

Gol Intelligent Airlines Inc.
Form 20-F/A
May 30, 2018

As filed with the Securities and Exchange Commission on May 30, 2018.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 20-F/A

(Amendment No. 1)

.. **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES**
EXCHANGE ACT OF 1934
OR
x **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF**
THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2017
OR
.. **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF**
THE SECURITIES EXCHANGE ACT OF 1934
OR
.. **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES**
EXCHANGE ACT OF 1934

Commission file number 001-32221

Gol Linhas Aéreas Inteligentes S.A.

(Exact name of Registrant as specified in its charter)

Gol Intelligent Airlines Inc.

(Translation of Registrant's name into English)

The Federative Republic of Brazil

(Jurisdiction of incorporation or organization)

Richard F. Lark, Jr.

+55 11 5098-7881

Fax: +55 11 5098-2341

E-mail: ri@voegol.com.br

Praça Comandante Linneu Gomes, S/N Portaria 3,

Jardim Aeroporto

04626-020 São Paulo, São Paulo

Federative Republic of Brazil

(+55 11 2128-4700)

(Name, Telephone, E-mail and/or Facsimile Number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of each class:

Preferred Shares, without par value
American Depositary Shares (as evidenced by American
Depositary Receipts), each representing one share of Preferred
Stock

Name of each exchange on which registered:

New York Stock Exchange*
New York Stock Exchange

* Not for trading purposes, but only in connection with the trading on the New York Stock Exchange of American Depositary Shares representing those preferred shares.

Securities registered or to be registered pursuant to Section 12(g) of the Act:
None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:
None

Number of outstanding shares of each class of stock of Gol Linhas Aéreas Inteligentes S.A. as of December 31, 2017:

2,863,682,710 Shares of Common Stock

265,899,432 Shares of Preferred Stock

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

If this is an annual or transition report, indicate by check mark if the Registrant is not required to file pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes No

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the Registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer Accelerated Filer Non-accelerated Filer Emerging growth company

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards[†] provided pursuant to Section 13(a) of the Exchange Act.

[†] The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Edgar Filing: Gol Intelligent Airlines Inc. - Form 20-F/A

Indicate by check mark which basis of accounting the Registrant has used to prepare the financial statements included in this filing:

U.S. GAAP

International Financial Reporting
Standards as issued by the
International Accounting Standards
Board

Other

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the Registrant has elected to follow.

Item 17 Item 18

If this is an annual report, indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Explanatory Note

This Amendment No. 1 to the Annual Report on Form 20-F for the year ended December 31, 2017 of Gol Linhas Aéreas Inteligentes S.A. (the “Company”), filed with the Securities and Exchange Commission on April 30, 2018 (the “Annual Report”), is being filed for the following reasons:

(i) To file Exhibit 101, which presents financial information of the Company in eXtensible Business Reporting Language (XBRL). “Item 19. Exhibits” of the Annual Report is hereby amended to include the following exhibits:

<u>Exhibit Number</u>	<u>Description</u>
101.INS	XBRL Instance Document.
101.SCH	XBRL Taxonomy Extension Schema.
101.CAL	XBRL Taxonomy Extension Scheme Calculation Linkbase.
101.DEF	XBRL Taxonomy Extension Scheme Definition Linkbase.
101.LAB	XBRL Taxonomy Extension Scheme Label Linkbase.
101.PRE	XBRL Taxonomy Extension Scheme Presentation Linkbase.

(ii) To amend and restate the second footnote under the table “Reconciliation of Net Income (Loss) to EBITDA and EBITDAR” in “Item 3. Key Information—A. Selected Financial Data,” on page 7 of the Annual Report, as follows:

(2) We calculate EBITDA as net income (loss) *plus* financial income (expense), net, income taxes and depreciation and amortization. We calculate EBITDAR as net income (loss) *plus* financial income (expense), net, income taxes, depreciation and amortization and aircraft rent expenses. EBITDA and EBITDAR are not measures of financial performance recognized under Brazilian GAAP or IFRS, nor should they be considered as alternatives to net income (loss) as measures of operating performance, or as alternatives to operating cash flows or as measures of liquidity. EBITDA and EBITDAR are not calculated using a standard methodology and may not be comparable to the definition of EBITDA or EBITDAR or similarly titled measures used by other companies. Because our calculation of EBITDA eliminates financial income (expense), net, income taxes and depreciation and amortization, we believe that our EBITDA provides an indication of our general economic performance, without giving effect to interest rate or exchange rate fluctuations, changes in income and social contribution tax rates or depreciation and amortization. Because our calculation of EBITDAR eliminates aircraft rent expenses, which are a normal and recurring cash operating expense necessary to operate our business, our EBITDAR’s usefulness is especially limited and we present EBITDAR solely as a valuation metric. You should not consider EBITDAR as a measure of our general economic performance.

(iii) To file amended consolidated financial statements, which reflect the following two amendments:

(a) To include additional disclosure on total net income (loss) attributable to equity holders of the parent and the Company's calculation of earnings (loss) per share in explanatory note "13. Earnings (loss) per share" to the Company's audited consolidated financial statements for the years ended December 31, 2017, 2016 and 2015, on page F-36 of the Annual Report, to clarify that the Company's preferred shares carry economic rights, including dividend rights, 35 times those of common shares. Accordingly, net income (loss) for the year attributable to equity holders of the parent is allocated in proportion to equity holders' interest in common shares and preferred shares.

The following table sets forth net income (loss) for the year attributable to equity holders of the parent for the periods indicated:

Numerator

Net income (loss) for the year attributable to equity holders of the parent			19,184		849,619		(4,460,883)		
	7,869	11,315	353,129	496,490	(2,123,945)	(2,336,938)			
	7,869	11,315	19,184	353,129	496,490	849,619	(2,123,945)	(2,336,938)	(4,460,883)

Denominator

Weighted average number of outstanding shares (in thousands)*	4,981,350	204,664	5,035,037	202,261	5,035,037	158,285
Effects of dilution from stock options	-	2,614	-	347	-	-
Adjusted weighted average number of outstanding shares and diluted presumed conversions (in thousands)*	4,981,350	207,278	5,035,037	202,608	5,035,037	158,285
Basic earnings (loss) per share	0.002	0.055	0.070	2.455	(0.422)	(14.764)
Diluted earnings (loss) per share	0.002	0.055	0.070	2.450	(0.422)	(14.764)

(*) Weighted average considers the split of common shares approved at the Company's extraordinary shareholders' meeting on March 23, 2015, in accordance with IAS 33. Earnings per share presented herein reflects the economic rights attributable to each class of shares.

(b) To replace the misidentified term "Gross profit" with the correct term "Total net revenue" in the tables presenting net revenue in explanatory note "25.2. Results of the operating segments" to the Company's audited consolidated financial statements for the years ended December 31, 2017, 2016 and 2015, on pages F-51, F-52 and F-53 of the Annual Report, as follows:

Net revenue

Passenger (*)	8,785,938	-	8,785,938	399,867	9,185,805
Cargo and other (*)	768,566	-	768,566	(104,350)	664,216
Mileage revenue (*)	-	1,804,129	1,804,129	(1,078,128)	726,001
Total net revenue	9,554,504	1,804,129	11,358,633	(782,611)	10,576,022

Net revenue

Passenger (*)	8,340,545	-	8,340,545	330,897	8,671,442
Cargo and other (*)	729,096	-	729,096	426	729,522
Mileage revenue (*)	-	1,548,109	1,548,109	(1,081,738)	466,371
Total net revenue	9,069,641	1,548,109	10,617,750	(750,415)	9,867,335

Net revenue

Passenger (*)	8,294,463	-	8,294,463	288,925	8,583,388
Cargo and other (*)	941,928	47,199	989,127	(19,198)	969,929
Miles revenue (*)	-	1,172,322	1,172,322	(947,632)	224,690
Total net revenue	9,236,391	1,219,521	10,455,912	(677,905)	9,778,007

This Amendment No. 1 comprises a cover page, this explanatory note, the amended consolidated financial statements, the exhibits referred to in paragraph (i) of this explanatory note, the signature page and the required certifications of the chief executive officer and chief financial officer of the Company.

Except as described above, this Amendment No. 1 does not amend any other information set forth in the Annual Report, and the Company has not updated disclosures included therein to reflect any events that occurred subsequent to April 30, 2018.

ITEM 19. EXHIBITS

<u>Exhibit Number</u>		<u>Description</u>
<u>12.1</u>	*	<u>Section 302 Certification of Chief Executive Officer.</u>
<u>12.2</u>	*	<u>Section 302 Certification of Chief Financial Officer.</u>
<u>13.1</u>	*	<u>Section 906 Certification of Chief Executive Officer.</u>
<u>13.2</u>	*	<u>Section 906 Certification of Chief Financial Officer.</u>
101.INS	*	XBRL Instance Document.
101.SCH	*	XBRL Taxonomy Extension Schema.
101.CAL	*	XBRL Taxonomy Extension Scheme Calculation Linkbase.
101.DEF	*	XBRL Taxonomy Extension Scheme Definition Linkbase.
101.LAB	*	XBRL Taxonomy Extension Scheme Label Linkbase.
101.PRE	*	XBRL Taxonomy Extension Scheme Presentation Linkbase.

* Filed herewith.

Consolidated financial statements

GOL Linhas Aéreas Inteligentes S.A.

December 31, 2017, 2016 and 2015

with Reports of Independent Registered Public Accounting Firm

Gol Linhas Aéreas Inteligentes S.A.

Consolidated financial statements

December 31, 2017, 2016 and 2015

Contents

Report of Independent Registered Public Accounting Firm	F-1
Report of Independent Registered Public Accounting Firm on Internal Control over Financial Reporting	F-2
Statements of financial position	F-3
Statements of operations	F-5
Statements of comprehensive income (loss)	F-6
Statements of changes in equity	F-7
Statements of cash flows	F-8
Notes to the consolidated financial statements	F-10

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of

Gol Linhas Aéreas Inteligentes S.A.

Opinion on the Financial Statements

We have audited the accompanying consolidated statements of financial position of Gol Linhas Aéreas Inteligentes S.A. (the Company) as of December 31, 2017 and 2016, the related consolidated statements of operations, comprehensive income (loss), changes in equity and cash flows for each of the three years in the period ended December 31, 2017, and the related notes (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2017 and 2016, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2017, in conformity with International Financial Reporting Standards - IFRS as issued by the International Accounting Standards Board - IASB.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2017, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated April 30, 2018 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ ERNST & YOUNG

Auditores Independentes S.S.

We have served as the Company's auditor since 2014.

São Paulo, Brazil

April 30, 2018, except for Notes 13 and 25.2, which are dated May 30, 2018

F - 1

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of

Gol Linhas Aéreas Inteligentes S.A.

Opinion on Internal Control over Financial Reporting

We have audited Gol Linhas Aéreas Inteligentes S.A.'s internal control over financial reporting as of December 31, 2017, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Gol Linhas Aéreas Inteligentes S.A. (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2017, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's consolidated statements of financial position as of December 31, 2017 and 2016, and the related consolidated statements of operations, comprehensive income (loss), changes in equity and cash flows for each of the three years in the period ended December 31, 2017, and the related notes and our report dated April 30, 2018 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ ERNST & YOUNG

Auditores Independentes S.S.

São Paulo, Brazil

April 30, 2018

F - 2

Gol Linhas Aéreas Inteligentes S.A.

Consolidated statements of financial position

As of december 31, 2017 and 2016

(In thousands of Brazilian Reais - R\$)

Current assets

Cash and cash equivalents	3	1,026,862	562,207
Short-term investments	4	955,589	431,233
Trade receivables	6	936,478	760,237
Inventories	7	178,491	182,588
Recoverable taxes	8.1	83,210	27,287
Derivatives	27	40,647	3,817
Other current assets		123,721	113,345
Total current assets		3,344,998	2,080,714

Noncurrent assets

Deposits	9	1,163,759	1,188,992
Restricted cash	5	268,047	168,769
Recoverable taxes	8.1	7,045	72,060
Deferred taxes	8.2	276,514	107,159
Other noncurrent assets		-	4,713
Investments	12	1,333	17,222
Property, plant and equipment	14	3,195,767	3,025,010
Intangible assets	15	1,747,285	1,739,716
Total noncurrent assets		6,659,750	6,323,641

Total assets		10,004,748	8,404,355
---------------------	--	-------------------	------------------

The accompanying notes are an integral part of these consolidated financial statements.

F - 3

Gol Linhas Aéreas Inteligentes S.A.

Consolidated statements of financial position

As of december 31, 2017 and 2016

(In thousands of Brazilian Reais - R\$)

Current liabilities

Short-term debt	16	1,162,872	835,290
Suppliers		1,249,124	1,097,997
Suppliers - Forfaiting	17	78,416	-
Salaries		305,454	283,522
Taxes payable	18	134,951	146,174
Landing fees		365,651	239,566
Advance ticket sales	19	1,456,939	1,185,945
Mileage program	20	765,114	781,707
Advances from customers		21,718	16,823
Provisions	21	46,561	66,502
Derivatives	27	34,457	89,211
Operating leases	26	28,387	7,233
Other liabilities		100,401	98,772
Total current liabilities		5,750,045	4,848,742

Noncurrent liabilities

Long-term debt	16	5,942,795	5,543,930
Suppliers		222,026	13,517
Provisions	21	562,628	723,713
Mileage program	20	188,204	219,325
Deferred taxes	8.2	188,005	338,020
Taxes payable	18	66,196	42,803
Operating leases	26	110,723	-
Other liabilities		43,072	31,056
Total noncurrent liabilities		7,323,649	6,912,364

Equity

	22		
Capital stock		3,082,802	3,080,110
Share issuance costs		(155,618)	(155,618)
Treasury shares		(4,168)	(13,371)
Capital reserves		88,762	91,399
Equity valuation adjustments		(79,316)	(147,229)
Share-based payments reserve		119,308	113,918
Gains on change in investment		760,545	693,251
Accumulated losses		(7,293,274)	(7,312,458)
Deficit attributable to equity holders of the parent		(3,480,959)	(3,649,998)
Non-controlling interests from Smiles		412,013	293,247
Total deficit		(3,068,946)	(3,356,751)

Total liabilities and deficit	10,004,748	8,404,355
--------------------------------------	-------------------	------------------

The accompanying notes are an integral part of these consolidated financial statements.

F - 4

Gol Linhas Aéreas Inteligentes S.A.

Consolidated statements of operations

For the years ended of December 31, 2017, 2016 and 2015

(In thousands of Brazilian Reais - R\$, except basic and diluted earnings (loss) per share)

Net revenue

Passenger	9,185,805	8,671,442	8,583,388
Cargo and other	1,390,217	1,195,893	1,194,619
Total net revenue			