



Annual Report 2017

Index:	Page:
Introduction by the CEO	3
Chairman's Report	6
Chief Technical Officer's Report	7
Chief Inspector's Report	9
Flight Training Liaison and Safety Officer	12
BMAA Courses	15
BMAA Publications	17
Treasurer's Report	19
Department Reports	20
Summary of Accounts	25
Company Structure	27

CEO Introduction

Geoff Weighell



As I report from time to time in *Microlight Flying*, annually in my report here and at the AGM, the members of staff at the BMAA continue to work hard to support the BMAA Board of Directors for the benefit of the members. The work is varied. Some involves processing routine applications, such as for a Permit to Fly revalidation or a microlight pilot's licence. Others are less routine, for example the assessment for airworthiness purposes of a new aircraft type or a modification or repair to an existing type. Behind the scenes of the visible products are the administration staff who make things happen at office level. Renewing memberships, answering queries, sorting the post, conducting health and safety checks, keeping the building and staff safe and secure. All important roles that need to be performed just as well as the more visible and glamorous roles. In this report you will be able to read more details of the work carried out by some of those people. I have every confidence in all of the members of the BMAA staff that I work alongside each day, and would like to thank them for their continued diligence and support.

My work is sometimes a little less obvious. As well as being involved in all the other departments of the BMAA in an oversight capacity I take on a direct responsibility for monitoring aviation regulation. This has led to the opportunity in some cases to influence the reduction or easing of regulation, such as the changes to the NPPL medical last year and the expansion of uses of amateur built microlights. I also lead the BMAA's activity around airspace and airfield challenges. As I have written before, without airfields to fly from and airspace to fly in, our sport would cease to exist and so any time taken up with tasks to preserve our opportunities is time well spent. We are continually engaging with other like-minded groups to strengthen our position. Most recently we have been invited to sit on working groups of the All Party Parliamentary Aviation Group. An opportunity to directly influence Government thinking and policy. All this work is ongoing for the benefit of the members. The BMAA was formed just for these very tasks. Establishing our right to fly and protecting them for the future.

We have plans for the future.

Technical Office. This year the engineers have continued to process applications from members for repairs, modifications and of course Permit to Fly revalidations. They have also approved new designs bringing new aircraft into the UK market. Our CAA Authorisation allows us to approve aircraft that are heavier than microlights and this year as well as microlight derivatives approval for the Pipistrel has been completed. We are encouraging the CAA to recognise that existing regulation in other countries is adequate so that the UK approval process can be simpler. There is some movement on this.

On the near horizon the EU aviation agency, EASA, are proposing changes to the regulations which may mean that the microlight weight limit will be increased. We are actively progressing development of a policy to present to the regulators so that we can make the most of any potential for change.

Some time ago we embarked upon a plan to become approved to work on behalf of the CAA in the field of microlight manufacturer oversight. We have had to wait for the CAA to prioritise their workload to progress this. We hope that this will happen in 2018.

Pilot improvement. The BMAA will be launching a BMAA Pilot's Wings scheme in 2018. This isn't a new idea but a first for the BMAA. In conjunction with the scheme, which is designed to encourage pilots to improve their handling skills and knowledge making them a better safer pilot, the BMAA has started to run aviation specific courses for the enjoyment and benefit of the members. The range of courses will be increased to cover flying skills as well as ground based knowledge.

Build-a-Plane – New Horizons Project. We currently have three aircraft under construction. The projects are taken by schools and universities to encourage a knowledge of microlighting and a practical involvement with hands-on construction. The projects are self-funding, the aircraft are sold following construction, and so the benefit of education, promotion and goodwill comes to us for nothing. We plan to continue the projects and develop the returns.

Pilot training. Although the microlight pilot's licence is granted by the CAA, not the BMAA, the BMAA has a significant influence on the syllabus. Members of the BMAA Training Committee have carried out a review and written a new syllabus which better reflects modern day microlights and the airspace environment. We hope to be able to have this approved and active in 2018. The recent exemption that allows some microlight pilots to fly without a recognised qualification has led the BMAA to develop a basic skills course which encourages new microlight pilots, usually converting from hang gliders, to take some training for their own benefit. The training would count towards a NPPL if they choose to progress to heavier aircraft.

Communication. The BMAA magazine, *Microlight Flying*, has been a valuable source of information for members for many years. This will continue. The BMAA Forum has recently been relaunched with new improved software and will be used as a main communication channel for members. The BMAA website will be relaunched before the end of 2017 and developed further to hold the vast amount of information demanded by members, but also to encourage new participants into the sport that we love.

Governance. The BMAA is run on your behalf by elected members who form the BMAA Council. There is sometimes criticism from members that they are not kept up to date with activity. As a group the Council members and the BMAA staff prefer not to speculate on outcomes, but report success. However, the point has been taken and clearer communication will be a priority for the future.

Five years from now? The BMAA has been in existence for over thirty five years. Formed to protect the interests of a small, but significant, part of recreational aviation there is no doubt that we have been able to protect our interests and expand our sport. We are now in a maintenance and extension period. We mustn't lose the advantages and freedoms that we have gained since the start, but we must also look for areas which will create more benefit for us, the members. Potential changes throughout Europe offer scope for new aircraft, but also risks to our existing privileges. We must actively work to get benefit without suffering losses. Within the UK there is constant pressure on airfields, largely from housing development, and airspace, usually from the expansion of commercial aviation. We are already working hard to keep our airfields and airspace, in fact to influence the release of controlled airspace. What else should we be aiming for? Remember that the BMAA is you, the member. What the volunteers and staff set out to do is entirely guided by your wishes. The Directors have a responsibility to listen to members and set a strategy to take into account the view of the members. Where should we be in five years? Please have your say.

Geoff Weighell
BMAA CEO



BMAA Chief Inspector, Rob Mott, takes a member of the AAIB on a microlight familiarisation flight.

Chairman's Report

Rob Hughes



With another busy year almost at an end, I should start by thanking our staff members who have worked so hard for us in 2017. We welcomed John Teesdale and Jo Pickles to the office while at the same time thanking Pete Watson for his contribution to microlighting as our Safety Officer. We wish Pete well for the future.

A decision on the part of the CAA enabled a new class of sub-70kg microlights; outside of airworthiness and licencing requirements, these aircraft represent where we first started: minimal, lightweight and available to all. We will recommend a training programme to those who see the value in training and hope that these flyers form part of the wider picture in the future. Of course, all single-seaters are welcome to BMAA's annual Single Seat Rally, following another successful event at Enstone in 2017.

At the other end of the weight scale it seems EASA will finally enable a framework to allow a heavier microlight MTOW. We are actively engaged in exploratory discussions with CAA and will report back once the situation is clearer. This may change the face of microlighting in the UK (and elsewhere) and BMAA stands ready to adapt to any outcome.

We saw success in international competitions for the following BMAA members:
2 seat fixed wing: Bronze for Rob GRIMWOOD and John WAITE
Single seat flexwing: Bronze for Colin JOHNSON
2 seat flexwing: Bronze for Tim BURROW and Neil KING

This year the British Microlight Team were awarded the prestigious Prince of Wales Cup by the Royal Aero Club for their achievements at the World Microlight Championships in 2016. The organisers of the same event were also recognised with an RAeC Certificate of Merit. Congratulations to all!

Finally, we will move our 2018 AGM to coincide with the Microlight Trade Fair at Popham. We are a club of our members and we encourage all of you to get involved, have your say and help shape your BMAA for the future. We hope to see you there.

Happy landings and I wish you another successful year of flying in 2018.

Rob Hughes
BMAA Chairman



The Technical Office has had another busy year.

First BMAA light aircraft

This year saw the first two BMAA non-Microlight aircraft obtain Permits to Fly. These were a Sky Ranger Swift and a Pipistrel Virus SW. We are expecting the BMAA's light aircraft fleet to increase next year with a number of non-Microlight Sky Ranger Nynjas nearing completion.

New Microlight types

Two new factory-built (type-approved) Microlight types have been approved by the BMAA this year: the Hyper GTR from P&M Aviation, and the Breezer M400. The Breezer is offered by Ascent Industries, to add to their EuroFOX range.

C42 Support

Red Aviation, the UK C42 importer, ran into regulatory problems this summer, with its approval to release new aircraft, and replacement parts, provisionally suspended by the CAA. We released four new C42 Microlights for owners who were caught up in this, and assisted with arranging a temporary CAA authorisation for Comco-Ikarus to release replacement parts into the UK directly.

High hours aircraft

Some airframes in the BMAA fleet - particularly modern training machines - are accumulating many thousands of flying hours, which is many more than Microlights have traditionally been designed for. We are starting to see problems associated with this, such as fatigue cracking. We have been working with LSA and have developed a maintenance regime to keep the Eurostar fleet flying safely. We have also been working with Red Aviation and Comco-Ikarus to update C42 Service Bulletins while Red Aviation's CAA approval is provisionally suspended.

Routine projects

Projects of note include first fitment of a D-Motor to a BMAA aircraft (an X'Air Falcon). We have approved in principle replacement lift struts for a Thruster T600 using an alternative aerofoil extrusion. This is due to none of the original remaining. We hope that this is successful and can become a series modification to help keep the Thruster fleet flying.

Weighing & Check flying

Both the new weighing system, and the new 'owner' check flying system, have settled down well.

8.33 kHz channel spacing radios

A reminder that the deadline for replacing 25kHz channel spacing radios, with 8.33kHz channel spacing radios, is the end of this year.

Ben Syson
BMAA CTO



The P&M Hyper flexwing microlight. Designed by Dr Bill Brooks. Approved by the BMAA Technical Office in 2017.

Bill is seen here demonstrating the aircraft to a member of the AAIB during their microlight familiarisation day with the BMAA at Enstone.

Chief Inspector's Report

Rob Mott



This report will provide a brief overview of what has been implemented over the last twelve months. Secondly to provide an insight to future plans with regard to the BMAA's continued airworthiness system and strategy.

BMAA Inspections

BMAA inspectors continue to carry out routine Permit revalidation inspections on behalf of the BMAA. My thanks to all those that are involved in inspection activities, helping to keep the BMAA members flying.

Permit to Fly Revocations

Rolling on from previous years the BMAA has continued to receive notifications of Permit to Fly revocations from the CAA. In the vast majority of cases the reason is simply a mismanagement of change of ownership process or lack of ability to contact the new/current owner. If the change of ownership is not completed properly, after a fixed time period the CAA will suspend the Permit, if no correcting action is taken they then actually revoke the certificate. This has a knock-on effect; in order for the aircraft to fly again a new (and full) Permit to Fly application has to be made to the CAA via a suitably authorised organisation (i.e. Type Approval holder). This will normally be the manufacturer or the BMAA. In either case, it takes time to rectify say when compared to renewing a Certificate of Validity, plus it generates additional cost.

Weighing of Aircraft – grace period ending

A number of aircraft have been transitioned onto the new procedure. The new procedure distinguishes between Basic Empty Weight & Actual Empty Weight (the later includes optional equipment). For aircraft that have moved across, the focus is now to simply track changes as and when they occur, rather than continue with monotonous reweighing.

Notices, Alerts & Information Dissemination

2017 has been another busy year for the production and dissemination of notices, defect alerts and Mandatory Permit Directives (MPDs). Various manufacturers and kit suppliers have been generating bulletins in response to in service issues.

The BMAA website acts as a notice board for such publications, for the benefit of all. Notifications are also sent directly to all active members of the inspectorate.

As mentioned last year all BMAA relevant airframe MPDs (Mandatory Permit Directives) have been collated and organised into the relevant HADS or TADS, all of which are published on the BMAA website. This should simplify the act of checking MPDs for owners and inspectors alike.

Aircraft Surveys

Members of the BMAA Technical Office have surveyed aircraft in the following areas; Bagby, Stratford, Napton, Derby, Marlborough, Enstone and Husbands Bosworth. Some of this work has been in conjunction with the CAA. Like last year, the BMAA is committed to auditing amateur built projects and completions.

First CAA Audit of BMAA A8-26 Approval

Since the BMAA became the first organisation to achieve A8-26 status it has also been the first to have a full CAA external audit. This audit covered numerous areas of operations and procedures. We are proud to report that the Association passed comprehensively.

AAIB

At the end of August, the BMAA held an introduction day for new Air Accident Investigation Branch staff. The aim of the day being to provide familiarisation of the BMAA, how the Association has evolved over the years and finally the current level and scope of activity. After a morning of presentations, the AAIB members went to Enstone airfield for flights in both a fixed wing and flexwing microlights. The day was a valuable exercise for both the BMAA and the AAIB.

SSDR and back again

The BMAA has successfully regained Permit to Fly certificates for two aircraft that had been registered as SSDR. These aircraft have been restored to Permit to Fly status and are therefore allowed, once again, to take passengers as well as operate at their originally designed/intended MTOW. If you're interested in this process please contact the BMAA Technical Office for assistance and guidance.

Modification Status Report

The original modification status report has been discontinued because it worked in conjunction with our old database system, Enterprise. As a temporary measure an all-encompassing spreadsheet has been generated from the new database, it displays the mod status for all aircraft listed at the time specified. This currently on the BMAA website, but will shortly give way to direct membership access.

Database - CiviCRM

The new database has been running for just over twelve months now. All tasks from permit processing to membership admin and some forms of information dissemination are all performed and recorded on this system. Some developed features include real time permit revalidation application progress updates. Also new direct emailing of news items, event notifications and where appropriate important bulletin alerts. It is proving to be versatile and offers new levels of automation not previously available, hence increasing efficiency and reducing admin burden.

Inspector Seminars

A new BMAA Inspector seminar is planned for early 2018. The seminar will be on the subject of the ULPower series of engines and is to be run by the new and recently appointed importers, Metal Seagulls. The course will cover history and development of the series of engines. A detailed overview of the systems and features of the ULPower and finally any particular inspection requirements and in-service issues.

A Senior Inspector standardisation seminar is also planned for the early part of 2018.

FUTURE PLANS

Manufacturer Oversight

The BMAA will continue to take steps towards gaining authorisation to be able to oversee aircraft manufacturers, a substantial extension of the current scope of work. This will have other benefits such as the updating of official documents (TADS) and liaison regarding defects and service bulletins.

Expansion of VLA Fleet

Adding to the two airframes currently operating on a Permit, eight more aircraft are currently under construction, some of which will make it into the air in 2018. Additionally, other VLA types are currently undergoing certification.

New Database Features

It is planned that the new features of the database, as listed below, will be rolled out in the coming months:

- allowing members will be able to view their own aircraft files (including permit history, weight reports and modification docs). *This effectively replaces the modification status report.*
- members will be able make changes to their personal details and to directly submit applications through the system, which includes purchases.
- It will be possible to make Permit applications via the new website/database integration as well as making payment as a part of that process.

Electric Propulsion

Development of inspection criteria for electric propulsion systems and drive trains.

Rob Mott
BMAA Chief Inspector

**BMAA Flight
Training Liaison
and Safety
Officer**

John Teesdale



I was appointed to the newly created role of BMAA Flight Training Liaison and Safety Officer in September. Pete Watson, the previous Safety Officer had left in February so there's plenty to do and I've hit the ground running.

The Training Liaison part of the job is new and will involve developing and providing guidance for microlight instructors and examiners, together with reviewing and maintaining the NPPL(M) examinations and the training syllabus. The new syllabus and examinations are almost complete and will be issued early next year. This work has all been done by volunteers on the Training Committee and I would like to thank them for their hard work.

The new syllabus will have a different style and format to previous. It will contain photographs, pictures and illustrations to make it much more interesting to read and therefore saleable. Pooley's will provide a design and printing service. They will then market the syllabus under the BMAA banner and BMAA will receive royalties.

The Safety Officer part of the job has been expanded to provide a practical link between flight safety promotion activities and the world of flight training. In the past information gathered that could help improve flight safety has tended to become isolated and the opportunity to pass it on lost. I've always thought that the way safety information was distributed was rather like throwing boxfuls of leaflets out of an aircraft and hoping someone would pick them up. I intend to be more pro-active with the role by visiting microlight flying clubs to give advice and guidance directly, in conjunction with BMAA Club Safety Officers.

There is a lot of statistical analysis involved with the job and I am grateful to Stuart Buchanan for his assistance with number crunching and compiling reports.

Accident Statistics. The good news is that the total number of microlight accidents in 2017 is down by half from 2016. 29 to date (Nov 2017) compared to 58 last year.

Following a review of recent accidents, we have decided to tackle two problem areas as priorities;

1. Loss of control during landing or going-around.

These accidents account for around half of all accidents in the last six years. Guidance will be issued for qualified pilots with an article in MF written by the head of the

Training Committee, Rob Grimwood. We will encourage instructors to target this area with check flights, revision and NPPL biennial checks. I will deliver guidance at the Instructor Seminar in February.

2. Hitting the near/far hedge at short strips.

Another significant problem area centres around taking off and landing at more demanding sites, usually farm or other small private strips. Many pilots learn at or fly from large prepared strips and do not possess the knowledge, skills or experience to tackle the smaller strips. Understandably and quite predictably, they all too often come unstuck.

To tackle this problem, I am writing a Syllabus for a new "Strip Skills Diploma" course for post-license pilots which is designed to revise and strengthen knowledge and skills required to operate from farm and private strips safely. It will be launched in the new year as part of the BMAA Courses Scheme and will be delivered through a network of BMAA Instructors. Other courses will be developed to include Flying Abroad, Water Crossings, Mountain Flying etc..

BMAA Wings Award Scheme

In order to improve flight safety, it is clear that we must give qualified pilots the incentive to commit to post-license self-improvement. We know that as time goes on, knowledge gained during training starts to fade away and although overall experience is gained as more hours are flown, most of this time is spent just flying in a straight line. Many of the skills learned during training become rusty or forgotten altogether and this has an adverse impact on safety. To try and reverse this trend, in 2018 the BMAA will roll out its new Wings Award Scheme.

This is an award scheme for current BMAA members which will give all pilots new challenges and goals to achieve. The award recognises, and is intended to encourage, a pilot's personal achievements based on self-improvement in skills and knowledge with the intent of becoming a more competent and safer microlight pilot. In addition, gaining a BMAA or CAA qualification that can be used to assist other BMAA members who are microlight pilots. It is intended that this scheme become recognised by the CAA as a Pilot Recognition for Operational Up-skilling and Development (PROUD) scheme. We are also hopeful that the Insurance Industry will recognise that the Wings Award Scheme makes pilots safer by offering reduced insurance premiums to award holders, in a similar way to Advanced Motorists.

There will be four levels of award; Bronze, Silver, Gold and Diamond. Each level will require a combination of knowledge and skills based credits. Knowledge based credits will include BMAA First Aid or Fire courses, GASCo or BMAA safety evenings, ATC visits etc. The Skills based credits will require the pilot to gain more hours, plan and fly cross country navigation tasks of increasing length and accuracy and complete BMAA post license Flying Skills courses, such as the Strip Skills course.

2018 Safety Days/Evenings

I have started to work on the content of these. I will be focusing on Human Factors, Spatial Awareness, distraction and stress as being significant contributory factors in accidents and infringements. I will encourage all pilots to take up the Wings Scheme

and BMAA courses.

I will be encouraging all Microlight Clubs and Schools, especially those operating within or close to busy airspace, to contact and work together with other airspace users in their area to improve safety. By making each other aware of respective numbers, speeds, operating heights and areas, it is possible to reduce the chance of Airproxes or collisions.

John Teesdale
BMAA Flight Training Liaison and Safety Officer



John with his other aeroplane

BMAA Courses

Throughout this report you will have read references to BMAA Courses. For some time we have considered how to run courses for the benefit of the members. For education, interest and enjoyment.

During 2017 Rob Mott has taken a very active role in setting up a BMAA Course web site and making the first two courses actually happen. With the introduction of the BMAA Pilot's Wings scheme and the arrival of John Teesdale at the BMAA the development of courses is now well underway. Read below what Rob Mott has to say:

BMAA Pilot Courses

As promised last year a new initiative has been launched, BMAA Pilot Courses. The aim of the project being to produce a series of pilot courses designed to primarily benefit the membership, but also the wider aviation community. The courses will cover a widening range of aviation relevant topics, delivered by experts and offered to BMAA members at discounted rates.

The first two courses, conducted in October 2017, were Aviation First Aid (10 attendees) and Aviation Fire Training (10 attendees), both proved to be very successful.



The October 2017 Fire Course students with their pass Certificates.

These courses will be repeated at a variety of locations in 2018, details of which are to be announced shortly. Complementary and simultaneously to this a new suite of flying courses are also being developed, aimed at qualified pilots.

Current Courses	Flying Courses (in development)
Aviation First Aid	Strip Skills
Aviation Fire Training	Mountain Flying
Beginners Guide to Flying Abroad	Flying Abroad

Development of BMAA Pilot Courses

2018 will see the expansion of the new scheme. Below are some ideas and initial proposals with regards to ideas for courses and potential new venues:

Course Ideas/Proposals	Future Venues
<ul style="list-style-type: none">• RT courses• Engine Maintenance & General Aircraft Skills• Weather School• Flexwing Rigging• Check Flying• Looking after your aircraft• Human Factors• Aircraft Ownership & Syndication• Modifying your aircraft• Understanding Weight & Balance• Amateur building	<ul style="list-style-type: none">• Wolverhampton Business Airport (confirmed)• Enstone (confirmed)• Rufforth (confirmed)• East Fortune (confirmed)



The October 2017 First Aid Course students with their pass Certificates.

Successful attendance on BMAA Courses will count as credits towards the BMAA Wings scheme awards.

You can keep up to date with further course developments through the dedicated BMAA Course web site.



www.bmaacourses.co.uk



MF

The bad news is that MF continues to be 48 pages, down from the 52 of three years ago due to a fall in advertising. The good news is that although the number of editorial pages dropped by four, the number of advertising pages every issue has dropped by five and sometimes six or seven, so we actually have one to three more pages of editorial than we had before. Having said that, I'd be keen to get us back to 52 at some stage if it was financially feasible. At a very useful editorial team meeting in February, Geoff Weighell said he would review the financial situation in August to see if a return to 52 pages is possible. After discussion with treasurer Rob Grimwood, he's considering the matter as I write this.

In terms of staff, Norman Burr continues to do a brilliant job as consulting editor, from writing inspired letters headlines and drafting the initial design to catching my Cubes (Cock-ups by editor) before they make it into print. I've lost count of the number of times he's kept me right and stopped me making a fool of myself – no mean feat.

Reporters Paul Kiddell and Merv Middleton continue to do sterling work, with Paul also spreading the word about microlighting to full fat flyers with some great spreads on touring in Flyer magazine.

The free landing vouchers scheme instigated by Rick Goddin stopped due to lack of response from airfields in spite of huge efforts by Merv, but Rick has offered to resurrect it in Spring 2018, helped by Merv and Paul.

At Pagefast, Ian Norris never fails to amaze me by his skill in designing MF and eMF, writing inspired text and often going out of his way to find extra information that Norman and I have missed, all with his customary humour and grace.

Feedback from readers continues to be good, as witnessed by the howl of protest which greeted the unfortunate Keith Osborne when he dared to criticise Avgas.

Contributors, especially regular ones, are also taking on board the advice of the guide to writing for MF on the BMAA website, specifically start with an attention-grabbing intro then less is more: i.e. only write about the interesting bits, not absolutely everything, because if it doesn't interest you, it certainly won't interest the reader. I've tried to keep stories of trips down to a maximum of two pages, which is where I think they run out of steam unless they're very well written.

As always, I will continue to publish all letters, albeit edited, unless they're factually incorrect or libellous, since the moment I start censoring letters is the moment that members stop thinking of MF as their magazine and the vehicle for their opinions. The result of that policy is a diverse and interesting letters section, and I think the

fact that we have up to 11 pages of letters and other flying mags have none shows how engaged readers are with MF as their magazine.

eMF

I hear from Ian that according to Geoff Weighell in meetings with GASCo and suchlike that eMF is the model that other online mags should aspire to, which is very nice to hear. I think it's been a really successful combination of teasers for MF, late news, all the photo comp entries and videos.

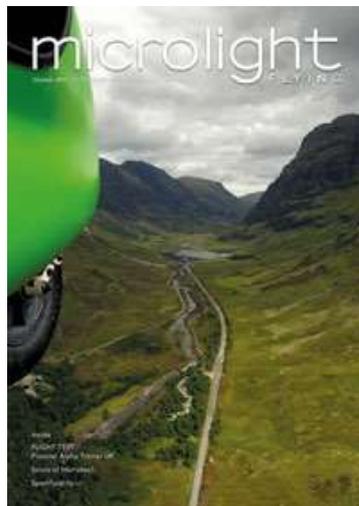
Finance

As indicated at the February meeting, the cost of MF had increased slightly, mainly due to a drop in advertising, but the cost to members had only risen by £1 per year. The breakdown of publishing costs is reported in the Treasurer's report further on.

At the February meeting, Geoff Weighell said he was reasonably happy with the MF financial situation, since he regarded it and eMF as a necessary cost and an important service to members. At that meeting, Paul Henry, MF's Head of Advertising, reported that the decline in MF ads seemed to have stopped, and they were actually increasing again.

The MF expenses budget is £3,800 per annum, and yet again I've failed to spend it all, with the total for the financial year £3,216.17, down from £3,394.55 the year before. Sorry about that.

Geoff Hill
BMAA Editor



Some of our stunning
2017 MF cover shots

Treasurer's Report

Rob
Grimwood



The BMAA financial year 2016-2017 ended on 31st August 2017, therefore we currently sit three months into the new financial year 2017-2018. This report summarises the 2016-2017 financial year and then goes on to make recommendations as to the fee structures for this current year in order to meet our ongoing financial goals.

We ended the 2016-17 year having made a loss of £9,395 as opposed to the last two years where we made a loss of £15,670 and a profit of £29,000 respectively.

Last year for the second year running we decided not to increase our fees with the prediction of roughly breaking even which was the financial target set by the BMAA Council.

The loss we made last year equates to 1.5% of our income which means again we have got very close indeed to our goal of breaking even. Furthermore, if you take the last three years as a whole we have actually made a small profit of around £4000.

The main differences in this financial year were:

Income

- Membership UK and Overseas down £7600 – Although the membership income is down in terms of money this is only partly due to a reduction in the number of members. We believe that some of the reduction in revenue is a timing issue due to 3 yearly memberships and / or family memberships and the take up of discounted membership fees for young and student members. This has been down for the last two years and will be very interesting to see if it increases this year. We are always looking at new ways of gaining members and looking after current members. This year we went to a major London exhibition with the goal of gaining new members. More on this below.
- *This is Microlighting*, our publicity magazine, had increased sales but also costs due to a new print run.
- Airworthiness income was down just over £9000. An amount of this is down to people deregulating their aircraft.
- Mods and Homebuilds were up by £1600
- Type approval work up £1,800 – the work we do for manufacturers.
- NPPL Fees up £3100 – This is good news and means plenty of people are learning to fly microlights.

Expenses

- Event expenses were up by £9500 due to us attending at the Daily Telegraph Outdoor Adventure and Camping show in London. The BMAA had a good stand which was very well staffed. We sold a few vouchers and got lots of interest in

Microlighting but overall we felt we would not exhibit at such a costly show again. Members are often asking what we do for promotion with our reserves and this is an example of what we do but we feel we did not get enough value for money so will not do it again in the same way.

- Simulator expenses we up by nearly £3000 due to buying a new computer after the old one blew up and renovating the simulator trailer to maintain its safety on the road.
- Donations were down £6700. The main reason for this was that we did not take any money for the BMAA bursary as we had plenty in the pot from previous years as well as from external donations.
- Software and IT costs were down by nearly £27000. This was because last year we had a new website and new database designed after the old software was no longer supported. The database is up and running and the website will be running very soon.
- Professional fees down by £1600
- Insurance down £6200 – Mainly due to no longer paying for check flying insurance.

Recommendations for this financial year

Last week I got together with the CEO and we conducted a thorough review of last year's figures and looked at the budget for this financial year, which started in September. We have added the values of known expenditure and increased others by 3%, the current rate of inflation.

Although we have not yet employed a direct marketing member of staff we have decided to allow for a part time position in the budget. We have also included a contingency of £5000.

Without increasing the fees at all the budget shows a significant loss this year therefore we have no choice but to increase the fees. This will be the first time in three years that we increase the fees. The increase has not yet been decided upon but will be in the region of 5% which is only 2% above the current rate of inflation. The new fees are due to come into effect from the first of January next year.

Department Reports

To help understand where income and expenditure are generated we have created reports for the activities which form the basis of the functions of the BMAA.

Actual income and costs are allocated to the activity where they occur and a proportion of overheads are allocated based upon the staffing requirements of each activity. Some activities will show a significant cost, whilst others make an overall positive contribution to the income of the BMAA. Because the BMAA is run for the benefit of all members and offers potential benefits to all, such as availability of airworthiness services, it is accepted that a degree of subsidy for some activity from other income will be needed. This report shows the financial states of the activity groups and the summary of the final annual position of the BMAA at the most recent year end, August 31st 2017.

Administration Department

Income

Shop & General sales	6,255
Build A Plane	0
	<hr/>
	6,255

Costs

Stock cost of sales	4,132
Council & CEO	223
Depreciation	6,830
Office running	30,884
IT	15,725
Overheads	81,773
	<hr/>
	139,567

Total Administration Department (133,312)

Within every organisation there is a cost to just being in existence. At the BMAA we call this the Administration cost, where income and expenditure cannot be directly allocated to a particular main activity but is needed by all. Included will be such items as the availability of heating, lighting, water, telephones and communications and premises costs.

Membership Department

Income

Membership fees	242,724
Show income	0
Other events	248
Donations	305
	<hr/>
	243,277

Costs

Council	3,290
Promotions	507
Simulator Costs	2,956
Representation UK & O'seas	2,326
Shop	0
Commissions	1,150
Competition	2,822
Shows	13,800
Royal Aero Club	4,703
WMPC	0
Overheads	28,519
	<hr/>
	60,074

Total Membership Department 183,203

The Membership department income activity comes from membership fees and other sources where the activity is undertaken for the benefit of BMAA members.

Costs attributed to the membership department are those resulting from running the membership system and such activity as representing the member's interests in regulatory and other interest areas.

The cost of events is also included to balance the income from events.

The Membership department is an overall contributor to the BMAA finances, although without the other activities carried out by the BMAA there would be less reason for a microlight pilot to be a member.

Total BMAA members



Engineering Department

Income	
Mods & Homebuilds	8,732
Type Approval Work	1,622
	<u>10,354</u>
Costs	
CTO/Tech & research expenses	2,497
Representation UK & O'Seas	0
Overheads	130,898
	<u>133,395</u>
Total Engineering Dept	(123,042)

The Engineering department can be considered to be a loss leader in financial terms.

Without a resource to approve designs, whether they be new aircraft, modifications or repairs, BMAA members would have to pay the higher costs of CAA fees and possibly suffer slower turnaround times for applications.

Having an engineering department staffed by engineers who are also microlight pilots benefits the speed and proportionality of the approach to applications.

Subsequent renewal fees through the ongoing airworthiness system will offset much of the differential between the cost of an approval and the fees charged for it.

Airworthiness Department

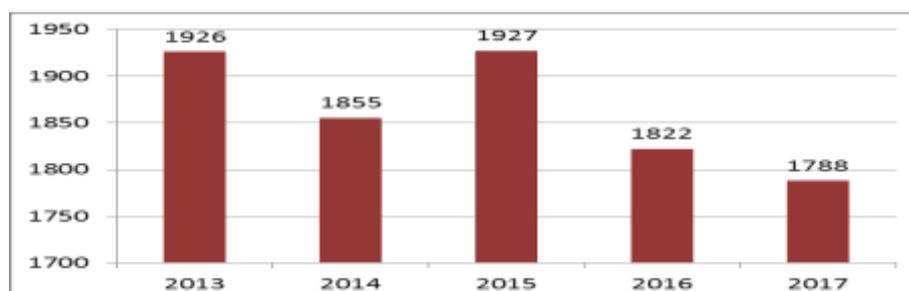
Income	
Airworthiness	274,217
Inspector fees, Assessments & Audits	5,672
Seminar fees	0
	<u>279,888</u>
Costs	
CAA	8,970
Chief Executive	50
Chief Technical Officer	0
Chief Inspector	1,102
Chief Check Pilot	228
Technical & Research	1,786
Representation UK & O'Seas	0
Seminar expenses	0
Overheads	94,785
	<u>106,921</u>
Total Airworthiness Dept	172,967

The Airworthiness department is responsible for the on-going airworthiness of the BMAA microlight fleet.

It is this department that is responsible for the appointment, on-going training and supervision of inspectors. The income from the inspector activity covers the expense incurred by the Engineering department that generates the approvals to which the inspectorate work.

The inspector system is, to the BMAA as a business, a high risk area and a large proportion of the overheads can be directly attributed to insurance and oversight costs. This year the BMAA has started running courses which as well as being member benefits will in the future make a small surplus.

Total permits issued



Flight Training Department

Income

Examiner & Instructor fees	5,715
CAA NPPL income	28,972
Seminar fees	4,029
	38,716

Costs

CEO	113
Promotions	99
Representation UK & O'Seas	0
Seminar exps	3,352
Panel & Training Committee exps	4,608
Overheads	31,905
	40,077

Total Flight Training Department

(1,361)

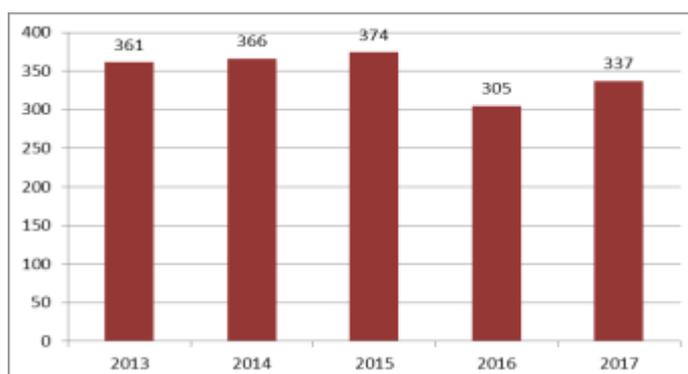
When the NPPL was introduced in 2002 the BMAA agreed a contract with the CAA to provide an information centre for NPPL enquiries, process and recommend applications for NPPL Microlight Class ratings, write examinations, develop instructor and examiner training and generally run the NPPL Microlight system.

Income is derived from a part of all the NPPL applications that are made through the BMAA and fees levied on instructor and examiner activity.

There are specific staffing requirements for the department and an annual approval fee to the CAA. The BMAA Training Committee is funded from this department and is run by volunteers who work to support and advise microlight instructors.

This year a new position Training Liaison and Safety Officer was introduced. The training Liaison side was felt necessary to help support the training committee but also to strengthen the understanding of the Safety officer role as many accidents are caused by fundamental issues which could be sorted out by better initial or continued pilot training.

Total NPPL recommendations made



Flight Safety Department

Income	
	0
Costs	
CI/Safety Officer	351
Representation UK & O'Seas	0
Overheads	<u>13,231</u>
	13,582
Total Safety Department	(13,582)

The BMAA continues to improve its efforts to promote flight safety to all microlight pilots. Although this department shows no income the education that we hope to pass on is, we believe, a valuable contribution to the British microlight movement.

Improvements in flight safety reflect well on microlighting as a sector of General Aviation. An improved reputation encourages potential pilots to take up microlight flying and so has the added benefit of promoting our sport.

Publications Department

Income	
MF	
Magazine	27,576
This is Microlighting	1,163
MF Website income	<u>45</u>
	28,784
Costs	
MF Magazine costs	108,605
This is Microlighting costs	1,421
MF Website costs	6,950
Overheads	<u>6,076</u>
	123,052
Total Publications Department	(94,268)

The public face of the BMAA is the monthly magazine, *Microlight Flying*. MF is seen as a major benefit of being a BMAA member and allows the Council members and staff of the BMAA to communicate with members, as well as provide other information and entertainment.

Income comes from advertising revenue, no copies are sold. Production costs and delivery are the expense incurred. These costs are reviewed on an ongoing basis to try to achieve best value for the membership.

Financial report compiled by Rob Grimwood
BMAA Treasurer

BMAA Summary of accounts year end August 31st 2016

DETAILED PROFIT AND LOSS ACCOUNT

		2017		2016
	£	£	£	£
Turnover				
Membership fees		242,724		250,382
Magazine income		27,576		28,498
PR, marketing sales		6,280		4,474
Airworthiness document fees		284,936		293,833
Inspector fees		5,672		5,581
LIAC NPPL (CAA)		28,972		25,801
Examiners fees		2,507		3,057
Instructor fees		3,208		3,158
Seminar fees		4,029		4,475
Competitions and sponsorships		318		93,070
		<hr/>		<hr/>
		606,222		712,329
Cost of sales				
Airworthiness and technical	1,817		2,877	
Safety costs	1,304		906	
Panel expenses	3,495		2,720	
Magazine and newsletter costs	108,605		107,816	
Postage and stationery	6,696		5,761	
Club commissions	1,150		1,260	
PR, marketing sales	29,270		14,675	
Civil Aviation Authority	13,724		15,451	
Competitions and events	6,300		100,371	
Test pilot insurance	5,116		19,093	
		<hr/>		<hr/>
		(177,477)		(270,930)
		<hr/>		<hr/>
Gross profit	70.72%	428,745	61.97%	441,399

SCHEDULE OF ADMINISTRATIVE EXPENSES

	2017	2016
	£	£
Administrative expenses		
Wages and salaries	283,507	284,308
Social security costs	25,718	25,079
Staff pension costs defined contribution	10,204	10,196
Repairs and renewals	465	632
Rates	9,593	9,538
Property repairs and maintenance	590	(3,555)
Other insurance	39,356	31,568
Hire of equipment (not operating lease)	5,399	6,621
Computer costs	11,200	26,252
Office and travel expenses	24,599	32,702
Subscriptions	5,725	4,856
Consultancy fees	3,450	4,290
Audit fees	3,175	3,160
Charitable donations	2,100	2,800
Bank charges	3,536	3,362
Telephone	2,693	2,643
Donations to bursary fund	-	6,000
Depreciation	6,830	6,617
	<u>438,140</u>	<u>457,069</u>

Summary	2017	2016
Gross profit	428,745	441,399
Administrative expenses	<u>(438,140)</u>	<u>(457,069)</u>
Operating loss	(9,395)	(15,670)

Company Structure

BMAA Ltd

Company No: 01678351

Company address: The Bullring
Deddington
Banbury
Oxfordshire
OX15 0TT

Directors (at 28/11/17):

Rob Hughes	Chairman
Andy Aiken	
Richard Bisiker	Vice Chairman
Rob Grimwood	Treasurer
Spencer Harvey	
Terry Viner	

Chief Executive	Geoff Weighell
Company Secretary	Geoff Weighell