



HELICOPTER ASSOCIATION OF CANADA Fall 2015 AGM TREASURER'S REPORT

I am pleased to report that our Auditor, Frouin Group, has provided us with a clean audit opinion on our 2014-2015 Financial Statements.

HAC ended the year with a \$27K operating loss, which is \$8K unfavorable to budget.

I will not go into detail regarding each line item on the Financial Statements, as the Members have each received a copy. There are however a few items of note:

- Revenues were down 20% compared to the previous year, due primarily to the much smaller Montreal convention when compared to the previous year's Vancouver event. Montreal convention revenues were \$194K (-35%) less than Vancouver convention revenues the previous year. Membership revenue declined by \$11k (-4%) while other revenue increased by \$9K (+7%)
- Expenses were down 13% compared to the previous year, attributable to Montreal convention expenses being 40% lower than those in Vancouver the previous year
- The fall 2014 Montreal convention generated a net income contribution of \$161K to HAC, compared to the \$234K contributed by the larger fall 2013 Vancouver convention.

Internally Restricted Funds

HAC maintains four internally restricted Funds, which have been established to prevent HAC from resorting to short and medium-term fee increases that could destabilize the Association, as HAC must have sufficient reserves to cope with normal variations in revenues and expenditures, extraordinary problems, administrative and development needs and long-term commitments.

The money in these Restricted Funds was moved between funds in preparation for the purchase of the new Office Condo from the *Capital Acquisitions Fund*. In the fiscal year 2014-2015, the Board did authorize the payment for the InterVISTAS Economic Footprint Study, and for the deposit on the purchase of the office condo, however these sums are parked on the Balance Sheet and are not reflected in the status of the Restricted Funds for this year-end. The total cost of purchasing the office-condo in Ottawa, including its fit-up, was \$424,000.

As of August 31 2015, a description of each of these funds follows:

- Contingency Fund - \$155,940 (down from \$290,315 in the previous fiscal year). HAC's goal is to have enough reserves in the Contingency Fund to fund a full year of expenditures in order to provide for unforeseen eventualities and for extraordinary expenses. \$40,625 was transferred into the Contingency Fund from Unrestricted Net Assets, and \$175,000 was transferred out to the Capital Acquisitions Fund.
- Capital Acquisitions Fund - \$501,000 (up from \$25,000 in the previous fiscal year). The Capital Acquisitions Fund is to be used to purchase office equipment and other capital items. In preparation for purchasing our new office building, \$175,000 was transferred in from the Contingency Fund, \$101,000 from the Special Projects Fund and \$200,000 from the Legal Defense Fund.
- Legal Defense Fund - \$100,000 (down from \$300,000 in the previous fiscal year). The Legal Defense Fund was established for the purpose of funding or sharing the cost of legal action where the outcome of the action may affect the interests of the Canadian helicopter community. \$200,000 was transferred out to the Capital Acquisitions Fund.
- Special Projects Fund - \$9,000 (down from \$105,000 in the previous fiscal year). This Fund was established in 2008 to be used for special projects and initiatives, such as for payments for the Economic Footprint for the Canadian Helicopter Industry Study carried out last year by InterVISTAS. \$5,000 was transferred in from Unrestricted Net Assets, and \$101,000 was transferred out to the Capital Acquisitions Fund.

HAC's accomplishments and stability are due to the tremendous support of our Members and Associates, Corporate Sponsors, Exhibitors, and Convention Sponsors. I wanted to thank all of you for your support, but I would like to pay special tribute to each and every one of our Corporate and Convention Sponsors by name.

Corporate Sponsors:

- Agusta Westland
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- StandardAero
- Vector Aerospace
- Willis Global Aviation

I would also like to extend a special thank-you to our Fall 2015 Convention Sponsors.

We would also like to pay tribute to a number of our Corporate Sponsors who are also Convention Sponsors:

Fall 2015 Convention Sponsors:

- *AIAC Pacific*
- AIRBUS Helicopters Canada
- AirSuite, Inc.
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- Jet Support Services, Inc.
- Pratt & Whitney Canada
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- Willis Global Aviation

Please join me in thanking them all for their financial contribution and support for HAC.

Thank you, and we look forward to your continued support.

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