



Minutes for 72nd Annual General Meeting
Held at 6:30pm on Wednesday 24th April 2013
Dickie Fritz Hall
Edenvale

PRESENT: Col. Jeffery Earle (Chairman) (JE)
Mr. Paul Lastrucci (Vice Chairman) (PL)
Mr. Hanke Fourie (Treasurer) (HF)
Mr. Kevin Storie (General Manager) (KS)

Members as per Attendance Register

APOLOGIES:

Dirk Smit (SSSA)
Rikus Erasmus (ASSA)
Barry Eeles (SAC)
Stan Oliver
Bruce Herniss
Tony Kent
Rudi van de Walt
Herman Mac Claren
Robert Gassman
Kun Swart

CALL TO ORDER, WELCOME & APOLOGIES:

Col. Jeffery Earle, the Chairman, called the meeting to order at 6.30 p.m. He welcomed everyone to the 72th Annual General meeting. It was confirmed by the secretary that we had a quorum and the AGM could proceed. The Chair confirmed that the 21 days notice of the meeting had occurred as required.

1. MINUTES OF 71TH ANNUAL GENERAL MEETING:

The minutes of the 71th Annual General Meeting held on the 26th October 2011 were provided in the AGM pack. The Chairman asked the House for a proposer to accept the minutes as a true reflection. John Gaillard Proposed the acceptance of the minutes and Frank Eckard Seconded the proposal.

2. The Chairman's Report.

Jeff Earle presented his Chairman's report.

Aero Club of South Africa Chairman's Report – 2013

2013 has generally been a good, albeit shortened financial year for the Aero Club. We are forging ahead with the achievement of our objectives, and pleasingly the successes are starting to show.

I share with you some of our activities and achievements.

Achievements

Our many achievements need to be highlighted.

1. The Aero Club safety campaign has successfully joined hands with the CAA Safety Link. This gives us a greater footprint and also greater visibility. This is still, as is much of the safety campaign, work in progress. The second phase of the safety campaign is underway, while the actual collection of funding that was promised remains a challenge.
2. Transformation and development under the leadership of Daniel can boast many successes. We relentlessly pursue this most important yet easily neglected imperative. We MUST strive to achieve this goal.
3. The Fundi system, which has for some time now been a millstone around our neck, is now finally working. The acceptance is very much more widespread amongst the sections. While there are still some minor glitches which are being addressed, the system is up and running. We are focusing on simplification and user friendliness. In particular the reporting to and access to the section administrators is being made easier. I have personally been involved with a lot of this.
4. We are pleased to advise that Aero Club has been successful in its application to Sport and Recreation South Africa. R400 000 has been awarded and received for 4 pre designated projects. Well done to all concerned in making this happen.
5. Chris Teague was nominated by SASCOC to represent our aviation discipline in the world games. We extend our congratulations to Chris.
6. As requested by the board we are well advanced with our business plan. Feed back will be given as various milestones are achieved. We were also requested to hear what the sections requirements and needs were. To this end we have met with all the sections except two to explore this further. The outcome confirmed that we were on the right track, but surprisingly emphasised some requirements.
7. We have summarised the key objectives of the Aero Club as follows;

***The Aero Club of South Africa
proactively promotes, protects and preserves all
forms of sport and recreational aviation
in South Africa.***

The Aero Club of South Africa

through the participation of its members will:

1. Protect and Preserve

- By maintaining and upholding the rights and privileges of its members through the various disciplines of flight
- By preserving all forms of free flight and safeguarding our right to share the South African Skies
- By monitoring and developing legislation through partnerships and consultation with the authorities regarding the use of airspace, legislative requirements, aircraft registration and medical regulations to name, but a few
- By protecting the rights of all members and sections from oppressive requirements or restrictions from aviation authorities and other bodies

2. Recognise contests and international competition

- By being the custodian of aviation records and achievements
- By being the National Federation for Sport Aviation in South Africa aligned with SASCOG and SRSA national requirements
- By participating as team South Africa and award national colours in line with national sporting policies
- By hosting National and International recognised events in line with the **Fédération Aéronautique Internationale (FAI)** standards and codes
- By maintaining the South African membership of FAI and represent South Africa proudly on the international stage
- By facilitating the hosting of competitions by securing airspace, facility planning and general event planning

3. Administer

- By collecting and managing membership information and subscriptions
- By carefully managing the finances to the benefit of all the members
- By providing administrative services to the sections of the Aero Club
- By facilitating insurance cover for members engaged in specific activities, airshow events and the Technical Approved Person Scheme

4. Promote and Grow Sport and Recreational aviation

- By encouraging the hosting of events and by coordinating single and multi- disciplinary activities
- By creating awareness of aviation safety through mutual care
- By designing initiatives to focus on the development and transformation of Sport Aviation
- By acknowledgement of the efforts of those members who contribute to the promotion of Sport Aviation

Preserving Free Flight

Way forward, Appreciations and Thanks

We have challenges ahead; that we know for sure. The Fundi system is a challenge, but now thankfully in the home straight.

The depressed economy has an unexpected spin off. There is a migration towards affordable aviation, which augers well for most of our sections. The signs are there that marginal improvements are being reflected in section membership. We must somehow harness this inertia to our advantage.

The need and encouragement of Recreational aviators to embrace being “professional amateurs” is still showing encouraging signs and augers well for the future.

To Jackie and Sandra who supplied all the support for the office during the year, as well as the absolutely super Awards evening that they arrange, a very big thank you to both. During the year we said farewell to Jackie and welcomed Thumi to our team. Welcome Thumi.

As previously mentioned, the exceptional cohesiveness of your Exco is a rare asset to Aero Club. This translates to us simply getting the job done with the absolute minimum of fuss or internal political posturing. This is a very welcome feature. There are some hard workers, and with the exception of your General Manager, the other members are not remunerated.

Hanke has certainly had his time cut out this year and has spent many anxious hours keeping our finances in order. Thank you Hanke. Paul Lastrucci as the Vice Chairman continues to go above and beyond the call of duty. His role as chairman of EAA is most definitely to our benefit. Thank you Paul. Your ubiquitous General Manager Kevin manages to achieve more successes and cooperation at the many meetings he attends, than you would ever imagine, it is truly astounding. He acquits himself extremely well. Kevin without your input Aeroclub will be a devastatingly poorer place. Thank you Kevin.

Finally, to you the members, we emphasise this is your Aero Club. We are at your service. The Staff and Exco thank you for having the faith and charging us with the responsibility of again navigating the Aeroclub for this past year.

We thank you the members for your support during 2013. We continue to protect your right to affordable flying.

Jeffery A Earle
24 April 2013

End of Report

The Chairman's report was well received by the House
Frank Eckard proposed the acceptance of the Chairman's report and this was seconded by Mike Brown

3.1 Notification on Subscriptions increase if tabled

No change was tabled

3.2 Ratification Budget for year ahead as accepted by the Board

The Budget as accepted by the board was not required to be ratified as per clarification by the treasurer.

4. Treasurer to present the Annual Financial Statements for the year ended 31st December 2012. Together with the reports of the Auditors and the Treasurer.

Hanke Fourie, our honourable treasurer presented his report and a copy of the audited financials were provided in the attendees' packs for perusal.

Treasurers Report for the year ended 31 December 2012

Overview

The Aero Club of South Africa's financials statements project the company's results and position for the nine months ending December 2012.

The Aero Club of South Africa had a deficit of R 91,649 for the nine months ending 31 December 2012 compared to a surplus of R 97,917 for the 12 months ending 31 March 2012. During the current and previous period grants from Department Sports and Recreation helped support membership subscriptions. The shorter year was due to the change of the year end date from March 2013 to December 2012.

Main focus points:

Shortfall for the nine months	R 91,646
Cash in the bank	R 1,069,801
Membership fees (until December)	R 491,686

Income

The year end of The Aero Club of South Africa was changed from end of March to the end of December as mentioned above. With the change in year end, the renewal income of January, February & March are reported as the first three months of the December 2013 year. The membership income line is therefore not comparable with the previous year. During the 9 months the membership fees are quite low as most members renew before end of March.

The individual membership fee for the December 2012 year was R 300 including VAT. For the December 2013 year a fee of R 330 inclusive of VAT was approved by the board at the October 2012 meeting as well as the AGM in October 2012.

The Fundi membership collections system did have its challenges this year. The Exco of Aero Club worked hard with the developers and sections to make the system easier to work with.

The annual audit was performed a month ago as well as a systems audit of Fundi. This gave the auditors the opportunity to test the controls and suggest where we can better the controls to ensure accuracy and completeness.

The completeness of membership income is always a question. If a member pays the fees for Aero Club to a section and section did not pay it over timeously especially close to year end, the income for the year might be understated. We urge members to use the Fundi system as single entry point for membership renewals instead of paying the sections.

As a result of the sections collecting on AeCSA behalf, the auditors need to have access to the source documents of sections to ensure completeness of subscription income, should the sections insist in receiving the subscriptions fees and then pay over to us.

Other income for the 9 months is shown as R 716,198 in the statement of Comprehensive Income for the nine months. R 400,000 was received from Department Sport and Recreation compared to the same grant of R 80,000 for the previous year. Thanks to our General manager Kevin Storie for his diligence making sure we received this grant, for a second year.

This amount was only received in March 2013 and not reflected in the bank account on the balance sheet date but as debtors in the annual financial statements.

Part of the R 716,198 indicated as "Other Income", is an amount of R 250,000 for Airshow income. This amount was paid by SACAA for the Civil Aviation Day Airshow in December 2012 in Mafikeng. R 248,117 of amount was paid to aerobatic pilots taking part in this event. This amount did thus not contribute to our bottom line and Aero Club was used as a facilitator.

Interest income of R 34, 358 was received for the nine month period compared to R43, 357 for the previous 12 months year. The interest rate was the same during both these periods.

With the Fundi system, the sections funds are passed directly to the sections and the amounts due to sections are on average lower than before and less of an amount that could earn interest. It is also evident from the balance sheet that the net funds from sections have reduced into funds due to sections.

Expenses

Due to the change of year end, not all expenses are comparable with the previous year as mentioned before, unless a single occurrence in each year.

The operating expenses was R 1,412,451 for the year ending December 2012, which included the R 248,117 for air show expenses which relates to the R250,000 income mentioned before.

The African Aero Space and Defense (AAD) exhibit expense was R100, 542 in September 2012. The stand was subdivided and the smaller stands rented to mainly sections for an income of R 62,874. The net cost to The Aero Club was R37, 688.

Employee costs were R 460,797 for three staff for nine months and according to the budget.

The FAI license fee was R 102,464 compared to R 91,438 in the previous financial year. The amount was SFr 11,250 for both years. The effect of a weakening rand is very evident.

Printing and stationery are R 102,464 for the nine months. This includes R80,000 for printing of the 2012 year book.

Transformation and development section has in the year received R 10,000 from the Aero Club as we waited for the formation of the subsidiary company. A wholly owned subsidiary was formed to handle the affairs of this section in future. The T&D section or company as mentioned will be able and focused on other sources of income other than the lotto funds as in the past. The lotto grant of R419,298 was received in the year end we are awaiting the second tranche of the allotted funds of R 819,218. We are in discussion when the R400, 000 will be paid over.

This T&D sections income and expenses are handled in a balance sheet account and not reflected as part of Aero Clubs income and expenditure for the nine months. In future the set of financials for this company will also be presented.

R 171,272 was still to be used of the first tranche received from the lotto as shown in the balance sheet as a liability to Aero Club. This will be paid over to the T&D Company once the bank account is opened.

Travel costs-overseas of R 25,981 compared to R 19,079 was for the FAI representative travelling to the annual conference.

The year end function expenses for November 2012 were R 106,959 compared to the expenses for November 2011 of R 118,848. A deposit for the venue of R50, 526 for the November 2012 year end function was reflected as expenses for the November 2011 year and corrected below for comparative purposes only.

We have not sold as many seats as we hoped for. We need to make sure that all sections support this flag ship event in November each year and plan their events preferably not on this weekend.

Year end Function	Cost	Income	Net cost	
2012 Dec	R 106,959		R 42,061	R 64,898
2012 Mar	R 118,848		R 81,247	R 37,701

Balance sheet

The retained income decreased from R 1,219,077 to R 1,127,428 with a deficit of R 91,649 for the nine months as mentioned in the income and expense reported above.

We expected a much bigger deficit as we had the change of year end. The R400,000 Aero club has received as the grant from Department Sports and Recreation, made the deficit much less. This grant must be used on specific projects:

- The FAI
- Fundi
- Marketing of Aero Club
- Awareness T&D

Debtors included the R 400,000 of Sport and Recreation that was only received in March 2013. The suspense account was R5,645 at the year end.

The Safety Campaign was also not part of The Aero Club's financial performance for the nine months as we were only the custodians of the project. The detail of the project can be seen as a note to the annual financial statements. In short the amounts involved were:

Donations	R 245,600
Costs	R 256,731
Cost carried by Aero club	R 11,131

This amount is shown as an account receivable and we will recover this prepayment of expenses when the next phase is rolled out.

Cash and cash equivalents decreased from R 1,102, 860 to R 1,069,802. This main reason is that net loans from sections of R 128,947 turned into loans to sections of R 31,816. R 171,272 of the Lotto money from T & D Section is also in the bank account and should not have been part of the Aero Club's Bank balance at the balance sheet date. The amount thus belonging to Aero Club at the balance sheet date was R 866,714.

Creditors are shown at R 520,073 on the 31st December 2012. The mentionable items of this amount were: Claims from vendors for the Airshow of R 158,437, Fundi fees paid by members for the 2013 year of R111,913 as well as the Transformation and Development loan of R 171,272.

New group companies

The two companies which are wholly owned subsidiaries of the Aero Club of South Africa were formed in the nine months under review. The names of the companies are: The Aero Club T & D NPC and Aero Club Events (Pty) Limited.

These companies have the Aero Club Exco as directors. Only the AeCSA T& D Company has an additional director in the person of the chairman of T&D Section on the board. All directors are ex Officio directors of Aero Club.

Appreciation

Thank you to each member paying his or her subscription fee timeously.

I also express my sincere thanks to the all the staff at Aero Club for support, work and diligence to make this results possible.

Hanke Fourie
Treasurer
23 April 2013

End of Report

A proposal to accept the treasurer's report was received by John Gaillard and seconded by Frank Eckard.

The Chairman informed that house that a copy of the GM report was included in the Pack and they could peruse it at their leisure and asked if the house would allow a waiver of reading the report.

This was accepted by the house.

MOI and Constitution of AeCSA

A request was made to the house to give the Exco the mandate develop the MOI and then circulate it for comment via the website. The treasurer stated that while we had missed the deadline for a free application we would not be penalised and would pay a R250 fee but this was worth not rushing the MOI and ensure well developed document is produced and is as simple as possible.

Resolution: This was accepted by the house unanimously.

The Chair man asked the indulgence of the House to present the changes to the Fundi system outside of the general section of the AGM (the Slide show as presented is captured in print form in addendum 1 later in the minutes)

Neil de Lange asked if where we were on the agenda as it seemed we had strayed from it.

The chairman not his concerned and confirmed that he had approval from the house to indulge him to give feedback on the Fundi system.

Election of new Committee

The chairman confirmed the process and indicated his notification that he is available to stand again for one of the 4 co-opted member seats.

Kev Storie conducted the Voting process

The three candidates we accepted unanimously filling three of the vacant 4 seats

The incumbent GM asked the house if they were amenable to the current treasurer continuing in this post. There was consensus.

It was noted that this was not as per due process and that this would be conducted in the first meeting of the board directly after the Close of the AGM to vote on the chairperson, Vice chairperson and treasurer.

Other business as per the Articles of Association.

Karl Jenson raised the question as to whether Aero Club would enforce members joining the appropriate section. The chairman responded that we would do what we can but seek guidance as to how to go about it from the member and sections as it was not simple. It was questioned from the floor if the Fundi Data base membership system if data on a member's aircraft was captured could suggest the correct allocation to the appropriate section. The response from the Exco was we did not think so but would look into it.

Response from RAASA as the licensing body was sort.

The final response from Pierre Laubscher on behalf of RAASA was that there is no regulation other than for glider pilot to be part of the appropriate section and it was a part of the regulations that would need to be remedied.

The chairman closed the matter stating that AeCSA would do its best via its staff to guide member to be part of the appropriate section as far as is possible

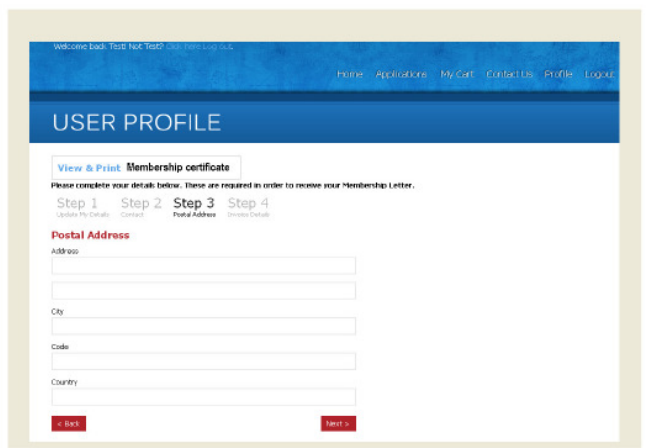
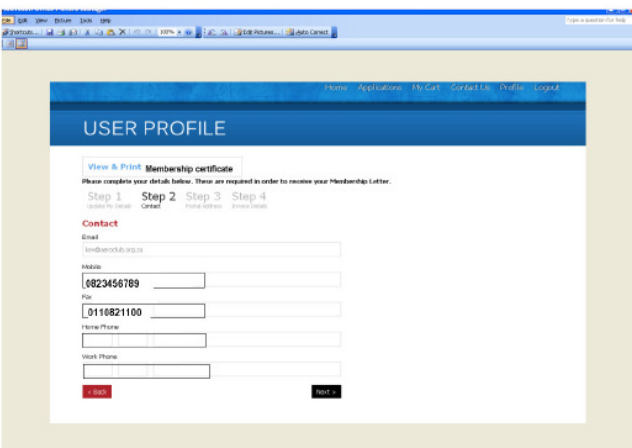
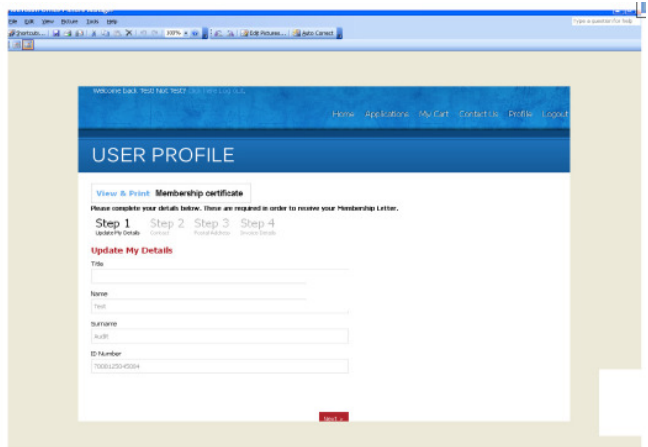
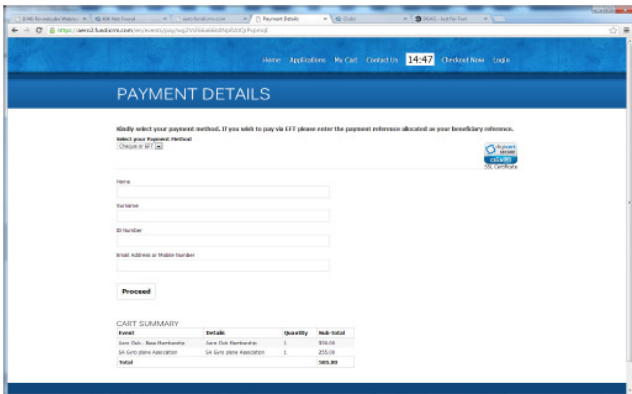
Close of Annual General Meeting.

The AGM was closed and the members were thanked and invited to share a drink at the bar.

The board members were requested to gather at the front and the 1st board meeting of the new board was convened .

The previous Exco was unanimously voted in by show of hands and would remain the same for 2013.

The new board members we welcomed to the board and this meeting was adjourned.



Your details are now updated on our system.

Thank you for renewing your Membership for the year 2013.

