



# Fixed Base Operator

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## Objectives

- Obtaining reasonable assurance that revenue reported in the annual certified statement was free of material misstatement.
- Determining whether the contractor remitted concession fees, rents and airport landing fees in accordance with the contract terms.
- Determining whether the contractor complied with other key contract terms.

# Fixed Base Operator

## Background

This contractor provides fuel and other general aviation services under a concession contract with the Airports Authority. The annual certified statement presents the revenues collected and concession fees paid by the contractor.

## Conclusion

- The annual statement fairly presents in all material respects the revenues collected and concession fees paid by the contractor with the exception of “put-thru” fuel. The contractor paid rents and landing fees in accordance with the contract, and complied with other key contract terms.

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## Conclusion Continued

- The contractor incorrectly classified some retail fuel sales as “put-thru” fuel, resulting in an underpayment of concession fees of \$156,988.

## Recommendation

- The contractor agrees with the amount of the underpayment and will reimburse the Airports Authority.