

# ***THE AIR CADET LEAGUE OF CANADA***

BRITISH COLUMBIA PROVINCIAL COMMITTEE



# ***ANNUAL REPORT***

## ***2002 - 2003***



*... including an update on the Wilga 2000 Test Flight Program*

# PRESIDENT'S REPORT

*Geoffrey L. Johnston, AACI, P.App, RI(BC)*  
*President*  
*Air Cadet League of Canada*  
*British Columbia Provincial Committee*



Last year, I anticipated that a new era was beginning for the Air Cadet League in British Columbia; little did I guess the implications this would have for us all.

Early in the year we were all shocked at the loss of our long-time mentor, Bill Batchelor. Soon after that, we were embroiled in controversies with our National office and other regions over the appointment of Governors, federal funding proposals for provincial offices, the redistribution of northern squadrons, the approval of a tow-plane replacement, and the emergence of legal actions for which we were not covered by insurance.

As a result, much more of your provincial committee's time was spent on national issues in 2003 than during any year in recent memory; however, I am pleased to report our efforts had a positive impact in a number of areas:

## ***Annual General Meeting***

The national AGM was held in Thunder Bay, Ontario during June, and for the first time, BC personnel attended and contributed to every major committee meeting. I was very proud that most of the suggestions put forward by BC were accepted, and that our Effective Speaking candidate, LAC Sundus Shamsi from 637 Arrow Squadron in Burnaby, placed third in the nation - a mighty achievement!

## ***Tow-plane Replacement Trials***

Our Tow-plane Replacement Group, led by Jack Henwood and assisted by LCol Byrne's capable staff in Comox, was able to win approval to test fly the Wilga 2000 aircraft as a replacement tow-plane for British Columbia. Jack's report provides the details of this aircraft and program; suffice it to say that winning approval on the national level was a crowning achievement for the excellent work carried out by the Tow-plane Replacement Group, introducing a new generation of aircraft to our program.

## ***Legal Defence and Insurance Committee***

Due to failures in our insurance coverage, the National office was faced with unexpected legal costs for which they had no funding, and an emergency call went out to the provinces for financial assistance. The BCPC Executive presented a position paper to National, proposing ways to fund these costs and to defend ourselves against future actions, helped to a great degree by our experience with provincial incorporation. The paper was very well-received right across the country, and a National Committee has now been formed to explore those proposals.

## ***Career Management Program***

Our Regional Cadet Support Unit, under the command of Cdr. Barry Saladana, is exploring methods whereby assistance may be provided to CIC officers in the area of career management. The BCPC has given their complete support to these proposals, and will be instituting changes to the selection process for Commanding Officers throughout the province in order to meet some of these objectives.

## ***Screening***

Our provincial co-ordinator, Sherry Strutt has done a wonderful job in ensuring that all Sponsoring Committees are aware of the mandatory screening procedures adopted by the Air Cadet League. Sherry reported that, last year, almost 70% our Sponsoring Committees had screened the majority of their personnel, and Sherry was busy throughout the year maintaining a data base of these people.

However, I must apologize to Sherry that, in the midst of her diligently applying the rules, the BCPC has changed them slightly in order to conform to policies on membership arising from incorporation, and to make implementation easier. Our provincial policy for

Sponsoring Committees now states that:

- persons who apply for membership in a Sponsoring Committee must do so by completing the Membership Application and Registration Form, and by meeting the basic screening provisions (that is, providing references and attending an interview);
- persons who wish to become Directors and/or Executive of the Sponsoring Committee must complete the second level of screening (that is, the police check); and,
- any members of the Sponsoring Committee or Volunteers who will be required to have direct contact with cadets must have completed both levels of Screening.

### ***Extension of Aldergrove Lease***

Executive members recently met with representatives of the Base Commander of Canadian Forces Base Esquimalt, Captain(N) David Kyle, CD, and were successful in negotiating an extension of the lease of facilities at Aldergrove. Capt. Kyle and his staff have been exceptionally supportive of the Air Cadet

program, and have agreed to yearly renewals of our lease. Meanwhile, donations of equipment for Aldergrove continue to grow, led by outstanding efforts from Bob Burchinshaw, Okanagan Wing Chair.

### ***Queen's Golden Jubilee Medal***

Nine members of the British Columbia Provincial Committee, and one Air Cadet (WO1 Victor Heal of 746 Lightning Hawk Squadron), were awarded the Queen's Golden Jubilee medal in November, 2002, for their contribution to the youth of the province.

Five of the medals were presented by the Lieutenant Governor of B.C., the Honourable Iona Campagnolo, PC, CM, OBC, at a ceremony at Government House in Victoria (pictured below).

### ***Outlook ?***

In all, it was a trying and difficult year for many of our members, but one with at least some glimmer of success; this is no doubt a measure of the quality of the outstanding personnel we are so fortunate to attract. Our strength in people will, I am confident, be equal to the tasks ahead.



Jim McKeachie, Doug Sutherland, Her Honour, Victor Heal, Jack Henwood, Len Jenks



# CORPORATE AFFAIRS

*D. G. (Doug) Sutherland, CGA*  
*Vice President, Corporate Affairs*



## ***Incorporation and Registered Charity Status***

Incorporation and Registered Charity Status continue to be our top priority. We are pleased to report that 49 of 51 Sponsoring Committees are now incorporated with only two remaining to be completed. We anticipate that the remaining two will be completed by year end.

With respect to Charitable Status, the conversion to new Charitable numbers has been slower than anticipated. Information that we requested from Sponsoring Committees was very slow in coming in.

Also a new wrinkle developed where our National Office was in communication with CCRA and it appeared that we would have to apply for the new numbers through the National Office. This issue has now been resolved and it was determined that as the Sponsoring Committees are, in fact, Incorporated Societies in BC, that the applications would be submitted directly to CCRA. We are now able to move ahead with this process.

While the Incorporation of the Sponsoring Committees was a necessity and produced many benefits, it also caused us to look at the way we do business and in some cases we had to make changes to our methods. In some instances, this has caused confusion amongst Sponsoring Committees as to who should be "members" of the Society and how many members should the Society have.

There is an Air Cadet League requirement that all members be screened which, of course has a bearing on the number of "members" that you may want to admit to membership. In view of these various issues, we had numerous discussions with our Legal Counsel and have prepared a document for each of the Sponsoring Committees which answers a number of these questions and hopefully provides clarification for the committees. That document will be distributed at the Annual General Meeting and for those not

attending, will be mailed along with the other AGM documentation.

In summary the key points of the document are:

- The members must apply, in writing for membership in the Society
- The members must go through the screening process
- A Register of members must be maintained
- The Annual General Meeting of each Society should be held in the fall of each year to conform to the Financial Statement requirements.
- Members elect the Directors. The Directors elect a chair from amongst themselves and then appoint people to fill the other positions.

## ***ACC9 Financial Reporting***

One of the requirements of the Air Cadet League is for each Sponsor or Sponsoring Committee to provide an Annual Financial Statement as at August 31 each year (which is the year-end for all Sponsoring committees as well as the British Columbia Provincial Committee).

This is done each year by submitting an ACC9 which has now been renamed as "Sponsoring Committee Financial Report (ACC9)". For the past year a project has been underway at the National level to revise the ACC9 and provide a simpler and more meaningful financial report. The result was the introduction of the revised ACC9 in late August 2003.

This is an important step forward especially for us here in BC as Sponsoring Committees who are incorporated are required to file an Annual Financial statement and a year-end report with the Registrar in Victoria. We

believe that the new ACC9 will meet that requirement, as long as it is signed by two Directors. The new ACC9 and Instructions were mailed to each Chair in early September, copies have been put on our website and for those with Administrative Manuals, replacement pages have been included in your AGM packages

A significant addition was a Schedule for Fixed Assets or equipment. It is important that Sponsoring Committees have an updated equipment list to determine what they own. This would be extremely important to have this information in order to substantiate an insurance claim in the event of a fire or a theft. While there is some work involved preparing the initial Fixed Asset & Equipment list, once completed, the ongoing maintenance is quite simple.

### ***Gaming Funds***

We continue to receive feedback from various Sponsoring Committees on what they have been told by the Gaming Commission as to eligibility for funds and the various requirements of the Commission. We are as perplexed as you are with regard to the inconsistent information we receive in this regard. We believe that it is time to for the Provincial Committee to take a pro-active role and approach the Gaming Commission to see if we can identify consistent standards for Sponsoring Committees.

We have also considered the possibility of approaching the Gaming Commission to see if they would entertain one application on behalf of all the Sponsoring Committees in the province with a view to us disbursing the proceeds to each Committee. We are moving cautiously on this initiative as we do not want to jeopardize any arrangements that are already in place such as Bingo Licenses etc. We will research this area very carefully before moving forward.

On another note, we have heard where Sponsoring Committee applications have been turned down for various reasons. The most common one is that there is a specific requirement as to the cash on hand to prior year's expense ratio. If you exceed that ratio, your application will be automatically rejected. Sponsoring Committees who accumulate substantial amounts of cash should therefore keep in mind that this affects their ability to qualify for Gaming Funds.

We also heard of an instance where a Sponsoring Committee told the Commanding Officer they could not get Gaming Funds because the Provincial Committee had already obtained Gaming Funds. Applications are based on their own merit and any application submitted by the Provincial Office should not affect your eligibility to apply for gaming funds. We will continue to monitor the situation and provide assistance and guidance wherever possible.

### ***Insurance***

Throughout the year many insurance issues have arisen that required resolution. As many of you are aware, most businesses require a Certificate of Insurance (for liability coverage) if a cadet activity is planned to take place on the premises of that business. In many cases, the business requires a copy of an Insurance Certificate naming them as one of the insured parties.

These Certificates can be obtained by following the instructions in the Administrative Manual and sending a fax to the National Office in Ottawa requesting Liability coverage. Keep in mind that the Insurance Company requires three weeks notice in order that they can get the Certificate back to the business prior to the planned activity.

It is important that you also fax a copy to the Provincial office as we are able to follow up on these as National is now supplying a copy of the Certificate to us.

As a point of interest, when a business asks for proof of Insurance, we suggest that you ask them if they want to be named as insured or do they just want proof that coverage exists. If the latter is the case, we can provide, by return email, a copy of the Insurance Certificate which states that we do have coverage to the extent of \$2,000,000. Providing this "generic" Certificate to you can save a considerable amount of time and work.

We received an inquiry from a Sponsoring Committee that owns a building on leased land. Their insurance agent had asked if the National Air Cadet League CGL (Commercial General Liability) policy provided liability coverage for the Sponsoring Committee. At this point

the National Office and the Insurance Broker have stated that the National Policy does, in fact, provide liability coverage for Sponsoring Committees and that they only had to purchase contents coverage, which resulted in a substantial saving. We have asked the National Office to provide us with formal documentation on this coverage. At this point, we suggest you do not modify any existing coverage until we receive that confirmation.

### **Review Boards**

Each year the Provincial Committee expends considerable resources to ensure that the Scholarship Review Boards are carried out in a fair and efficient manner. This year we received approximately 350 Scholarship applications and, of those, 37 were rejected as they did not meet the qualifications. We conducted over 300 interviews throughout the province to qualify the 146 cadets for Scholarship camps.

The processing of the scholarship applications continues to be a challenge as approximately half the applications submitted contained errors or omissions. In assisting those who prepare and submit the applications, we provide considerable information on our website which sets out the criteria for each course.

This information can be found under the "Scholarship Courses" button on the website. We have also set the dates for the 2004 Review Boards and this can also be found under the "Scholarship Courses" button, "Board Schedules", "General Information."

In the past, we have received inquiries regarding the allocation of the courses to the Wings throughout the province. Scholarship courses are awarded to cadets based on their individual merit and are NOT allocated by wing or region.

Each year the distribution of the courses change and depends on the qualification of the cadets that applied. We have provided in the AGM package, an analysis of course distribution over the last three years. The distribution is reasonably consistent from year to year but does vary – again depending on the qualifications of the candidates when compared with their peers.

The Scholarship results are always very close and in

some cases separated by a half or a tenth of percent! We cannot stress too strongly the importance of the Sponsoring Committees providing Mock Boards for the cadets in their squadron. This is certainly a great benefit to the cadets and helps them immensely when appearing before the Scholarship Review Board.

Part of the interview process is to ask cadets questions about current events and General Knowledge. As a point of interest, these questions will cover the period January 1 to December 31, 2003. Also, we were made aware of situations where cadets were memorizing the names of local politicians, Mayors, MLA's, MP's and other LOCAL dignitaries. Such local questions are never asked at the Boards and we suggest that Sponsoring Committees do not include these in their Mock Board questions. Please ensure the cadets are made aware of these points.

### **Trophies and Awards**

Once again, numerous trophies and awards will be presented to cadets, Sponsoring Committees and squadrons for their outstanding achievements for the past year. These awards are in the form of trophies, some dating back to the 1960's. As most are aware, the procedure has been to award the trophy to the winner who takes it back to their home squadron to display for a year. At the end of the year, the Provincial Office sends out requests asking that the trophies be returned to us for refurbishing and engraving so the trophy can be given to the winner the following year.

This process is very time consuming and has resulted in lost and damaged trophies, not to mention the time and effort by all concerned in ensuring the trophies are returned safely and on time. Once a trophy is returned, a squadron or Sponsoring Committee has nothing to show that they in fact had won an award. Also, in a number of cases, squadron quarters have limited space available to display the large bulky trophies.

The Directors of the BCPC have decided that at the end of the 2003 - 2004 training year, all existing trophies will be retired, a display case built and the trophies put on permanent display at a location to be determined. For the end of the training year 2004 and subsequent years, plaques will be prepared with the name of the award and the recipient. These "keeper"

plaques will be presented to the winners each year who can take them back to their home units for permanent display.

### **Budget**

The following page shows the "Proposed Budget" for the 2003/2004 fiscal year which is being presented for membership approval.

You will note that we are budgeting for a decrease in Revenues of around \$86,600 (about 38%) over last year. This reduction is attributed primarily to the following:

- In 2003, we received \$35,000 in Gaming funds which went a long way to help put us in a fairly good cash position at the end of this fiscal year. Given our current operating expense-to-cash ratio, we will not be eligible to access Gaming funds until at least 2004/2005.
- The \$9,410 SIRP refund revenue (recorded in Miscellaneous Revenue) was a "one-time" refund.
- DND Aircraft Rental Revenue was reduced due to a change in the Memorandum of Agreement governing the operation of aircraft. However, this reduction in revenue will be matched by a cor-

responding reduction in our aircraft insurance and SIRP expense.

We are budgeting for a 9% increase in Administrative Expense for 2003/2004 with a slight decrease of Cadet Related expenses (approximately 1%), for an overall net expense increase of 4.5%.

In spite of this relatively small increase in budget for total expenses, the net result will be a still be \$26,950 budget deficit for 2003/2004 because of reduction in expected Revenues. Moreover, it is our intention to improve our position for a Gaming Commission Fund submission in 2004/2005, by having our expense-to-cash ratio more in line with Commission requirements.

### **Operating Assessment**

Although BCPC has not raised the annual Operating Assessment for the past two years, we will not be requesting Membership approval for an increase in assessment this year to cover the deficit, given our current relatively healthy cash position. As a result, our Operating Assessment will remain at \$35.00 per cadet, unchanged from last year.

I respectfully request your approval.



*Wilga 2000*

**Air Cadet League of Canada  
British Columbia Provincial Committee  
Proposed Budget  
September 1, 2003 to August 31, 2004**

REVENUE	Actual Year Ended 31-Aug-03	Budget Year Ended 31-Aug-04	Change
<b>Income</b>			
Squadron Assessments	\$114,450	\$115,000	\$550
Casino Income	35,000	0	-35,000
Donations	19,140	19,000	-140
Miscellaneous Revenue	9,635	500	-9,135
Interest Income	2,001	1,500	-501
Glider & Aircraft Rentals	43,028	0	-43,028
Scholarship Fees	800	800	0
Scholarship Continuation Flying	3,331	4,000	669
<b>TOTAL REVENUE</b>	<b>\$227,385</b>	<b>\$140,800</b>	<b>(\$86,585)</b>
<b>EXPENSE</b>			
<b>Administrative Expenses</b>			
Bank Charges	\$87	\$100	\$13
Insurance-Office/liability	4,433	5,000	567
Telephone	4,319	5,000	681
Legal Expense	11,744	12,000	256
Office Expense	3,283	5,000	1,717
Postage	1,061	1,200	139
Wages	12,701	13,000	299
CPP & EI Expense	753	750	-3
Equipment Maintenance & Purchase	250	1,000	750
Miscellaneous Expense	1,492	2,000	508
Screening Expense	0	400	400
Travel Expense	29,279	30,000	721
Meetings - AGM	4,771	5,000	229
National - ACL	11,559	10,000	-1,559
National - Admin Fee	0	3,300	3,300
<b>Total Administrative Expenses</b>	<b>\$85,732</b>	<b>\$93,750</b>	<b>\$8,018</b>
<b>Cadet Related Expenses</b>			
Insurance - Cadets	\$7,739	\$8,000	\$261
Scholarship Continuation Flying	4,000	4,000	0
Scholarship Founders	2,000	2,000	0
Scholarship National Awards	2,025	2,000	-25
Scholarships - Other	0	0	0
Selection Board Expense	3,122	3,500	378
Wing Chair's Expense	1,397	6,000	4,603
Trophies & Awards	3,461	2,500	-961
Effective Speaking & Competitions	6,227	6,000	-227
Promotion & Recruiting	897	2,000	1,103
Insurance - Aircraft	18,200	3,000	-15,200
Aircraft Maintenance & Purchase	25,459	35,000	9,541
Aircraft Maintenance - SIRP	0	0	0
<b>Total Cadet Related Expenses</b>	<b>\$74,527</b>	<b>\$74,000</b>	<b>(\$527)</b>
<b>TOTAL EXPENSE</b>	<b>\$160,259</b>	<b>\$167,750</b>	<b>\$7,491</b>
<b>NET INCOME</b>	<b>\$67,126</b>	<b>(\$26,950)</b>	<b>(\$94,076)</b>

# TREASURER'S REPORT

Jack Henwood, BComm., MBA, CD  
Secretary Treasurer



The financial information presented in this report includes a "Balance Sheet" as at August 31, 2003 (Schedule 1), a "Schedule of Fixed Assets" (Schedule 2), a "Revenue and Expense Statement" for the twelve months ended August 31, 2003 with a comparison to the prior year (Schedule 3), and a "Schedule of Changes in Financial Position" (Schedule 4).

The following table is a summary of our overall Revenue and Expense as compared to the budget that was approved at last year's AGM:

<i>Account</i>	<i>Actual</i>	<i>Budget</i>	<i>Difference</i>
Total Revenue	\$227,385	\$209,080	\$18,305
Administrative Expenses	85,732	92,900	7,168
Cadet Related Expenses	<u>74,527</u>	<u>104,500</u>	<u>29,973</u>
Net Revenue	\$67,126	\$11,680	\$55,446

As you can see, in all major account categories, we ended up in a favourable position. Revenue exceeded budget, mainly attributable to:

- The reimbursement of SIRP funds of \$9,410 (recorded in "Miscellaneous Revenue", Schedule 3) under a new Memorandum of Agreement, which came into effect March 2003, DND is now responsible for SIRP funding (please refer to Provincial Aviation Committee Report for details on revised MOA). The \$9,410 refund was BC's pro rata portion of a \$73,000 National SIRP fund that had been built up over the years under the previous SIRP funding policy. This is a "one-time" source of revenue.
- Better than anticipated donations of \$6,000;
- Additional DND Aircraft Rental income of \$2,000 from 2001/2002 (previous year) Summer Glider Scholarship training that was paid during 2002/2003 fiscal year;
- Better than expected Interest income of \$1,000 during the year.

Administrative expenses were kept well under control, coming in at \$7,128 under budget.

The BCPC is committed to hosting the 2006 National AGM. Historically, this event has cost other Provincial Committees around \$12,000. In a pro-active measure, we felt it prudent to start setting aside funds to cover this event. Therefore, in "Administrative Expenses", we have allocated an amount of \$3,000 to an "AGM Reserve fund".

In addition, we have established an "untouchable" interest bearing "National AGM 2006 Fund" of \$6,000. (See Balance Sheet, Schedule 1) Monies for this Fund were transferred from existing Term Deposits. It is our plan to "expense" an amount annually and add cash to the AGM 2006 Fund until 2006 to ensure funds are in place by 2006 fiscal year.

Expenses directly related to cadet activities totalled \$74,527 this year which also came in under budget by \$29,973. It is our goal to ensure that we continue to spend our funds mainly on activities and functions which benefit the cadets.

The relatively high amount of under-budget results was largely attributed to expenses that did not materialize relating to the operation of our Aircraft fleet. The two primary factors being less aircraft maintenance costs than budget and the recent change in the gliding program MOA between the ACL and DND which reduced our Aircraft Insurance costs by about \$10,000 over what was budgeted, and the elimination of the budgeted SIRP fee charge of \$9,500 (please refer to Provincial Aviation Report for details on the MOA change)

On the "Balance Sheet" (Schedule 1), we continue to report the Fixed Assets at a nominal value of \$1.00. "Schedule 2" shows a list of Fixed Assets, and provides details of our assets including aircraft assets at their Insured value.

You will note under "Other Assets" we advanced ACS Aldergrove of \$10,609, of which \$5,620 was for purchase of fixed assets such as chairs, tables, kitchen equipment. The balance was for start-up cash flow for operations. For accounting purposes ACS Aldergrove is a "stand alone" organization.

The "Bill Batchelor CFTA Fund" of \$8,405 is currently been administered by BCPC. Once the fund reaches the \$10,000 minimum requirement, it will be transferred to the Vancouver Foundation for administration.

Schedule 4 shows a summary of our "Schedule of Changes in Financial Position" with comparative figures for the past three years and a forecast for 2004.

As you can see, our current cash position is in fairly good shape. However, we are budgeting for a deficit of \$26,950 for the reasons listed below. As well, and as you all know, cash has a tendency to disappear rather quickly if unexpected expenses occur.

<b>The Air Cadet League of Canada British Columbia Provincial Committee Schedule of Changes in Financial Position</b>					<b>Schedule 4</b>
Year	2000	2001	2002	2003	Budget 2004
Cash on Hand September 1	\$76,186	\$109,846	\$90,837	\$58,710	\$109,079
Net Income (Loss) for the year	16,354	(17,571)	(30,733)	67,126	(26,950)
	<u>\$92,540</u>	<u>\$92,275</u>	<u>\$60,104</u>	<u>\$125,836</u>	<u>\$82,129</u>
Changes in Non cash asset accounts (shown on the Balance Sheet as Other Assets)	10,898	(8,795)	13,256	(22,850)	15,000
Changes in Non cash liability accounts (shown on the Balance Sheet as Current Liabilities)	6,408	7,357	(14,650)	20,493	(10,000)
Sub Total	<u>109,846</u>	<u>90,837</u>	<u>58,710</u>	<u>123,479</u>	<u>87,129</u>
Deduct Trust Funds held for the Bill Batchelor CFTA Award				(8,400)	
Deduct amount allocated to fund the 2006 National Annual General Meeting				(6,000)	
Funds (Cash) available as at August 31	<u>\$109,846</u>	<u>\$90,837</u>	<u>\$58,710</u>	<u>\$109,079</u>	<u>\$87,129</u>

**The Air Cadet League of Canada  
British Columbia Provincial Committee  
Balance Sheet  
As at August 31 2003**

**ASSETS****Cash in Bank & Investments**

VanCity-Chequing Account	\$6,909	
VanCity-Casino Account	42	
Term Deposits	110,528	
National AGM 2006 Fund	6,000	
<b>Total Cash &amp; Investments</b>		<b>\$123,479</b>

**Fixed Assets**

Equipment	\$1	
<b>Total Fixed Assets</b>		<b>1</b>

**Other Assets**

Aldergrove - Advance	\$10,609	
Accounts Receivable	1,680	
GST Receivable	6,779	
Other Receivables	5,120	
Advance to Regional Gliding School	2,579	
Inventory - Drill Manuals	2,463	
<b>Total Other Assets</b>		<b>29,230</b>

**TOTAL ASSETS****\$152,710****LIABILITIES****Current Liabilities**

Bill Batchelor CFTA Trust Fund	\$8,405	
Cadet Awards Payable	4,200	
AGM Reserve	4,000	
Accounts Payable - Other	4,489	
GST Payable	399	
<b>Total Current Liabilities</b>		<b>\$21,493</b>

**TOTAL LIABILITIES**

21,493

**EQUITY****Capital**

Retained Earnings	\$64,091	
Current Earnings	67,126	
<b>Total Retained Earnings</b>		<b>131,217</b>

**TOTAL EQUITY****131,217****LIABILITIES AND EQUITY****\$152,710**

Note: 1 The fixed assets have been adjusted to reflect a nominal value of \$1.00 on the British Columbia Provincial Committee accounting books. Refer to Schedule 2 for details on Assets.

Approved:

Director:



Director:



**The Air Cadet League of Canada  
British Columbia Provincial Committee  
Schedule of Fixed Assets  
As at August 31, 2003**

Schedule 2

Aircraft	Description	Registration	Acquisition Date	Value	Total
	Cessna L-19 A Single Engine Aircraft	C-GRGS	1992	\$75,000	
	Cessna L-19 A Single Engine Aircraft	C-GKNK	1978	\$75,000	
	Cessna L-19 A Single Engine Aircraft	C-FTGA	1973	\$75,000	
	Cessna L-19 A Single Engine Aircraft	C-FTGF	1973	\$75,000	
	Cessna L-19 A Single Engine Aircraft	C-FTAL	1989	<u>\$75,000</u>	
					<b>\$375,000</b>
<b>Gliders</b>					
	Schweizer 2-33A Glider	C-GCLK	1975	\$15,000	
	Schweizer 2-33A Glider	C-GCLL	1975	\$15,000	
	Schweizer 2-33A Glider	C-FJSN	1991	\$15,000	
	Schweizer 2-33A Glider	C-GCLB	1984	\$15,000	
	Schweizer 2-33A Glider	C-GFMB	1977	\$15,000	
	Schweizer 2-33A Glider	C-GLIT	1981	\$15,000	
	Schweizer 2-33A Glider	C-GQRT	1982	\$15,000	
	Schweizer 2-33A Glider	C-FXGX	1999	\$15,000	
	Schweizer 2-33A Glider	C-GDXR	2001	\$15,000	
	Schweizer 2-33A Glider	C-FABQ	2001	\$15,000	
	Schweizer 2-33A Glider	C-GCLY	1989	<u>\$15,000</u>	
					<b>\$165,000</b>
<b>Note:</b> The above figures reflect the Insured value of the assets.					
	Damaged Schweizer 2-33A Glider (Parts C-FWMT		2003	(at cost)	<b>\$2,000</b>
<b>Replacement Engines (at cost)</b>					
	Remanufactured zero time engine			\$15,200	
	Remanufactured zero time engine			<u>\$15,200</u>	
					<b>\$30,400</b>
<b>Other Equipment (at cost)</b>					
	Office Equipment			\$25,000	
	Furniture and Fixtures ACS Aldergrove			<u>\$5,620</u>	
					<b>\$30,620</b>
			<b>Total</b>		<u><u><b>\$603,020</b></u></u>

**The Air Cadet League of Canada  
British Columbia Provincial Committee  
Income Statement  
For the Year Ending August 31, 2003  
(With Comparative Figures for Previous Year)**

<b>REVENUE</b>	<b>01-Sep-01 to 31-Aug-02</b>	<b>01-Sep-02 to 31-Aug-03</b>	<b>Change</b>
<b>Income</b>			
Squadron Assessments	\$108,745	\$114,450	\$5,705
Casino Income	0	35,000	35,000
Donations	16,912	19,140	2,228
Miscellaneous Revenue	72	9,635	9,563
Interest Income	2,096	2,001	-95
Glider & Aircraft Rentals	37,354	43,028	5,674
Scholarship Continuation Flying	300	3,331	3,031
Scholarship Fees	0	800	800
<b>TOTAL REVENUE</b>	<b>\$165,479</b>	<b>\$227,385</b>	<b>\$61,906</b>
<b>EXPENSE</b>			
<b>Administrative Expenses:</b>			
Bank Charges	\$0	\$87	\$87
Insurance - Office	2,929	4,433	1,504
Telephone	4,767	4,319	-448
Legal Expense	14,720	11,744	-2,976
Office Expense	6,451	3,283	-3,168
Postage	1,265	1,061	-204
Wages	12,415	12,701	286
CPP & EI Expense	907	753	-154
Equipment Maintenance & Purchase	151	250	99
Miscellaneous Expense	4,884	1,492	-3,392
Screening Expense	0	0	0
Travel Expense	32,127	29,279	-2,848
Meetings - AGM	4,446	4,771	325
National - ACL	5,220	11,559	6,339
<b>Total Administrative Expense</b>	<b>\$90,282</b>	<b>\$85,732</b>	<b>-\$4,550</b>
<b>Cadet Related Expenses:</b>			
Insurance - Cadets	\$6,479	\$7,739	\$1,260
Scholarship - Continuation Flying	300	4,000	3,700
Scholarship - Founders	3,000	2,000	-1,000
Scholarships - National Awards	2,000	2,025	25
Selection Board Expense	4,492	3,122	-1,370
Wing Expense	2,016	1,397	-619
Trophies & Awards	2,044	3,461	1,417
Effective Speaking & Competitions	4,768	6,227	1,459
Promotion & Recruiting	2,686	897	-1,789
Insurance - Aircraft	23,860	18,200	-5,660
Aircraft Maintenance & Purchase	44,962	25,459	-19,503
Aircraft Maintenance - SIRP	9,323	0	-9,323
<b>Total</b>	<b>\$105,930</b>	<b>\$74,527</b>	<b>-\$31,403</b>
<b>TOTAL EXPENSE</b>	<b>\$196,212</b>	<b>\$160,259</b>	<b>-\$35,953</b>
<b>NET INCOME</b>	<b>-\$30,733</b>	<b>\$67,126</b>	<b>\$97,859</b>

# SQUADRON LIAISON

*Tom Holland, CD*  
*Vice-President, Squadron Liaison*



The Squadron Liaison executive works in a cooperative capacity with the Wing Chairs and the ACL Reps to ensure that each Sponsoring Committee receives assistance, encouragement and direction from the BCPC.

The role of the Wing Chair is vital to the success of this relationship, as the Wing Chair is responsible to assign League Reps to each Sponsoring Committee. The Reps then provide the communication link and training for Sponsoring Committees throughout the province.

With the Incorporation of the British Columbia Provincial Committee a few years ago, it became clear that our focus is to provide a sound management environment to help each Sponsoring Committee maintain its mandate to provide funding and support to their Air Cadet Squadron and to the League.

Our Administrative Manual is a 'living document' meaning it is subject to amendments from time to time. Our Web Site ([www.aircadetleague.bc.ca](http://www.aircadetleague.bc.ca)) continues to grow and improve. The use of the web site has increased each year and has proven to be most valuable for quick and current information.

Squadron and Sponsoring Committee Performance Evaluations have evolved over the last few years and the League continues to provide constructive feed-back

and guidance to the Sponsoring Committees through the Wing Chairs and the League Reps.

On the National front, British Columbia is being recognized as a leader amongst the Provinces for developing our communications and systems, and for creating a positive business environment. In fact, British Columbia was the only region to have all Sponsoring Committees' ACC9 completed and submitted to Ottawa on time.

Each year Annual Wing Meetings are held under the direction of the Wing Chair. These meetings deal with local wing issues as well as provincial. Sponsoring Committees within the Wing are encouraged to attend and be active participants.

On the local scene, we are fortunate to have the support of CFB Esquimalt in renewing the lease for Air Cadet Station Aldergrove. Our resident managers, George Penner and Ilona Turra, have spent countless hours coordinating visits and maintaining the facility, and we all owe them a debt of gratitude.

The BCPC wishes to extend our appreciation to the Wing Chairs, League Reps, Sponsoring Committees and all the volunteers for their support of and dedication to the Air Cadet Movement.



# PROVINCIAL AVIATION REPORT

*Jack Henwood, BComm., MBA, CD  
Provincial Aviation Coordinator*



This year, considerable time was devoted to two major items: changes in the operating agreement with DND for gliding, and tow-plane replacement.

## **1. Memorandum of Agreement**

The Memorandum of Agreement (MOA) is the contract between the League and DND which spells out the responsibilities of each party in operating the gliding program. Part of this agreement is the Structural Inspection and Repair Program (SIRP), designed to ensure the on-going, long-term structural health of our aircraft. This year, the MOA underwent fundamental changes in its funding.

In prior years, DND paid an hourly rental fee, adjusted annually, for our aircraft during the Summer Glider training, to assist the League in funding our Aviation Liability and Hull Insurance premiums and to offset some of our additional maintenance costs which were roughly equivalent to what we paid to DND for the SIRP. These SIRP fees, which nationally totalled roughly \$72,000 per annum for the past few years, had been billed to the provinces according to their cadet population; BC's expense was estimated at \$9,500 for 2003.

Under the revised Agreement, DND will now pay a fixed amount equivalent to 100% of the League's Aviation Insurance Premiums. In addition, DND will absorb 100% of the SIRP fees. As a result of these changes, BC received a \$9,400 refund for our share of the accumulated balance of the SIRP fund, and we will not have to pay the \$9,500 SIRP fee for 2003, or for subsequent years. Provincial Committees are now shielded from the inevitable future increases for Aviation Insurance premiums. The Financial Statements presented in this year's report reflect these changes.

## **2. Tow Aircraft Replacement**

For the past several years the BC Provincial Committee (BCPC) has viewed the issue of identifying a replacement aircraft for our L-19s as a high priority, and this was a key recommendation in the BCPC's

input for the Joint National Flying Committee study completed over three years ago. While our original concern revolved around having to replace one of our existing aircraft if lost, we were also looking ahead to when more tow aircraft were required to carry out our program to increasing numbers of cadets.

That time has actually arrived, as our Regional Cadet Air Operations Officer, LCol Byrne, has outlined a need for a sixth tow-plane. With this need in mind, we asked LCol Byrne to identify the aircraft his staff felt would best suit our requirements; Major Kippel, Deputy RCAOpsO, was tasked with this identification project and at the same time, the BCPC created the Tow-plane Replacement Group (TRG) to devise methods of financing new aircraft.

In May, 2003, Maj. Kippel completed his study and presented the results to the TRG: of the ten aircraft reviewed, the "Wilga 2000" appeared to meet all of the "essential" operational requirements and all but one "desirable" requirements. All parties were convinced that the "Wilga 2000" was worthy of further evaluation. Using Major Kippel's report as a basis, I tabled a permission request for British Columbia to carry out an aircraft evaluation and assessment trial of the "Wilga 2000" at the National Flying Committee (NFC) meeting during the Annual General Meeting in Thunder Bay.



*Wilga 2000 with tow-rope attached*

Since the follow-on aircraft issue is now one of national concern, and since the proposed trial could very well have future implications for the national glider program, British Columbia was asked by the NFC to prepare a "business plan" on the proposed evaluation-assessment trial for approval by DND and the national Executive. Our proposal was submitted on August 1<sup>st</sup>, and was approved by the national Executive in Ottawa

on August 23<sup>rd</sup>, 2003.

Full details of the “Wilga” aircraft evaluation trial process (which has been structured by LCol Byrne and Maj Kippel), is beyond the scope of this report. In essence, it will involve a flying evaluation period of 50 hours to assess specific criteria as to the Wilga’s suitability for BC glider operations. Four highly qualified pilots from Pacific RCA Ops staff will carry out the evaluation, which is now underway.

The “Wilga 2000” is a Polish aircraft that has been designed and built for the North American market. Sealand Aviation Ltd. of Campbell River is the Canadian dealer for the “Wilga”. On September 1<sup>st</sup>, BCPC signed an agreement with Sealand Aviation Ltd. for the 50-hour trial period. Sealand has agreed to “lend” us the “Wilga” for the trial; in return, we are required to pay only the operating costs while the aircraft is under our care and custody. Not a bad deal!!

#### **4. Tow-plane Replacement Group (TRG):**

Concurrent with the Wilga trial arrangements, the Tow-plane Replacement Group was formed to devise a financing plan for the Wilga and future replacement aircraft. At this time, we do not know whether or not the “Wilga” will be suitable for the next generation of tow-planes; but regardless of which aircraft is ultimately selected, fund-raising for such a large undertaking cannot be accomplished through traditional means and it must be started as soon as possible. We fully anticipate that the orderly replacement of our aircraft will be a relatively long term project and that we will have to come up with some very creative financing to make the project work. Financial options such as outright purchase, lease/purchase, lease, and hourly rental will all have to be considered

#### **5. Flying Operations**

Our Flying/Gliding Co-ordinator, R. A. (Ron) Aumonier, reported that we flew a total of 9,510 flights last year, including 3,067 familiarization flights, 490 proficiency flights, and 76 transit flights.

In July and August, the aircraft/glider fleet returned to Canadian Forces Base Comox, the location of the Glider School. A total of 2,191 glider flights was flown for cadet flying instruction and 39 cadets met the requirements for the Air Cadet Glider Wings and the Transport Canada Glider Pilots License. Unfortunately, seven cadets did not complete the course for various reasons and were returned to their home units. Flights were also provided to cadets attending the Introduction to Aviation Course.

The Power Flying Scholarship course was also operated out of Comox, with the cadets training at Courtenay and Campbell River. A total of 32 cadets graduated and received their Wings and their Transport Canada Pilot Licenses.

I had the privilege to be the Air Cadet League Representative at the Graduation and Wings Parade held on the 15th of August at Comox to witness the presentation of these wings, as well as the presentation of Certificates to the 41 ITAC grads...it was a first class show!

Finally, I would like to acknowledge another safe and productive flying year for BC cadets. The staff of Regional Cadet Air Operations and Regional Gliding Centre is to be commended for their achievement in meeting their flying mandate requirement as well as maintaining a consistent high standard of flight safety for our cadets. My thanks to the other members of the PAC and RCA Ops staff for their valued advice and contribution over the past year.



*Wilga 2000*

## PROVINCIAL AWARD WINNERS 2002 - 2003

The busy schedule of this year's Annual General Meeting, together with the equally busy schedules of our most senior cadets, does not permit us to present awards to all the recipients. These awards and trophies will be awarded on an appropriate parade night at the home squadrons.

The British Columbia Provincial Committee wishes to congratulate the following award winners for their outstanding performance during the past year:

<i><b>Trophy</b></i>	<i><b>Award</b></i>	<i><b>Recipient</b></i>
Geoff Richards Trophy	<i><b>Top Advanced Leader</b></i>	Sgt. Elicia Houle 828 Hurricane Squadron Delta
Chuck Sixsmith Trophy	<i><b>Top Flying Training (Power)</b></i>	WO2 Zachary Brown 676 Kittihawk Squadron Sidney
Billy Bishop Trophy	<i><b>Runner-Up Flying Training (Power)</b></i>	FSgt Jordan Lee 111 Pegasus Squadron Vancouver
Ivan B. Quinn Trophy	<i><b>Top Flying Training (Glider)</b></i>	FSgt Craig Coleman-Shepherd 754 Phoenix Squadron Port Moody
Cherie Hall Trophy	<i><b>Runner-Up Flying Training (Glider)</b></i>	FSgt Scott McLean 907 White Rock Squadron White Rock
Beatrice Large Trophy	<i><b>Top Exchange Cadet</b></i>	FSgt Yoyo Au 655 Richmond Squadron Richmond
B. O. Mayne Trophy	<i><b>Top NCO</b></i>	TBA
Chairman's Trophy	<i><b>Top Athletic Award</b></i>	Cpl Ian Mallany 676 Kittihawk Squadron Sidney
Peter Wing Trophy	<i><b>Top Technical Training</b></i>	CPL M. I. Claveau 747 Terrace Squadron Terra
Ex Air Gunners' Trophy	<i><b>Top Air Traffic Controller</b></i>	TBA
A. D. Bell-Irving Trophy	<i><b>Top Large Drill Team</b></i>	676 Kittihawk Squadron Sidney
A. W. Carter Trophy	<i><b>Top Small Drill Team</b></i>	204 Black Maria Squadron Kamloops
B.C. Band Trophy	<i><b>Top Band</b></i>	386 Komox Squadron Lazo
Clarke Rose Bowl	<i><b>Top First Aid Team</b></i>	396 City of Prince George Squadron Prince George
S.O. Cadets Trophy	<i><b>Achievement</b></i>	TBA
D'Easum Trophy	<i><b>Citizenship</b></i>	TBA
Nancy Tsangaris Trophy	<i><b>Effective Speaking Winner</b></i>	LAC S Shamsi 637 Arrow Squadron Burnaby

# EFFECTIVE SPEAKING PROGRAM

*Gladys Jarvie, RN, CPN(C)*  
*Co-ordinator, Effective Speaking Program*



Thanks to all the efforts of so many Squadrons and Sponsoring Committees, we have almost 66% participation in the Effective Speaking program in British Columbia. Although there are geographical barriers in some areas, the participation at Wing Competitions is still very good. Thank you to all the Squadron Staff, Parents, and especially the Cadets who make this program such a success.

Once again we had Six Wing Competitions. With the assistance of my new assistant, Mrs. Gail Elgert, I was able to ensure at least one of us attended each of these competitions. We were both very impressed at the quality, enthusiasm, and resourcefulness of all the speakers.

I strongly encourage all Squadrons to send a Cadet to their respective Wing Competition. This will give your Cadet the opportunity to compete in the Provincial Competition, and possibly the National Competition. As has been shown so often – you don't have to be a cadet from a big city Squadron to do well at Effective Speaking – just look at some of the previous winners in this Competition!

The 2003 winner of the Provincial Effective Speaking Competition was LAC Sundus Shamsi from 637 Arrow Squadron in Burnaby. LAC Shamsi spoke at the National Competition in Thunder Bay, Ontario in June 2003. The competition was demanding: eleven of the best and most distinguished cadet speakers from across Canada were her competition. I am very pleased to report that LAC Shamsi placed third in this challenging National Competition.

Information regarding the 2004 Effective Speaking Program will be given to each Sponsoring Committee at this AGM. This package will include the topics for prepared speeches, and a condensed form of the rules and regulations.

This information is also available on the Internet National web site at "[www.aircadetleague.com](http://www.aircadetleague.com)".

The 2004 National Competition will be held in Truro,

Nova Scotia, and the winner of the Provincial Competition will be representing our province.

Special Thanks to the Cadets who represented their Wings at the Provincial Competition, and to all the Squadron Staff and parents who made all the Wing Completions possible, as well as the participants. Winners in each Wing were::

**Kootenay Wing** **WO1 Jed Bartlett**  
904 Kootenai Squadron  
Winner of the Kootenay Competition

**Sgt Andrew Masuch**  
531 City of Trail Squadron - 2<sup>nd</sup> Place  
Represented Kootenay Wing at Provincials

**Okanagan Wing** **FSgt Kennedy Mann**  
232 Big Horn Squadron

**Northern Wing** **FSgt Randi Smith**  
396 City of Prince George Squadron

**Fraser Valley Wing** **AC John Lowe**  
746 Lightning Hawk Squadron

**Lower Mainland Wing** **LAC Sundus Shamsi**  
637 Arrow Squadron

**Vancouver Island Wing** **Sgt Nicole Jeune**  
848 Royal Roads Squadron

Our congratulations to ALL who participated: there are no losers in this program; only winners!

I would also like to extend my appreciation to:

- ★ All the Toastmasters Clubs in the Province for their assistance with this program, teaching and judging competitions.
- ★ Every Sponsoring Committee and Squadron Staff member who helped with this program.

- ★ Mr. Geoffrey Johnston, Mrs. Gail Elgert, and all the members of the B.C. Committee for your continued support with this program.

If you have any questions or require assistance please feel free to contact me via the B.C. Provincial Committee Office, or through your Wing Chair.



***Provincial Competitors...***



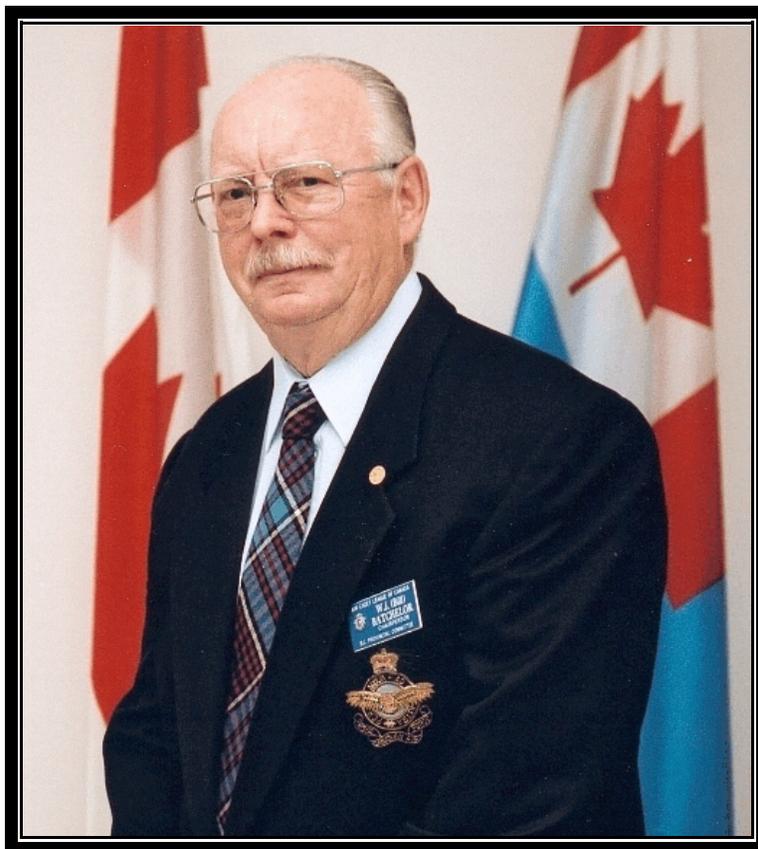
***..and the Winner!***



***National Competition Participants***



***3<sup>rd</sup> Place at National - LAC Sundus Shamsi***



**William J. Batchelor, C.D.**

*February 20th, 1933 - December 3rd, 2002*