

Walsh Aviation Support Society Incorporated (WASSI)

Chairman's Report – January 2025

This report covers the period from the AGM of January 2024 to our AGM of January 2025 (not coincident with our financial year).

2024 was a very busy and at times challenging year, with WASSI continuing to grow steadily towards our objectives. All six aircraft we own are now airworthy. Our five PA38 Tomahawks are now leased out as detailed below.

Following an enormous personal effort by Jay McIntyre of JEM Aviation at Omaka, we were able to complete the restoration of our sixth aircraft, a C152A (ZK-MUM). At the time of my writing this report, we are focused on running in the engine in time for The Walsh in 2025. MUM marks a major milestone in our progress towards building a fleet of aircraft that are as safe as we can make them. This is a fantastic achievement from where we started with our first aircraft, Tomahawk ZK-FML. WASSI is very grateful for all the support received over the years.

One of the Tomahawks (JHF) is still not yet up to the standard of restoration we are aiming for, requiring repainting in the WASSI scheme and completion of the avionics upgrade.

Fundraising

In 2024 the WASSI funds came from a number of distinct sources. From member contributions; from donations from a number of members who prefer to remain anonymous; from donations raised at Wings over Wanaka; from a \$30,000 donation from David McLaren for avionics in MAJ; from aircraft on lease; and from a Pub Charity grant of \$15,000 for avionics in JHF.

In mid 2024, Grant Reidy offered to assist with fundraising, which is very much appreciated. In this capacity, he led the application to Pub Charity which generated their grant of \$15,000.

Grant is also actively searching out other potential opportunities. Don't ask, don't get!

Lion Foundation has provided very significant financial assistance in the past. Our intention is to progress another application to them early in 2025.

In 2022, the WASSI needed to take an advance on the School's use of WASSI aircraft in January 2023. Because of the financial constraints late in 2024, caused by MAJ's refurbishment cost overruns, we have again asked the Walsh Memorial Scout Flying School for an advance on the School's use of WASSI aircraft in January 2025.

We still have two loans from other members, totalling \$45,000, which they were good enough to extend, and which I expect we will repay in the later part of 2025.

We are well advanced with a significant contribution from the now de-registered Wakatipu Aeroclub, when it comes through the intention is to progress the purchase of a C172. I don't like to count chickens, but I am encouraged to believe it will come through.

Other potential contributions are under active discussion, which could make a material difference to our achievements.

While loans, lease income, grants and one-off large donations are very important, I would like to acknowledge with gratitude, the regular contributions made by you, the members.

Thank you from my heart, you are the backbone of our society.

Aircraft Status

Lease income overall for 2024 was relatively steady compared to 2023, with generally good utilisation by some of the leasing organisations, and changes of others. Maintenance costs are still unpredictable, but we are gaining a better understanding of what is reasonable. Averaged across the fleet, lease income continues to exceed maintenance costs by a modest margin.

FML

FML is currently being leased by the Marlborough Aeroclub (MAC). But there has been a couple of changes during 2024.

FML was, until the Walsh in January 2024, being leased by Wellington Aero Club (WAC). However, utilisation of FML by WAC was variable and maintenance costs were noticeably higher than for our other Tomahawks. In late 2023 the maintenance organisation used by WAC advised that FML's airframe was developing significant corrosion as a result of the sea salt laden environment at Wellington. Consequently, the lease with WAC was terminated with effect the end of the Walsh and FML was ferried to Motueka initially and then to Omaka for the corrosion remedial work to be completed.

WASSI subsequently reached a lease agreement with Air Hawkes Bay (AHB) in Hastings for their use of FML for the medium to longer term. AHB also leased NJT. In mid-June we were advised by the then CEO of Air Hawkes Bay at Hastings that AHB had been sold by the Hawkes Bay & East Coast Aeroclub to a partnership with effect 1 July, and that the new owners would not need NJT. The required 10 days' notice was given that their lease of NJT would terminate.

On the 1st of July, one of the new owners emailed that:

"We can always continue this lease as a backup aircraft but that would only mean aircraft will do 15-20 hours a month and also will have to sit outside with covers on due to hangar shortage. If you have a better option or still want to continue with lease cancellation, then this is fine also."

To me, this email sent a very clear message as to the value they put on our aircraft and on our business relationship. I advised that we would proceed with the termination of their lease of NJT, and I also gave 10 days' notice of the termination of FML's lease to them.

I value the contributions of all members (and others) too much to leave our aircraft in leases with organisations that do not share our values.

This development turned out to be very timely, as the Marlborough Aeroclub was having one of their Tomahawks stripped and repainted by JEM at Omaka and were keen to lease FML while their aircraft was out of the air. As a result, James Hillson organised the ferry of both NJT and FML from Hastings to Omaka.

MAC are very happy and making very good use of FML, which is popular with their members and appears likely to continue.



JHF

JHF is being leased by Hawkes Bay and East Coast Aeroclub.



In November 2022 JHF had its initial avionics upgrade carried out. The \$15,000 grant from Pub Charity, plus a top-up from WASSI funds has been allocated to the completion of JHF avionics upgrade. The hardware has been ordered and paid for, and JHF is booked in to ICEA at Ardmore immediately post Walsh to have the avionics fitted.

Hawkes Bay and East Coast Aeroclub utilisation of JHF is marginal, but we enjoy a very good working relationship with the club and are exploring the future of their lease. No decisions have been taken.

When funds are available, we will programme JHF's repaint in the WASSI scheme.

NJT

NJT is being leased by Mid-Canterbury Aeroclub.

In mid-June we were advised by the then CEO of Air Hawkes Bay at Hastings that AHB had been sold by the HB&EC Aeroclub to a partnership with effect 1 July, and that the new owners would not need NJT. The required 10 days' notice was given that their lease of NJT would terminate. Which we accepted.

With the AquaMax paint stripping team at Omaka for MAC's Tomahawk ZK-WAA, we took the opportunity to save \$\$\$ and have MAJ paint stripped at the same time.

NJT was swapped with MAJ and is on a lease with Mid-Canterbury Aeroclub while MAJ is being painted and refurbished at Omaka. MCAC appear to be very happy with NJT and will likely continue the lease long term.



MAJ

MAJ is being leased by Mid-Canterbury Aeroclub.



MAJ required a complete paint strip and repaint in the WASSI scheme, and other restoration aspects, such as an internal refurbishment. This was committed to in latter half of 2024.

Unfortunately, additional items requiring investment become apparent and the cost of body repairs and painting significantly exceeded the initial estimate.

As a result, bringing MAJ up to WASSI standard cost appreciably more than planned and has left us with less funds than ideal leading into the 2025 Walsh.

On completion of MAJ's refurbishment, Mid-Canterbury Aeroclub members ferried her back to Ashburton.

In October 2022 MAJ had its initial avionics upgrade carried out. In late 2024 David McLaren viewed MAJ (which he is the principle sponsor of) and donated a further \$30,000 to complete the avionics upgrade. The hardware has been ordered and paid for, and MAJ is booked in to JEM at Omaka immediately post Walsh to have the avionics fitted.

JRS

JRS is also being leased by Mid-Canterbury Aeroclub.



JRS was positioned to Ashburton in early December 2023 and is apparently a favourite with club members.

JRS's instrument console has a mount for an iPad mini. Consequently, a Generation 7 (latest) iPad has been ordered and paid for, and it is hoped it will be delivered before the 2025 Walsh. Once it arrives, we will get it fitted and loaded with OZ Runways with a link to ADS/B IN, so that traffic can be displayed.

Mid-Canterbury Aeroclub are now leasing three of our Tomahawks, all of which are in WASSI scheme. They are currently making good utilisation of our aircraft and are talking about a formation team, which will be impressive to see.

MUM

Following a long and at times frustrating rebuild, MUM is now complete and the engine is expected to be run-in so she can be on the line at Walsh in 2025.

As yet we have not committed to a lease arrangement, and she will probably have one or two minor aspects to tidy up post Walsh.

I am confident we will be able to place MUM at a suitable aeroclub or flight training operation in due course.



Suitable Aircraft in the Future

The availability of suitable aircraft for us to invest in remains unpredictable.

If one or two funding initiatives come through in early 2025, as is anticipated, we will be able to invest in more aircraft. We are hopeful of securing a C172 we have identified but will immediately need to fundraise to replace the engine, which is "on-condition".

To move toward a balance of PA38's and C152's, I expect that subsequent aircraft purchased will be Cessna 152s. Keep buying those lotto tickets!

However, one thing that has become clear is that airworthy, relatively low hour aircraft at reasonable prices are a better investment for us, than aircraft requiring total rebuilds, no matter how little we pay for them.

Marketing WASSI

In 2024, a number of initiatives to improve the marketing of WASSI were undertaken.

The WASSI website has had some updating, with the inclusion of three WASSI Updates (Newsletters) in 2024, but there remain aspects that need updating and completing. If you can assist Murray Miskelly, I'm sure he would appreciate it.

Perhaps a video of the Walsh could be added to share our story better to prospective donors; and/or, perhaps we could add student testimonies, from a wide range of students over the years. They could describe how Walsh impacted them.

Olivia Reidy has made a start to update the WASSI Facebook page, but I'm sure WASSI would benefit from a more active social media presence. WASSI needs more enthusiastic, committed volunteers to take responsibility for building and maintaining our social media presence.

Warbirds Over Wanaka (WOW)

Through Carlton's efforts and contacts the organisers of WOW generously offered WASSI a prime location at the event, free of charge. Carlton, Amit and Nick collaborated to organise marketing material and to find volunteers to man the display and talk to the visitors. Their effort and interaction with the public made WOW a very successful marketing opportunity for WASSI.



Priorities for 2025

My aims for WASSI for 2025 are:

- The leasing of MUM to a suitable aeroclub or FTO;
- Purchase more aircraft, if anticipated funding comes through;
- The repayment of the loans to two WASSI members;
- To build up a buffer of funds;
- To continuously improve JHF; and,
- To allocate roles and duties to WASSI volunteers to spread the management load and improve the completion of tasks.

Nothing like an ambitious list!

Re-registration of WASSI under the Incorporated Societies Act 2022

WASSI is incorporated under the Incorporated Societies Act 1908 (the 1908 Act), which is over one hundred years old. The government recently passed the Incorporated Societies Act 2022 (the 2022 Act) which aims to modernise the way societies operate. The 2022 Act is more comprehensive than the 1908 Act and will help to integrate best practice processes into all societies, for example ensuring societies have good mechanisms in place for handling internal disputes and preparing financial statements to a consistent set of standards. The 2022 Act places a stronger emphasis on officers acting in the best interest of the society as a whole, rather than just its members.

Consequently, the WASSI members need to decide whether we want to re-register under the 2022 Act. I expect this to be a formality, however we will discuss and consider this question at our AGM in early 2025. If we do decide to re-register under the 2022 Act, which I recommend, this is free and must be completed by 5 April 2026 if we want to remain an incorporated society.

There are a few things WASSI will need to do before we re-register, such as preparing some documents and possibly adopting some new processes to comply with the 2022 Act. Steven Bodt, Janelle Rouse and I have begun drafting a new constitution and we are taking pro-bono legal advice from a couple of supporters to assist us. Drafting an appropriate constitution is a complex and time-consuming process which we do not want to rush. While we do not want to delay, we do not expect to be in a position to vote on adopting a new constitution (which will replace our existing rules) until the second quarter of 2025. We expect we will hold a Special General Meeting on-line to consider, discuss and vote on adopting a new constitution when the time comes.

There are approximately 24,000 incorporated societies in New Zealand that will need to re-register to remain incorporated. MBIE recommends starting the process early, so we don't run out of time. It takes some time to prepare what we need, and we should try to avoid the last-minute rush.

Until WASSI re-registers, we continue to operate under and comply with the 1908 Act. If we do not re-register by 5 April 2026, we will be un-incorporated.

Conclusion

The importance of the WASSI to help strengthen the future of Walsh is clear, and to ensure we achieve our goals it will take many more years of commitment.

Thank you all, for sharing the dream.