

Walsh Aviation Support Society Incorporated (WASSI)

Chairman's Report – January 2023

This report covers the period from the AGM of February 2022, to our AGM of January 2023 (not coincident with our financial year).

Despite the challenges of 2021 and 2022, the WASSI continues to grow towards our objectives. In fact, in many ways, we have had another great year and now four of the five aircraft we own are airworthy. FML, JHF and MAJ are leased out as detailed below. The fourth Tomahawk (NJT) has very recently become airworthy and run-in, and is contributing to the Walsh. NJT will be prepared for lease later in 2023. The restoration of the fifth aircraft, a C152A (MUM) will be completed as soon as we are financially able in 2023, with a view to putting the aircraft into a very good Flight Training Organisation. Two of the aircraft (JHF and MAJ) are not yet up to the standard of restoration we are aiming for, both requiring repainting in the WASSI scheme and both requiring completion of the avionics upgrade.

I think it is important to remind ourselves of why we are doing this. Simply, we need to have our students in the safest aircraft we reasonably can.

All dollar figures referred to in this report are GST exclusive.

Fundraising

The WASSI funds come from three distinct sources, charitable support organisation, such as Lion Foundation, Pub Charity and The Perry Foundation; from a few large benefactors; from member contributions and from aircraft on lease.

Organisations such as Lion Foundation and Pub Charity, who have both provided very significant financial assistance in the past, have been put under pressure in the last three years as a result of reduced income activity during the pandemic. That said, they remained supportive of WASSI in 2022.

In the financial year ended 30 September 2022, the WASSI received \$227,781 from donations; \$28,750 from leasing out our airworthy aircraft; and \$40,100 from grants.

While grants and one-off large donations are very important, I would like to acknowledge with gratitude, the regular contributions made by you the members. In 2022 especially, there were many months when your contributions meant we were able to meet our obligations on time. So, thank you from my heart, you are the backbone of our society.

Despite another year of relatively successful fundraising, the WASSI needed to take two \$20,000 loans in order to get JHF back into the air and leased by Hawkes Bay and East Coast Aeroclub following the prop strike, to get MAJ airworthy, run-in and leased by Mid-Canterbury Aeroclub and to complete NJT in time for its contribution to the Walsh this year. The first of these loans came from the Walsh Memorial Scout Flying School, essentially as an advance on the School's use of WASSI aircraft in 2023. The second loan came from one of our members. Both of these loans are expected to be paid back early 2023.

One of the biggest financial and time pressures in 2022 came from the prop strike incident at Nelson. While the insurance underwriters accepted our claim and the leasing aeroclub paid the excess, there were many related additional costs that we needed to meet and the aircraft was out of the air and consequently not generating any lease income.

Lease income for 2022 was much less predictable than in 2021, and maintenance costs are still unpredictable. I am hopeful that over time we will be able to understand the usage patterns of the various leases and find lease opportunities which see higher utilisation.

I understand we have an opportunity to lease our C152A (MUM) to an excellent Flight Training Organisation in the first quarter 2023. While we have not yet received details of the work required, the budget and the timeframe to complete MUM's restoration, I understand most of the major elements are complete. I also understand that the bulk of the remaining work involves the reassembly and fine tuning of a range of relatively minor aspects. I expect that we will need about \$40,000 and I am hopeful that Jay will be able to complete the work by April. The committee are exploring funding possibilities. If you or anyone you know can help, we would very much appreciate the support.

My plan for 2023 is repay the two loans, to raise money for MUM's completion, then to consolidate. Over time we will raise money for NJT's issue rectification, for the completion of JHF's and MAJ's avionics and to complete JHF's and MAJ's repainting.

I believe we need a further \$75,000 or so to get JHF; MAJ & NJT up to WASSI final standard. This can be achieved slowly from our regular donations; Pub Charity grants and lease income in 2023. We will need about \$8,000 per month to achieve this.

Finding Suitable Aircraft

The availability of suitable aircraft for us to invest in is totally unpredictable. However, one thing that has become clear is that airworthy, relatively low hour aircraft are a better investment for us, than aircraft requiring total rebuilds, no matter how little we pay for them.

While I do not expect we will be in a position to invest in any more aircraft in 2023, in order to move toward a balance of PA38's and C152's, I expect that the next aircraft purchased should be Cessnas.

Restoration Progress

MAJ

At the beginning of 2022, MAJ was fitted with one of the two engines ordered direct from Lycoming in Pennsylvania. These were ordered and paid for as "Overhauled" engines however, due to the very good relationship ARGUS Aviation at Motueka has with Lycoming, these two engines were constructed and delivered as zero time "Factory Rebuilt" engines. These engines are like new. They have a zero time since new and a zero time since major overhaul. This is a significant bonus.

Unfortunately, due to a communications breakdown, both engines as delivered were specked for Cessnas and required the retrofitting of fuel pump drives, at an unbudgeted additional cost of \$3,310 per engine, and at a delay of three months.

In September significant effort was put into running-in MAJ's engine properly.

In October MAJ had its initial avionics upgrade of a Garmin GTX335W ADS/B Out and In Transponder and a Garmin Aero 660 VFR GPS Navigator display.

While MAJ clearly requires a complete paint strip and repaint in the WASSI scheme, both time and financial constraints did not allow us to achieve this in 2022. We hope to be able to complete MAJ's repaint and other restoration aspects, such as the remaining avionics upgrade and internal refurbishment in the later part of 2023.

MAJ is now being leased by Mid-Canterbury Aeroclub.

In the calendar year 2022, \$45,501 was invested in MAJ. Bringing the total investment to date in this aircraft to \$199,458.

JHF

In September 2021, JHF was leased to Wellington Aeroclub. However, they had indicated that they were looking to purchase a third PA38 and that the lease may not be long term. In January 2022, Wellington relinquished its lease of JHF and the aircraft was returned to Motueka.

In early April, JHF was leased to Nelson Aeroclub, however in early May one of their members drove the aircraft straight at the lip of the sealed taxiway and the prop struck the ground at relatively high power. Fortunately, the insurance accepted our claim, and within a fortnight of acceptance, Jay McIntyre came over to Nelson to complete the removal of the (very low hour) engine, which was sent to South Air in Dunedin for the mandatory bulk strip and inspection. The prop was sent to Airbus in Blenheim for its inspection. Fortunately, the prop could be repaired but is apparently on limits.

In order to get JHF airworthy and back under our control, Jay fitted the second of the two rebuilt engines from Lycoming and we test flew JHF that same weekend, landing back at Motueka. Frankly, I could have done without this setback.

In late July Hawkes Bay and East Coast Aeroclub began leasing JHF.

In November JHF had its initial avionics upgrade of a Garmin GTX335W ADS/B Out and In Transponder and a Garmin Aero 660 VFR GPS Navigator display.

In the calendar year 2022, \$25,101 was invested in JHF. Bringing the total investment to date in this aircraft to \$136,218.

NJT

Progressively throughout 2022 the restoration of NJT continued, including a complete paint strip and repaint in the WASSI scheme.

In September NJT completed its avionics upgrade of two Garmin G5s; a Garmin GTX335W ADS/B Out and In Transponder; a Garmin Aero 660 VFR GPS Navigator display; and a Garmin radio.

The initial plan had been for NJT to be fitted with is one of the two engines ordered direct from Lycoming. However, the prop strike to JHF led to a replan and in November/December NJT was fitted with the engine which was bulk stripped, inspected and repaired by South Air in Dunedin.

As this process required the replacement of the rings and tappets, the engine required being run-in again and in December significant effort was put into completing the required hours to complete this before the Walsh. During this process a small number of issues were identified that will require rectification early in 2023.

NJT was hangared at Motueka until the Walsh and will be leased at some time in 2023.

In the calendar year 2022, \$78,061 was invested in NJT. Bringing the total investment to date in this aircraft to \$211,154.

MUM

The fuselage, wings and control surfaces were painted late 2021, although we have not completed final assembly yet, as this would increase its space requirements and thereby increase the risk of hangar rash.

The engine for MUM came from NJT, and was reconditioned by South Air in Dunedin. This was completed in April 2022, mounted to the airframe, but has not yet been run.

The restoration of MUM continued throughout 2022. This included a complete re-wire, repair to the instrument panel and the upgrading of the avionics to include two Garmin G5s; a Garmin GTX335W ADS/B Out and In Transponder; a Garmin Aero 660 VFR GPS Navigator display; and a Garmin radio.

The undercarriage legs, fairings, brake discs and wheels all required replacement.

Unfortunately, we ran out of time (and money) in 2022 to complete MUM in time for it to be used at the Walsh in 2023. However, we have been approached by an excellent lease prospect and hope be able to complete MUM and have it available for lease in the first quarter 2023. However this will be subject to raising sufficient funds.

In the calendar year 2022, \$57,356 was invested in MUM. Bringing the total investment to date in this aircraft to \$293,955.

Other Considerations

The importance of this undertaking to securing the future of Walsh is clear, and to ensure we achieve our goals it will take many years of commitment. Part of this process is succession planning. I would ask that you give some thought to whether you may be able to contribute in some capacity in the future.

Thank you all, for sharing the dream.