depreciation Schedule**  
**June 30th. 2015**

Cost		Dep'n Rate	Opening WDV	Additions	Accum Depn	Depn	Closing WDV
62.00	S DVD Burner	100.00P	0.00		62.00	0.00	0.00
364.00	S External Hard Drive	40.00P	0.00		364.00	0.00	0.00
511.00	S Computer Upgrade	40.00P	0.00		511.00	0.00	0.00
185.00	S Recording Equipment	25.00P	0.00		185.00	0.00	0.00
90.00	S Microphones Stands (2)	100.00P	0.00		90.00	0.00	0.00
314.00	S Desk and Drawer	33.33P	0.00		314.00	0.00	0.00
709.00	S Chair and 2 Drawer File	33.33P	0.00		709.00	0.00	0.00
2226.00	S Computer	37.50P	0.00		2226.00	0.00	0.00
1086.00	S ASUS Laptop Computer	50.00P	0.00		1086.00	0.00	0.00
1723.00	T Toshiba A300 Laptop Computer	37.50P	0.00		1723.00	0.00	0.00
82.00	T Cannon Printer	11.25P	32.00		50.00	9.00	23.00
1293.00	S Conference Recording Equipment	30.00P	0.00		1293.00	0.00	0.00
363.00	S Computer Screen	37.50P	0.00		363.00	0.00	0.00
316.00	S Scanner	37.50P	0.00		316.00	0.00	0.00
453.64	P Laser Printer	37.50P	0.00		453.64	0.00	0.00
1260.00	S Printer	37.50P	571.50		688.50	472.50	99.00
			<hr/>		<hr/>	<hr/>	<hr/>
			603.50		10434.14	481.50	122.00
11037.64							



**MODEL AERONAUTICAL ASSOCIATION OF AUSTRALIA INC.**  
**AUDITOR'S REPORT TO THE MEMBERS**

**Scope**

We have audited the accompanying financial statements of the Model Aeronautical Association of Australia Inc. for the year ended 30 June 2015. The financial statements are special purpose financial statements which have been prepared specifically to meet the reporting requirements of the Associations Incorporation Act 1985 as amended and for distribution to the members. The committee is responsible for the preparation and presentation of the financial statements and the information they contain, and has determined that the accounting policies used are consistent with the reporting requirements of the association's constitution and are appropriate to meet the needs of members.

We have conducted an independent audit of these financial statements in order to express an opinion on their preparation and presentation to the members.

Our audit has been conducted in accordance with the Australian Auditing Standards (AAS) to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures include examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements. Thus presenting a view which is consistent with our understanding of the Association's financial position and performance together with the results of its operations, in conjunction with the accrual basis of accounting, whereby revenue and expenses are recorded when they are earned or incurred.

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

**Audit Opinion**

In our opinion, the financial report presents fairly in accordance with applicable Accounting Standards and Concepts and other mandatory professional reporting requirements the financial position of Model Aeronautical Association of Australia Inc. as at 30<sup>th</sup> June, 2015 and the results of its operations for the year then ended.

**ROSS R. WADESON**  
**AUDIT DIRECTOR**



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