

# ANNUAL REPORT 2009



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## IBAC Member Associations



## 2009 – On the Road to Recovery

The recession that struck the world's economy in 2008 continued into 2009. The global aviation industry was deeply struck in 2008 with decisions by individuals and industries to reduce substantially both discretionary and business travel. The downturn in demand for air transport was initially felt by the airline industry but was soon followed by a significant impact on all elements of business aviation operations. Business aviation flights and orders for aircraft started the decline in the middle of 2008, with the trend continuing into 2009. Business aviation was particularly damaged by the financial crisis felt by many large automobile and financial companies and the misleading and inaccurate rhetoric relating to aircraft use and attempts to restructure and re-finance. Business aviation was the target of grandstanding by those who chose to damage an industry for political gain. Many profitable corporations were forced to make poor air transport decisions resulting from a fear of being a target of politicians and media seeking sensational headlines. Decisions were being made based on concern for 'news headlines' rather than productivity and gain. Shipments of new business aircraft fell approximately 30% and manufacturing fell by approximately 40% in 2009.

However, common sense and the realization of the considerable productivity advantage of business use of aircraft started to return in 2009. The number of flights and aircraft orders were starting to show renewed health by the middle of 2009, and forecasts show recovery to hold through 2010 with growth forecast to renew in 2011. Business aviation is clearly on the road to recovery.

An aviation world facing economic downturn, safety rule amendments, climate change issues, new security provisions and accelerating airspace change, present unprecedented challenge for IBAC and Member Associations. Business aviation devoted considerable energy and resources in response to these challenges in 2009. The industry worked hard to ensure that political and media distortions were vigorously challenged and corrected and that the importance of business aviation to both the world and local economies was well understood.

The business aviation industry addressed safety of operations through a multipath approach. The Business Aviation Safety Strategy was renewed and made available to governments and operators with new initiatives added. The International Standard for Business Aircraft Operations (IS-BAO) experienced milestone growth in the number sold, new flight departments achieving a Certificate of Registration and IS-BAO introductory workshops presented. All aspects represent record numbers. The new SMS Tool Kit and SMS eLearning programmes were also well received by the community and financial returns will help the IS-BAO programme continue with new initiatives and research and development of industry best practices. Significant steps were also taken towards regulatory recognition of industry standards as a mechanism for advancing aviation safety. The European Standards Committee recognized the IS-BAO and regulators, such as EASA and some of the British Overseas Territories looked to the standard as a means of demonstrating rule compliance. Given the extensive safety experience of its staff, IBAC also worked with many State governments towards enhancement of their safety regulations.



**Peter Gatz**  
**IBAC Chairman**

Climate Change became a very significant issue for all of aviation in 2009, as the United Nations Framework Convention on Climate Change worked towards renewal or replacement of the Kyoto Protocol at its meeting in Copenhagen in December of 2009. The business aviation community responded with the development of a joint Business Aviation Statement on Climate Change produced by IBAC and the General Aviation Manufacturers Association. The Statement was provided to the President of the ICAO Council in support of the aviation presentation at Copenhagen.

IBAC was also active through 2009 in seeking solutions to many issues relating to security, airspace management and facilitation of operations. IBAC worked diligently with ICAO and governments around the world towards acceptance and fair treatment of business aircraft operations. 2009 saw no shortage of challenge.



**Len Giacomelli**  
**Vice Chairman**



**Terry Yeomans**  
**Treasurer**



**Rui Aquino**  
**Past Chairman**

## The IBAC Governing Board

IBAC is a Council of national and regional business aviation associations. Each Member of the Council has authority in accordance with the IBAC Bylaws to appoint one Member to the Governing Board. Members of the Governing Board in 2009 were:

- Peter Gatz - Chairman, German Business Aviation Association (GBAA)
  - Len Giacomelli - Vice Chairman, Canadian Business Aviation Association (CBAA)
  - Terry Yeomans, Treasurer, British Business and General Aviation (BBGA)
  - Rui Thomas de Aquino - Past Chairman, Associação Brasileira de Aviação Geral (ABAG)
  - Paul Stinebring - National Business Aviation Association (NBAA)
  - Eric Aguetant, European Business Aviation Association - France (EBAA-F)
  - Ali Al Naqbi, Middle East Business Aviation Association (MEBAA)
  - Rodolfo Baviera, European Business Aviation Association (EBAA)
  - Rob Garbett, Business Aviation Association of Southern Africa (BAASA)
  - Michael Keenan, Australian Business Aircraft Association (ABAA)
  - Leonid Koshelev, Russian United Business Aviation Association (RUBAA)
  - Kazunobu Sato, Japan Business Aviation Association (JBAA)
  - Karan Singh, Business Aviation Association for India (BAAI)
  - Chuck Woods, Asian Business Aviation Association (AsBAA)
  - Pietro Zaccari, Italian Business Aviation Association (IBAA)
- The Corporate Secretary is William Stine of the NBAA.

## Governing Board Meetings

IBAC Bylaws require a minimum of one meeting of the Governing Board and Members each year. In 2009, two meetings of the Governing Board and Members were held as follows:

Governing Board 49 (GB/49) – Montreal, Canada, 9 May 2009

Governing Board 50 (GB/50) – Orlando, Florida, USA, 23 October 2009.

The 49<sup>th</sup> meeting of the Governing Board was held following the Canadian Business Aviation Conference held in Montreal. Significant issues included reporting completion of two significant safety projects (SMS Tools and eLearning), and a report on acceptance rates for the programmes following release. The GB voted to accept the Russian United Business Aviation Association (RUBAA) as the latest new IBAC Member. A highlight of the meeting was an International Dinner held with the ICAO Council, Air Navigation Commission and other key ICAO Executive members.

GB/50 was held following the NBAA Annual Meeting and Convention in October, marking a significant milestone for IBAC as the Council celebrated its 50th meeting since inception in 1981. The Governing Board reviewed the status of the business aviation environmental position given the pending meeting of the United Nations Framework Convention on Climate Change meeting scheduled for Copenhagen.

## IBAC Finance Committee

The IBAC Finance Committee is a committee of the Governing Board, chaired by the IBAC Treasurer. In accordance with the IBAC Financial Policy the Committee is mandated, on behalf of the Governing Board, to oversee the financial program and annual expenditures. The Finance Committee met twice in 2009. The Committee dedicated most of its two meetings towards planning means of offsetting the impact of the recession on the IBAC budget. Considerable discussion was held during the October meeting on forecasts for 2010 revenue and the longer term impact on the IBAC Business Plan 2010-2014. Results of the Committee meeting were presented to the GB meeting with agreement that the draft Business Plan would have to be adjusted to accommodate an approximate reduction of income by 20%. Members in 2009 were:

- Terry Yeomans - Treasurer and Chairman (BBGA)
- Len Giacomelli - (CBAA)
- Paul Stinebring - (NBAA)

## Planning and Operations Committee (POC)

The IBAC Planning and Operations Committee (POC) met twice in 2009. POC/20 was held in Farnborough, UK, 5-7 March. The POC dedicated the meeting to the draft of the IBAC Business Plan and continuing work on establishment of the business aviation position on climate change. The second meeting (POC/21) was held 2-3 September in Washington DC, USA. Major focus of the meeting was the IBAC Business Plan 2010-2014, the United Nations climate

change meeting in Copenhagen and acceptance rate of new IS-BAO programs (SMS Tool Kit and eLearning). A meeting with US government officials from the Department of Transport, Transport Security Agency, Customs and Border Protection and the State Department was held immediately before the POC in Washington and many problems with US entry requirements were discussed with some promise of improvement foreseen. Members of the POC in

2009 were:

Donald Spruston, Chair, IBAC  
Ali Al Naqbi, MEBA  
Steve Brown, NBAA  
Ricardo Nogueira, ABAG  
Francisco Lyra, ABAG  
Sam Barone, CBAA  
Peter Gatz, GBAA  
Brian Humphries, EBAA  
Pedro Azua, EBAA  
William Stine, NBAA  
Guy Lachlan, BBGA  
Peter Ingleton, Secretary, IBAC

## Environmental Issues Workgroup (EIWG)

The EIWG is responsible for developing IBAC policy on environmental issues, with policies submitted to the IBAC Governing Board for approval. Rich Gage (CBAA) was IBAC EIWG Chairman and the Council's representative on the ICAO Committee on Aviation Environmental Protection (CAEP) during the 2009 year. Extensive assistance was provided to the EIWG by representatives from airframe and engine manufacturers.

In 2009 one EIWG meeting was held, in Geneva 15-16 May 2009 (EIWG/16). Regular EIWG teleconferences were held approximately once per month through the year. The EIWG expanded representation on work group activity on the ICAO Committee on Environmental Protection (CAEP) in 2009, and the Work Group contributed to development of a position on climate change and preparation for CAEP 8, which was to be held in Seattle in January. Advancement was made on the revision to the IBAC Environmental Management structure, as Bob Shuter was welcomed in assuming the role as Secretary of EIWG, taking over from Peter Ingleton who has wisely shepherded the program since inception. Bob Shuter will take over as EIWG Chairman after CAEP 8. Further improvements were also made on communication mechanisms for environmental management issues with a revision to the IBAC website.

## Communications

Good two-way communications between IBAC Members and the IBAC Secretariat and between IBAC and the aviation community and governing bodies remains an IBAC priority. Principal mechanisms for keeping Members current with IBAC policies, aviation rules, airspace design and regional procedures are:

1. Governing Board Meetings and their minutes.
2. Planning and Operations Committee (POC) meetings and their minutes.
3. IBAC Update (Quarterly).
4. Technical reports and bulletins.
5. IBAC Website ([www.ibac.org](http://www.ibac.org)).
6. Work Group Meetings and their minutes.
7. E-mail and phone.

Principal means of communication with authorities and the industry is through:

1. IBAC Flyer.
2. IBAC Update
3. IBAC Strategic Plan Brochure.
4. IBAC Website.
5. Presentations and Working Papers at Conferences
6. Kiosk at industry conventions.
7. Communication Meetings.

### 2009 End-Year Business Aviation Turbine Fleet

Turbo-Jet Aircraft	17,118
Turbo-Prop Aircraft	12,449
Total Turbine Aircraft	29,992



## 2009 Highlights

Significant highlights in 2009:

- \* **Development of a unified Business Aviation position on Climate Change**
- \* **Paper presented to the ICAO High Level Conference on Climate Change**
- \* **Implementation of the of SMS Tool Kit.**
- \* **Implementation of the SMS eLearning training programme.**
- \* **Completion of CEN Workshop Agreement giving IS-BAO standards endorsement in Europe.**
- \* **Completion of a Legal Review of IS-BAO due diligence.**
- \* **Introduction of Quality Assurance changes in the IS-BAO Programme.**

## IBAC Presentations

In 2009 IBAC made presentations at a number of Conferences and meetings, including:

- Various Member Conferences such as CBAA, EBACE, and NBAA.
- Numerous IS-BAO presentations at NBAA regional forums, IOC, etc.
- 22 IS-BAO Workshops
- SMS Tool Kit Training Programs
- Presentation to CEN Workshop
- Various ICAO regional meetings such as APANPIRG in Bangkok.
- Various European Aviation Safety Agency working group meetings.
- Asia Pacific DGCA Conference - Osaka Japan.
- Future of Business Aviation Conference - London, UK.
- ICAO High Level Conference on Climate Change - Montreal, Canada.
- FlightSafety Savannah-presentation for instructors and staff - Savannah, GA
- Ohio Regional Business Aviation Association presentation-Columbus, OH .
- SMS presentation at Maintenance Manager Conference - New Orleans, LA .
- IS-BAO Presentation to FSF Committee - Orlando, FL .
- Chicago Business Aviation Association presentations - Chicago, IL
- IS-BAO presentation to DCA's of the Overseas Territories - Bermuda
- IS-BAO presentation-Flight Attendant Conference - New Orleans
- IS-BAO presentation to HAI Safety Committee - Alexandria, VA
- Presentation Northeast Business Aviation Association - White Plains, NY
- SMS Presentation Safety Stand-down - Wichita
- IS-BAO presentation- Conklin deDecker seminar
- SMS Seminar - Cologne
- Efficient SMS Design-Europe/US International Aviation Safety Conference - Athens
- IS-BAO and SMS presentation-Nebraska Business Aviation Association - Omaha
- FAA SMS Panel presentation, - Seattle, WA
- World Aviation Training Seminar - Orlando, FL
- Hawker-Beechcraft Safety Stand-down presentation - Wichita, KS
- Georgia Business Aviation Association Safety Stand-down
- Presentation on IS-BAO/SMS- BBGA, - St. Albans, UK
- Asia Pacific Airport and Aviation Security Summit - Melbourne

## Business Aviation Representation

An important element of IBAC's 'raison d'être' is representing the interests of business aviation and its member national and regional associations at international meetings, workgroups and media events. The POC carefully considers each of the many international meetings to determine which sessions are significant to the interests of business aviation. Capable and knowledgeable persons are then assigned to each session. Technical Reports of each meeting are filed on the IBAC web-site.

### International Civil Aviation Organization (ICAO)

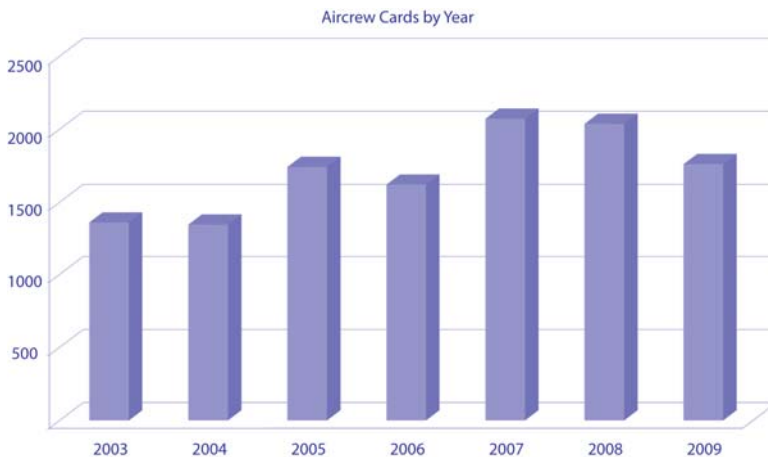
IBAC recognizes the critical importance of good professional representation in ICAO Committees, Panels, Work Groups and Conferences. IBAC was represented at many ICAO meetings during the year, including Panel sessions and regional planning group meetings for the North Atlantic, Europe, South and Central America and Asia Pacific. Technical Reports are filed on the IBAC website. Current Representatives are.

ICAO Programmes	Member	Alternate
AEP Airport Economics Panel	Ingleton	
ANSEP Air Navigation Services Economics Panel	Ingleton	
ALLPIRG All Planning Implementation Regional Groups	Spruston	Ingleton/Stine
APANPIRG Asia/Pacific Regional Planning Group	Spruston	
AVSECP Aviation Security Panel	Spruston	Ingleton
CAEP Committee on Aviation Environmental Protection	Gage	Gilley/Ingleton
WG 1 Noise (Technical)	Vacant	
WG 2 Policy Guidance and Operations	Gilley	
WG 3 Emissions (Technical)	Cotti	
Market Based Measures TF	Shuter	Visele
EANPG European Air Navigation Planning Group	Experton	Ingleton
FALP Facilitation Panel	Ingleton	
FCLTP Flight Crew Licensing and Training Panel	Evans	
GREPECAS CAR/SAM Regional Planning Group	Nogueira	Spruston
NAT ATMG Air Traffic Management Group	Bowers	
NAT FIG	Boucher	Bowers
NAT EFG Economics and Financial Group	Ingleton	
NAT IMG Implementation Management Group	Stohr	Ingleton
NAT SPG Systems Planning Group	Ingleton	Stohr
NSP Navigation Satellite Panel	Lichius	
OPSP Operations Panel	Ingleton	
OpLink Panel	Sheldon	
Statistics Panel	Ingleton	Nichols

## IBAC Aircrew Identification Card

Aircrew Identification Cards issued by IBAC to flight crews of companies who are with a flight department that is a Member of one of the fifteen IBAC Member Associations continue to provide a widely recognized and useful means of identification. Card holders report that this form of identification serves to facilitate the entry and departure formalities for flight crews engaged in international operations and can prove beneficial in facilitating access for other types of operations.

Applications for Crew Cards are processed in the IBAC office in Montreal, where the in-office turn around is typically one or two days. The Crew Card program is managed by Administrator Paul Lessard, with assistance from John Goldbach.



In 2009, 1,672 cards were issued, down from the previous year high of 2,072. The net revenue for the program was \$64,000. It is expected that the downturn in 2009 was due to normal cycles for the three year validity of the card.

### Definition of Business Aviation

*That sector of aviation which concerns the operation or use of aircraft by companies for the carriage of passengers or goods as an aid to the conduct of their business, flown for purposes generally considered as not for public hire and piloted by individuals having, at the minimum, a valid commercial pilot license with an instrument rating.*

### Sub-divisions of Business Aviation Definition

Sub-division 1 Business Aviation – Commercial *The commercial operation or use of aircraft by companies for the carriage of passenger or goods as an aid to the conduct of their business and the availability of the aircraft for whole aircraft charter, flown by a professional pilot(s) employed to fly the aircraft.*

Sub-Division 2 Business Aviation – Corporate *The non-commercial operation or use of aircraft by a company for the carriage of passengers or goods as an aid to the conduct of company business, flown by a professional pilot(s) employed to fly the aircraft.*

Sub-Division 3 Business Aviation – Owner Operated *The non-commercial operation or use of aircraft by an individual for the carriage of passengers or goods as an aid to the conduct of his/her business.*

## Safety is Our First Priority

Business aviation has an excellent safety record. However the industry works hard to ensure the record is good and will get even better. The **Business Aviation Safety Strategy** maps the activities and plans for continuous improvement. The Safety Strategy is continuously updated by the IBAC Planning and Operations Committee. The business aviation safety record over the past five years is shown as follows:

<b>Business Aircraft Accident Rates by Operator Type</b> (Extrapolated) (per 100,000 departures) <b>All Business Aircraft</b>					
Operator Type	Departures (5 yrs)	Total Accidents	Fatal Accidents	Total Accident Rate	Fatal Accident Rate
Commercial (Air Taxi)	10,587,999	304	86	2.87	0.81
Corporate	19,260,406	67	11	0.35	0.06
Owner-operated	4,980,539	128	42	2.57	0.84
*All Business Aircraft	34,828,945	526	148	1.52	0.42

**The Business Aviation Safety Record (over 5 yrs ending in 2008)**

## Business Aviation Builds on SMS Experience

Business aviation was one of the first industry sectors to apply Safety Management Systems (SMS) in its operations. In 1999/2000, SMS was used as the cornerstone to the new safety standard—IS-BAO. IBAC and Member Associations used this knowledge and experience to develop two new programmes designed to help operators with implementation of the valuable safety standard. The two programmes that were developed in 2008 and launched in 2009 are:

1. SMS Tool Kit.
2. SMS eLearning training program.

## International Standard for Business Aircraft Operations (IS-BAO)

The International Standard for Business Aircraft Operations continues to be the gold standard for aviation safety. The number of flight departments choosing to gain a Certificate of Registration (C of R) continued to expand with 76 new companies receiving a Certificate in 2009. Kathy Perfetti the IBAC Standards Manager was joined by John Sheehan, filling a new Audit Manager position with the objective of enhancement of the IS-BAO quality assurance.

The activity record in 2009 was:

IS-BAO sales in 2009	191
Total sold since 2002 inauguration	925
Certificates of Registration in 2009	76
Total Certificates of Registration (2002-2009)	226

22 Workshops were conducted, attended by 332 flight department personnel and auditors. IS-BAO presentations were made at a number of conferences, conventions and workshops.

## IS-BAO Standards Board

The tenth meeting of the IS-BAO Standards Board was held in Orlando, Monday, October 9, 2009. The Standards Board has responsibility for keeping the IS-BAO current and dynamic. The Board approved a number of changes and a revision for release on 1 January 2010. IS-BAO Standards Board Members in 2009 were:

Chairman Paul Stinebring, Emerson Electric  
Vice Chairman Steve Fisher, Shell Aircraft

### Members

Len Beauchemin, AeroTechnal Solutions  
 William Boucher, CBAA  
 Steve Brown, NBAA  
 Pat Dunn, Orient Wonder  
 Jens Hennig, GAMA  
 Donald Spruston, IBAC  
 Bill Stine, NBAA  
 David Stohr, Air Training International  
 Rudy Toering, FSI / CAE  
 David Negri, Textron  
 Francisco A. Lyra, ABAG

### Secretariat

Katherine Perfetti, IBAC Standards Manager .  
 John Sheehan, IBAC Safety Promotion Manager  
 Peter Ingleton, IBAC Director of ICAO Liaison

Three new Members were nominated: Juergen Wiese, BMW (EBAA/GBAA), Peter Saunders (CBAA), and Carl Evans (FedEx).



## Aviation Security

Business aviation has long provided secure operations given that this is one of the core reasons corporations choose to own and operate their own aircraft. For that reason, the industry has been active in promoting effective and equitable security provisions in rule making. Business aviation was actively engaged in 2009 in providing advice to security regulators to ensure that new rule proposals are meaningful, fair and technologically feasible.

## Business Aviation and Climate Change

The business aviation industry is resolved to address the environmental impact attributed to aircraft operations. Although business aircraft produce relatively small amounts of emissions, the industry accepts its responsibility and obligation to participate in global aviation action to mitigate environmental impact of emissions. The UN Intergovernmental Panel on Climate Change (IPCC) reports in "Aviation and the Global Atmosphere" that:

- ◆ of global CO<sub>2</sub> man-made emissions, it is estimated that the total civil aviation contribution is of the order of 2%, and
- ◆ of CO<sub>2</sub> emissions attributable to overall civil aviation operations, it is estimated that general aviation contributes only a very small proportion (i.e. of the order of 2% of all aviation operations).

Notwithstanding the size of the global business aviation turbine fleet, the relative performance of business aviation aircraft is such that typical engine emission products, combined with the significantly lower annual business aircraft utilization, results in a contribution to CO<sub>2</sub> emissions that is extremely low (i.e. of the order of less than 0.04% of global man-made emissions). However, business aviation supports reasonable and constructive efforts to achieve meaningful and progressive reduction of aircraft emissions, consistent with the highest standards of safe and efficient aircraft operations. These efforts also consider the continued, unconstrained access to airspace and airports without reducing safety, airport capacity or operational efficiency.

### Emission Targets

- Carbon-neutral growth by 2020;
- An improvement in fuel efficiency of an average of 2% per year from 2009 until 2020; and
- A reduction in total CO<sub>2</sub> emissions of 50 % by 2050 relative to 2005.

IBAC and Member Associations worked diligently in 2009 to develop a common business aviation position on climate change that was acceptable to both the operating and manufacturing communities. A breakthrough was finally achieved when Bombardier developed a proposal that was acceptable to the General Aviation Manufacturing Association (GAMA). Given that it provided the final answer to the Business Aviation Statement on Climate Change originally drafted by IBAC, the business aviation community agreed with the targets proposed by the manufacturers pertaining to research and development on engines and airframes. The IBAC position was then modified to accommodate the technical targets and a Statement on Climate Change was prepared in support of the ICAO presentation at the UNFCCC meeting in Copenhagen.

IBAC also presented a Paper at the ICAO High Level Meeting (HLM) on Climate Change, the event called by the President of the ICAO Council to seek agreement on an aviation position for the Copenhagen Climate Change meeting. The IBAC Paper encouraged ICAO acceptance of the business aviation position on the need for an alternative fuel efficiency metric given that the ICAO metric was based on Revenue Tonnes Kilometers, a metric not appropriate to business aviation. The meeting accepted the IBAC proposal and ICAO was requested to consider the concept in the next work cycle of the Committee on Aviation Environmental Protection (CAEP).

IBAC and Member Associations provided considerable input to the European Commission in 2009 in respect to the problematic Emissions Trading System (ETS) and the EC Directive that provides for inclusion of aviation in the Europe ETS wide scheme. The European Business Aviation Association (EBAA) and IBAC jointly developed a position submitted to the EC in 2009. Business aviation proposes higher threshold levels. A significant concern for business aviation is the high administrative costs for small operators; the business aviation position recommends a simplified monitoring and verification system. An important milestone date for the ETS programme became effective in 2009 with operators on various country lists required to submit their monitoring reports by November.

## IBAC 2009 Financial Report

An annual review of IBAC 2009 finances was conducted by Collins Barrow Accounting firm in March 2010.

The approved Reserve Fund for 2009 was set by the Governing Board at \$333,400. Special Project funds available at the beginning of 2009 were \$71,667 (\$22,000 of which were dedicated to the Environment Project). Total expended from the Special project Fund in 2009 was \$41,410, leaving the total left in the Fund commencing 2010 at \$30,257.

<b>2009 Year End Position (USD)</b>	
Total Assets at Year-End <i>(Cash and Savings Certificates, inclusive of IS-BAO)</i>	\$582,671.
<b>2009 Report of Revenues and Expenditures (USD)</b> <i>(Exclusive of IS-BAO)</i>	
Revenues	\$497,358.
Expenses (without Special Projects)	\$381,534.
Special Project Fund Expenses	\$41,414.
Net Income (exclusive of IS-BAO and Projects)	\$114,091.
Operating Surplus	\$114,091.

More detail can be found in Appendices as follows:  
Appendix A - Statement of Financial Position  
Appendix B - Statement of Revenue and Expenditures

<b>IS-BAO Revolving Fund Year-End Summary (USD)</b>	
Current Assets at Year-End	\$93,000.
Revenues	\$383,306.
Expenses	\$370,919.
Net Income	\$12,387.

The net gain in 2009 in the IS-BAO program was primarily due to stability in the programme following a few years of high expenses on a few development programmes.

## Looking Toward 2010

Recovery of the world's economies will likely take hold in 2010 and growth of aviation sectors should resume as the year progresses. Business aviation recovery started in late 2009 and also is likely to see strength through 2010. Although the rate of sales of new aircraft likely will not rebound immediately due to the damage done by the political and media rhetoric, actual numbers of flights will likely return to pre-recession numbers quickly. Business aviation representative bodies must be prepared to address the issues relating to safety, security, environmental sustainability and efficiency of operations as the industry experiences recovery.

A major focus for IBAC in 2009 will be a re-assessment of the management structure for the successful IS-BAO programme. As the demand for documents, verification audits and workshop has grown, so has the workload and complexity of the programme. With a total of over 1000 IS-BAOs in circulation (as of April 2010) and many companies seeking to join the 270 already registered flight departments (as of April 2010), the number of queries and proposals for new "best practices" is growing rapidly. The legal review conducted in 2009 indicated that new policies and processes were needed to enhance quality assurance of the audit programme. The workload demands have resulted in the need for increased resources to manage the programme. On an interim basis a matrix management concept was instituted, but this is seen only as a temporary measure to resolve the immediate problem. Rapid expansion of the programme and substantial increase in complexity demonstrate a need for IBAC to look to more rigorous management options, with the potential of introducing more substantive commercial management principles.

The success of the IS-BAO program has also brought the potential for new initiatives and potential for expansion. One option that will be explored in 2010 is a Helicopter Edition of the IS-BAO. The concept will be explored in partnership with the Helicopter Association International, the European Helicopter Association and the British Helicopter Association. Work will also continue in 2010 in exploration of new and expanded training concepts. Further analysis will be conducted on a concept for operators to better assess the safety culture of their flight department.

Environmental issues will again be at the forefront in 2010, requiring action by the business aviation community in response to the global movement towards mitigating climate change. IBAC will encourage acceptance and use of the joint operator and manufacturer Business Aviation Statement on Climate Change and work within the CAEP environment to promote acceptance of an alternative fuel efficiency metric that will be suitable to business aircraft operations. The IBAC Governing Board will consider a final proposal to amend the organization's emission policy. The IBAC environmental website will be enhanced to serve as a repository for all relevant material that will assist the community deal with the ever growing global climate change action plans.

Security issues will also warrant attention in 2010 as new regulatory provisions for general aviation security are presented in both the USA and Europe. The IBAC model security program first introduced in 2003 will be updated to ensure compatibility with requirements for security programmes in the new rules.

Airspace issues will be addressed by the CNS/ATM Advisory Group in 2010. Action will continue to ensure that the IBAC air navigation system website is a repository of information for operators seeking the status of new CNS/ATM technology and procedural requirements. IBAC will continue to emphasize the need for fair and equitable airspace charges.

The 2010 year will present many challenges.



## Appendix A Statement of Financial Position (Inclusive of IS-BAO Revolving Fund)

	2005	2006	2007	2008	2009
<b>Assets</b>					
<b>Current Assets</b>					
Bank Accounts (Cash on hand)	\$122,738.	\$106,770.	\$148,285.	\$165,996.	\$127,704 .
Savings Certificates	\$454,967.	\$454,967.	\$454,967.	\$354,967.	\$454,967.
<b>Total Current Assets</b>	<b>\$577,705.</b>	<b>\$561,737.</b>	<b>\$603,252.</b>	<b>\$520,963.</b>	<b>\$582,671.</b>
<b>Fixed Assets</b>					
Furniture and Equipment	\$ 0.	\$ 0.	\$ 0.	\$0	\$0.
<b>Total Assets</b>	<b>\$577,705.</b>	<b>\$561,737.</b>	<b>\$603,252.</b>	<b>\$520,963.</b>	<b>\$582,671.</b>
<b>Liabilities &amp; Equity</b>					
<b>Liabilities</b>					
Accounts payable	\$0.9	\$(218.)	\$(263.)	\$28,708.	\$415.
GST Paid on Expenses	\$ 8,538.	\$(8,820.)	\$(3,906.)	\$(15,329).	\$(22,619.)
PST Refund	\$(14,032.)	\$(19,947.)	\$(18,952.)	\$(24,729.)	\$(26,826.)
GST Payable	\$(1,158.)	\$1,036.	\$1,009.	\$(43.)	\$(43.)
<b>Total Liabilities</b>	<b>\$(21,456.)</b>	<b>\$(27,993.)</b>	<b>\$(21,257.)</b>	<b>\$(10,563.)</b>	<b>\$(35,646.)</b>
<b>Equity</b>					
Opening Equity Balance	\$176,585.	\$176,585.	\$176,585.	\$176,585.	\$176,585.
Net Assets	\$412,252.	\$422,576.	\$414,879.	\$449,020.	\$356,675.
Net Income	\$ 10,321.	\$(7,696.)	\$34,778.	\$(92,345.)	\$86,671.
<b>Total Equity</b>	<b>\$599,162.</b>	<b>\$589,731.</b>	<b>\$624,509.</b>	<b>\$531,527.</b>	<b>\$618,318.</b>
<b>Total Liabilities and Equity</b>	<b>\$577,705.</b>	<b>\$561,737.</b>	<b>\$603,252.</b>	<b>\$520,963.</b>	<b>\$582,671</b>

## Appendix B Statement of Revenues and Expenses Revenue

Revenues	Aircrew Card	91,540.
	Member Contributions	\$399,395.
	Interest	6,423.
	Total Revenue	\$497,358.
Expenses	Aircrew Card	\$27,290.
	Contract Services	\$21,290.
	Hospitality	\$2,584.
	Insurance	\$2,381.
	Office Supplies, Tel, etc	\$14,181.
	Office Lease	\$15,845.
	Furniture and Equipment	\$1,440.
	Professional Fees	\$2,296.
	Publications	\$17,733.
	Staff Contracts	\$183,576.
	Staff Travel	\$41,213.
	Travel for Technical Reps	\$21,179.
	CNS/ATM Advisory Group	\$18,219.
	Miscellaneous/Contingency	\$699.
	Special Projects	\$41,410.
	Promotion at Conferences	\$8,744.
	Uncategorized	\$2,617.
	Meeting Room Rental	\$2,241.
	Total Expenses	\$422,948.
Net Income		\$74,410.

## IS-BAO Statement of Revenues and Expenses

<b>Revenues</b>		
	IS-BAO and Audit Manual Sales	\$224,539.
	Workshops	\$87,410.
	Cert of Registration	\$14,320.
	SMS Tool Kit	\$23,003.
	SMS eLearning	\$33,553.
	<b>Total Revenues</b>	<b>\$383,306.</b>
<b>Expenses</b>		
	Insurance	\$2,000.
	Courier and Mail	\$27,273.
	Printing	\$26,271.
	Administration	\$9,773.
	Standards Management	\$191,790.
	Marketing and Sales	\$1,919.
	Miscellaneous	\$11,025.
	Other	\$19,803.
	E-Learning Project	\$18,364.
	SMS Tool Kit Project	\$25,694.
	CEN Project	\$37,003.
	<b>Total Expenses</b>	<b>\$370,919.</b>
<b>Net Income</b>		<b>\$12,387.</b>