

THE AIR CADET LEAGUE OF CANADA

BRITISH COLUMBIA PROVINCIAL COMMITTEE



ANNUAL REPORT ***2004 - 2005***



B.C.'s Sixth Towplane - Wilga 2000 Serial W-19

PRESIDENT'S REPORT

Geoffrey L. Johnston, AACI, P.App, RI(BC)

President

Air Cadet League of Canada

British Columbia Provincial Committee



Every year, it seems, I start by saying, "What a year!" And this year was no exception! It was a busy and fruitful year, but one that through difficult decisions and hard-won successes, sees us well on the road to solving some of the major problems we have faced over the past few years.

Through the contributions from Sponsoring Committees throughout British Columbia, and right across Canada, the Air Cadet League funded their Legal Defence program which allowed us to aggressively fight law suits which threatened our existence. While this was certainly a painful experience, it was not without benefits, as the entire organization is now fully aware of the modern dangers non-profits face from a legal standpoint, and we have taken every step possible to protect ourselves and our members.

Again, through the contributions of Sponsoring Committees, we were finally able to break the financial constraints we've been subjected to for over 40 years, and purchase a new tow aircraft. This is the first brand new towplane ever introduced into the Air Cadet Gliding Program; it is a sturdy, versatile aircraft that promises to be able to serve us well for the next 40 years. In fact, following the modifications made in the new line of Wilgas which resulted from the Canadian Forces evaluation program, it is fair to say that this aircraft has been specifically designed and built for the Pacific Region Gliding program. We can expect to see the second and third Wilgas purchased in the very near future, as circumstances permit.

This past year saw the final production of the *Wings over Canada* television episode, one of the finest films I have ever seen about the Air Cadet program. Copies of this film have been distributed to all Sponsoring Committees (as well as the other Provincial Committees and the national office), as a recruiting and public relations tool. We all owe a debt of gratitude to Tom Holland and John Lovelace for seeing this project through to such a successful conclusion.

This year also saw successes in the final stages of the Screening program implementation, the introduction of a Compliance Officer, the chartering of two new squadrons in Port Coquitlam and Grand Forks, an ever-expanding Effective Speaking program in all areas, the institution of provincial Honours and Awards criteria, and the development of a fabulous program for hosting the national convention in Richmond during June, 2006.

It's difficult not to be proud of these successes, brought about by the hard work of so many good people throughout this province. But we must also not lose sight of the difficulties that remain in our path. The primary role of the Air Cadet League here in B.C. is to support the individual squadrons and to assist the Canadian Forces in delivering the training program by providing those things which the Canadian Forces cannot. The most significant areas in which this help is required are:

- Providing both powered and glider aircraft for use in the flying program;
- Providing suitable quarters for Air Cadet Squadrons;
- Recruiting promising candidates for enrolment as CIC officers; and,
- Developing new sources of funding to provide this assistance.


I believe the towplane replacement program now underway will satisfy the first requirement over the next ten years, and we will be engaged in a number of ventures to inject additional funding into this program, thereby taking some of the pressure off Sponsoring Committees through a reduction in the Operating Assessment.

The provision of local headquarters for squadrons is rapidly becoming the greatest problem faced by Sponsoring Committees, as old buildings are demolished rather than replaced, while few new buildings are suitable for squadron training purposes. Fully one-third of our Squadrons have serious quarters issues, and the cost of solving these problems continues to escalate dramatically. The provincial executive will be working on new proposals to assist Sponsoring Committees in this area during the coming year.

While the recruitment of officers was originally a League responsibility, it had, for all practical purposes, been taken over by the Canadian Forces during the past few years; however, even the Forces are now having trouble finding suitable candidates, particularly for Commanding Officers. In fact, for the first time in memory, we recently came close to shutting down an urban unit for the lack of a Commanding Officer. We will all have to work harder on developing methods to attract and retain candidates for the CIC, and I hope this increasingly serious problem will be the subject of full discussion at our workshops in the coming year.

Finally, it is time for the Air Cadet League to develop new forms of permanent funding. Traditional sources of charitable donations are more and more difficult to attract, given the number of needy groups chasing the same donors. In my opinion, the future of our fund-raising must rest on those who have benefited from our program and understand its value to the nation. In this regard, I am very proud to be able to unveil the *Air Cadet Foundation of British Columbia* at this Annual General Meeting, and I trust we will all work together to ensure its success.

Once again, I would like to thank our members throughout the province who have given so unselfishly of themselves to benefit this organization. This country is a better place for it!


Geoffrey L. Johnston
President



Albert Head Graduation Parade, August, 2005

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, 2005 (Schedule 1); a "Schedule of Fixed Assets" (Schedule 2); "Revenue and Expense Statement" for the twelve months ended August 31, 2005 with a comparison to the 2004/05 budget (Schedule 3); and, a "Cash Budget" for 2005/06 (Schedule 4). Items on the Schedules of special note are presented follow:

Balance Sheet

"Schedule 1" shows a summary of our Assets and Liabilities. As reported in my last two year's Financial Reports, BC Committee is committed to hosting the National AGM in June 2006. Historically, this event has cost other Provincial Committees around \$15,000. In 2002/03, in a pro-active measure, we felt it prudent to start setting aside funds to cover this event. Therefore, as we did in 2002/03 and 2003/04, we have allocated (or expensed) an additional \$3,000 for 2004/05 to the "AGM Reserve fund", and transferred another \$3,000 to an "untouchable" interest-bearing "National AGM 2006 Fund" Term Deposit. Currently this fund stands at \$12,000. Gladys Jarvie, our 2006 AGM coordinator, has worked diligently with her team to keep within the allocated budget.

We continue to report the Fixed Assets (our L-19s and Gliders) at a nominal value of \$1.00. In July, BCPC signed a "Purchase Agreement" with Sealand Aviation for a new PZL 104-MA "Wilga 2000" aircraft for the price of \$204,854 USD (plus PST & GST), with a down-payment of 30% (\$61,456 USD/\$76,140 CAN). We have recorded the \$76,140 down-payment as a separate line entry (see Provincial Aviation Report for more detail on Wilga 2000 acquisition). Cash for the down payment was obtained from the 2004/05 budgeted \$40,000 "New Aircraft funding" account and \$36,140 from our cash reserves. The new aircraft is scheduled for delivery in October, at which time the balance of the purchase price will be payable.

With a partial rebate on GST, a corporate donation of \$5,000 (US), and some good luck on a favourable

exchange rate, the net cost of our first fully modified "Wilga 2000" should be approximately \$268,000, or \$10,000 to \$12,000 less than the \$280,000 estimate put forward in my last year's Financial Report. Bank financing for the balance of the Wilga purchase has been established with Coast Capital Savings Credit Union at favourable rates and conditions. By funding the down-payment through our own cash resources, we reduced the bank loan amount and debt servicing requirement considerably. Under the terms of the loan, pay-down is permitted at any time without penalty, giving us the flexibility to pay off the loan as quickly as possible through funds generated by the "new aircraft funding" account, gaming grants, and other opportunities that may present themselves.

Schedule of Fixed Assets

"Schedule 2" shows details of our assets including our aircraft fleet at both their Insured value and appraised value. In February 2005, we commissioned certified aircraft appraisers, Upper Valley Aviation Ltd, to appraise all our L-19s and one of our gliders (one typical of our 12 gliders) of as part of bank loan security requirements.

Revenue and Expense Statement

"Schedule 3" shows the "Income Statement" for the last training year with comparative 2004/05 budget figures presented at last years AGM. The following table is a summary of overall Cash Revenue (Inflows) and Cash Outflows as compared to the budget that was approved at last year's AGM meeting.

Account	Actual	Budget	Difference
Total Revenue	\$325,696	\$292,470	+ \$33,226
Administrative Expenses	104,951	103,870	(1,081)
Cadet Related Expenses	<u>181,644</u>	<u>187,800</u>	<u>+ 6,156</u>
Net Revenue	\$ 39,102	\$ 800	+ \$38,302

Cash Revenue (Inflows) exceeded budget due primarily to receiving an unbudgeted \$35,000 Gaming Commission Grant. However, the Grant money was awarded with strict limitations on its use, in that the funds were to be spent to support our flying program only; specifically, charged to our "Aircraft Maintenance" account.

Although this limitation did restrict us to some degree, it provided us some leeway to carry out much-needed extra (unbudgeted) L-19 engine maintenance work without adversely affecting our cash reserves. It is our intention to apply for another Direct Access Grant before the end of November. As in the past, however, we will not count on receiving Gaming funds for 2005/06 budget planning purposes.

Total "Administrative Expenses" were slightly over budget (1%); however, Cadet-related Expenses, meaning those directly related to cadet activities, were under budget by 5% with the net result of total expenses coming in 2% under budget.

I have also shown in Schedule 3, an adjusted "net income" for the year taking into account the \$35,000 unbudgeted Gaming Grant revenue. In other words, how we did without the "windfall" of the grant money.

For 2004/05, we budgeted for a modest \$800 net operating income (excluding gaming funds but including \$40,000 new aircraft funding amount). After deducting the Gaming Grant, our actual "net operating Income" was \$4,100, or \$3,300 over the \$800 budgeted. Not a big chunk of money...but at least it is on the plus side of the ledger!

Cash Budget 2005/06

"Schedule 4" shows Operating Assessment revenues which have been estimated using a rate of \$75.00 per cadet, applicable to the 2004 "Annual Ceremonial Review" cadet population of 3020 cadets. As mentioned earlier, the dedicated "new aircraft funding" of \$40,000 received in 2004/05 was applied to the down-payment for our new Wilga aircraft.

The \$40,000 budgeted for 2005/06 will be applied to both debt servicing and loan principal pay-down. All of our six "new" zero-time L-19 engines we purchased back in 1997/98 have now been installed in the L-19s, eliminating our reserve of engines. We started scheduled overhaul rotation in 2003/04 and will be budgeting for one overhaul per year to keep pace with engine overhaul schedule over the next few years.

The budget presented for your approval is for a modest \$4,000 net cash income for 2005/06, just over a break-even operation. The timely receipt of Operating Assessments is crucial to the success of our program as presented in the budget.

The positive response of Sponsoring Committees in fulfilling their financial obligations with respect to the increase in the Operating Assessment that was introduced last year has been nothing short of outstanding!

As your Treasurer...the one that has to try to keep BCPC financial house in order...I cannot thank the Sponsoring Committees enough for this effort. I look forward to your continued support for the coming year.



CFB Comox - site of the Regional Gliding School

The Air Cadet League of Canada, British Columbia Provincial Committee
Balance Sheet
As at 31 August 2005

Schedule 1

ASSETS

Cash in Bank & Investments

VanCity-Chequing Account	\$6,224	
VanCity-Casino Account	5	
Coast Capital Chequing	9	
Term Deposits	48,860	
National AGM 2006 Fund	12,000	
Total Cash & Investments		\$67,098

Fixed Assets

Equipment (L-19s and Schweizer gliders)	\$1 (note 1)	
New Aircraft	76,139 (note 2)	
Total Fixed Assets		76,140

Other Assets

Accounts Receivable	\$1,785	
GST Receivable	9,974	
Prepaid (Deferred) Expenses	1,700	
Inventory - Drill Manuals	874	
Inventory - Merchandise	353	
Total Other Assets		14,686

TOTAL ASSETS

\$157,924

LIABILITIES

Current Liabilities

Cadet Awards Payable	\$6,000	
National AGM Reserve	10,000	
GST Payable	860	
Total Current Liabilities		16,860

TOTAL LIABILITIES

\$16,860

EQUITY

Capital

Retained Earnings	61,963	
Current Earnings	79,102	
Total Retained Earnings		141,065

TOTAL EQUITY

141,065

LIABILITIES AND EQUITY

\$157,924

Note: 1 The fixed assets (aircraft fleet) have been adjusted to reflect a nominal value of \$1.00 on BC Committee accounting books. Refer to Schedule 2 for details on Assets.

Note: 2 Deposit on "Wilga 2000" Aircraft

Approved:

Director



Director



**The Air Cadet League of Canada
British Columbia Provincial Committee
Schedule of Fixed Assets
As at August 31, 2005**

Schedule 2

Insured value

	Description	Registration	Acquisition Date	Insured Value	Total
Aircraft	Cessna L-19 A Single Engine Aircraft	C-GRGS	1992	\$110,000	
	Cessna L-19 A Single Engine Aircraft	C-GKNK	1978	110,000	
	Cessna L-19 A Single Engine Aircraft	C-FTGA	1973	110,000	
	Cessna L-19 A Single Engine Aircraft	C-FTGF	1973	110,000	
	Cessna L-19 A Single Engine Aircraft	C-FTAL	1989	110,000	
					\$550,000
Glider	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	15,000	
	Schweizer 2-33A Glider	C-FWMT	2003	15,000	
					180,000
Note:					
	Total Insured Value of aircraft				\$730,000
	Other Equipment (at cost)				
	Office Equipment				25,000
			Total		\$755,000

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Appraised Value

		US\$ (Feb '05)	Can\$ @\$0.83 US\$=1.20 C\$ (31 Aug '05)	
Cessna L-19	C-GRGS	\$90,485	1.2	\$108,582
Cessna L-19	C-GKNK	92,130	1.2	110,556
Cessna L-19	C-FTGA	81,701	1.2	98,041
Cessna L-19	C-FTGF	87,771	1.2	105,325
Cessna L-19	C-FTAL	96,584	1.2	115,901
		\$448,671	1.2	\$538,405
Schweizer 2-33A Glider	Serial #316	\$24,000	1.2	28,800
Estimated total glider fleet (12 gliders)				345,600
Estimated Fleet Appraised Value (as at 31 Aug 05)				\$884,005

The Air Cadet League of Canada, British Columbia Provincial Committee
Statement of Revenue and Expense
For the Year Ended August 31, 2005

Schedule 3

REVENUE	Actual to 31-Aug-05	Budget 2004 - 2005	Variance (under)
Income			
Squadron Assessments	\$237,900	\$234,170	\$3,730
Gaming Commission Income	35,000	0	35,000
Donations	11,388	16,000	-4,612
Miscellaneous Revenue	4,475	4,000	475
Interest Income	2,148	1,500	648
Glider & Aircraft Rentals	30,905	32,000	-1,095
Scholarship Fees (IACE)	875	800	75
Scholarship Continuation Flying	3,005	4,000	-995
TOTAL REVENUE	\$325,696	\$292,470	\$33,226
EXPENSE			
Administrative Expenses			
Bank Charges	\$202	\$100	\$102
Insurance - Office	267	900	-633
Insurance - D & O Liability	4,585	4,500	85
Telephone	3,595	3,000	595
Legal Expense	13,651	15,000	-1,349
Office Expense	2,272	3,000	-728
Postage	987	1,000	-13
Wages (Office Admin)	14,280	15,000	-720
CPP & EI Expense	1,072	1,100	-28
Equipment Maintenance & Purchase	2,595	1,500	1,095
Miscellaneous Expense	2,859	1,000	1,859
Compliance/Screening	1,167	3,000	-1,833
Travel Expense	34,604	30,000	4,604
Meetings - Provincial AGM	7,547	6,500	1,047
National ACL- AGM/SAGM	12,034	15,000	-2,966
National Office Funding	3,233	3,270	-37
Total	\$104,951	\$103,870	\$1,081
Cadet Related Expenses			
Insurance - AD & Liability Cadets	\$9,154	\$9,000	\$154
Scholarship Continuation Flying	3,300	3,200	100
Scholarship Founders	0	2,000	-2,000
Scholarship National (IACE)	2,000	2,500	-500
Scholarships - Other	0	0	0
Parades and Special Events	0	1,500	-1,500
Selection Board Expense	2,522	4,000	-1,478
Wing Chair Expense (6 Wings)	4,366	6,000	-1,634
Trophies & Awards	2,498	2,500	-2
Effective Speaking	4,754	5,500	-746
Competitions	165	100	65
Cadet Supplies	122		122
Promotion & Recruiting	3,130	4,500	-1,370
Insurance - Aircraft	29,528	35,000	-5,473
Aircraft Maintenance & Purchase	44,065	35,000	9,065
Aircraft (Equip) Rental	11,010	12,000	-990
Engine Overhaul/Replacement	25,030	25,000	30
Total	\$141,644	\$147,800	(\$6,156)
TOTAL EXPENSE	246,594	251,670	-5,076
NET INCOME (Operating Profit)	\$79,102	\$40,800	\$38,302
Less: New Aircraft Funding (Capital Cost)	40,000	40,000	
Adjusted Net Income	\$39,102	\$800	\$38,302
Less Gaming Grant	-35,000		
Adjusted net income excluding gaming grant	\$4,102	\$800	\$3,302

The Air Cadet League of Canada
British Columbia Provincial Committee
CASH BUDGET - September 1, 2005 - August 31, 2006

Schedule 4

	ACTUAL 2001	ACTUAL 2002	ACTUAL 2003	ACTUAL 2004	ACTUAL 2005	BUDGET 2006
REVENUES - (Cash Inflows)						
Squadron Assessment	\$105,870	\$108,745	\$114,450	\$113,750	\$237,900	\$226,375
Casino/Gaming Income	0	0	35,000	0	35,000	0
Donations (Members/Foundations)	19,839	16,912	19,140	14,176	11,388	12,000
Miscellaneous (Ins claims/other)	5,142	72	9,635	6,919	4,475	4,500
Interest Income	5,640	2,096	2,074	3,034	2,148	2,000
Glider & Tow Aircraft Rentals (DND)	36,606	37,355	43,028	31,043	30,905	30,000
CFTA Donations/International Exch Fees	1,555	300	4,132	3,885	3,880	3,500
Total Cash Inflows	\$174,652	\$165,480	\$227,459	\$172,807	\$325,696	\$278,375
Cash Outflows						
Administration Expense						
Bank Charges	\$0	\$0	\$87	\$17	\$203	\$150
Insurance - Office Contents	425	470	0	865	267	500
Insurance - Liability (Dir/Members)	1,982	2,459	4,433	4,202	4,585	4,600
Telephone & Fax	2,590	4,629	4,427	3,094	3,595	3,500
Legal (BCPC Lawyer)	20,200	14,296	12,075	14,502	13,651	8,000
Office (Supplies/printing/etc)	4,691	6,098	3,583	2,997	2,272	2,500
Postage	1,489	1,265	1,061	1,009	987	1,000
Wages (Executive Secretary)	12,245	12,415	12,701	14,567	14,280	15,000
CPP/EI Payroll Expenses	723	907	753	1,056	1,072	1,000
Office Equip Maint & Purchase	4,565	150	250	1,164	2,595	2,000
Miscellaneous (Meetings/other)	1,737	4,821	1,748	946	2,859	2,500
Membership Screening/Compliance	200	0	0	31	1,167	2,000
Travel (Members/BCPC Business)	22,874	31,616	30,036	30,543	34,604	35,000
Provincial AGM	3,451	4,066	5,177	6,300	7,547	7,500
National ACL: AGM/SAGM	5,757	5,220	11,559	15,032	12,034	12,000
National ACL Insurance Fund	0	0	0	3,268	3,233	3,000
Total Administration Expense	\$82,929	\$88,412	\$87,890	\$99,592	\$104,951	\$100,250
Cadet Related Expenses						
Insurance - cadets	\$7,041	\$6,479	\$7,739	\$8,766	\$9,154	\$9,200
Scholarship - Continuation Flying	2,400	300	4,000	3,015	3,300	3,200
National Awards (I ACE)	1,600	2,000	2,025	2,025	2,000	2,025
Scholarship - Founders	1,000	3,000	2,000	2,000	0	0
Parades & Special Events	0	0	0	1,917	0	0
Scholarship Selection Boards	4,106	4,492	3,122	2,088	2,522	2,500
Wing Chairs Expense (6 Wings)	2,709	2,016	1,397	4,138	4,366	6,000
Trophies & Awards	1,767	1,915	3,525	2,214	2,498	2,500
Effective Speaking & Competition	4,531	4,768	6,228	6,578	4,754	5,000
Other Competitions (Band, etc)	0	0	0	100	287	200
Promotion & Recruiting	2,550	2,686	896	5,063	3,130	3,500
Insurance - Aircraft (Hull/non-owned)	22,611	23,860	18,200	32,978	29,528	40,000
Aircraft Maintce & Purchases	50,055	43,566	26,624	39,246	44,065	35,000
Engine Overhauls	0	0	0	23,245	25,030	25,000
Aircraft Rental (Wilga)	0	0	0	5,821	11,010	0
New Aircraft Funding Account	0	0	0	0	40,000	40,000
Structural Inspection & Repair(SIRP)	8,925	9,326	0	0	0	0
Total Cadet Related Expense	\$109,295	\$104,408	\$75,756	\$139,193	\$181,644	\$174,125
Total Cash Outflows	\$192,224	\$192,820	\$163,647	\$238,785	\$286,594	\$274,375
Net In/Out Cash	-\$17,572	-\$27,340	\$63,812	-\$65,978	\$39,102	\$4,000
Assessment fee charged /cdt	30	35	35	35	75	75

CORPORATE AFFAIRS

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



Incorporated Societies and Compliance

We are pleased to report that, with the exception of our newest Squadron, 841 Boundary in Grand Forks, all Sponsoring Committees have now been in-corporated. We can now put this phase of the incorporation process behind us and move forward to meet the ongoing requirements of an Incorporated Society. One of the main requirements of the Societies Act is to ensure that each Society holds an Annual Meeting every year and files the appropriate Annual report, (Form 11) with the registrar. Failure to file this report could result in a Society being struck from the register. If this happens, the Committee must again apply for Incorporated Society status ***under a new name***. This means that letterhead, bank accounts, information that was filed with the gaming commission, etc., all has to be altered. As this can be a costly and time-consuming process, we strongly urge you to ensure that filing requirements are met.

In August of this year, Compliance Officer Sherry Strutt sent out a document which provides assistance to Sponsoring Committees with annual filings, screening, and other "Corporate" questions that may arise. Included in this document was a corporate checklist to remind Sponsoring Committees of the annual requirements. This checklist, along with the memo, will also be provided to members attending the 2005 AGM. In addition, this document will be sent to Committees each year as a reminder of the annual requirements.

ACC9 and Monthly Financial Reporting

Again, British Columbia leads the country as the only province that has filed all ACC9's with the Air Cadet League office in Ottawa. We would like to thank all Committees for attending to this requirement and encourage each Committee to send in the ACC9 prior to the end of October this year.

When we review Sponsoring Committee minutes submitted each month, we note that in many cases, the Treasurer's report quite often consists of a report of how much cash is in the bank. This is not sufficient information to allow the Sponsoring Committee to make good financial decisions. We strongly recommend that a Balance Sheet and an Income and Expense Statement (which includes the budget numbers) be presented each month. This information is vital and should be provided to both the Committee and the Commanding Officer. This will assist in identifying financial needs and future planning for fund raising activities.

Insurance

As reported at the Wing Meetings at the beginning of the year, the BC Committee was successful in assembling an Insurance Package which included copies of Insurance Summaries for all the coverages provided by the Air Cadet League. In addition, arrangements were made with an insurance broker in Kelowna to provide a blanket contents policy at a very reasonable rate. It is important that each Committee review their insurance needs and purchase whatever coverage is deemed necessary.

To summarize, the policies provided by the National office include: Director and Officer Liability; Commercial General Liability; and, Accident coverage. It is important that each Committee review the provided insurance summaries to ensure that the Committee is adequately covered.

When Sponsoring Committees are conducting fund raising and social events, in many cases the owners of the venue for the event require proof of liability Insurance and in some cases ask for a certificate naming them as an insured. The BCPC office has a "Generic Insurance Certificate" which can be forwarded to you upon request. If the venue requires a

certificate naming them as insured, then an application must be made by the Committee to the Air Cadet League Headquarters in Ottawa using form ACC20. This form can be found in the forms section of the Administrative Manual. As the Insurance Company deals with all cadet corps and squadrons across Canada, it is important that the Committee allow sufficient time (at least three weeks) for the insurance company to process the request.

Regional Cadet Instructor School (RCIS)

Each year, the RCIS at Albert Head on Vancouver Island conducts various training courses for CIC officers. About two years ago, the BC Committee asked if we might be included in the course, by having our personnel deliver a one-hour presentation on the role of the League. The Air Cadet League rose to the challenge and has had a representative at each of the courses.

The presentation provides information on the Air Cadet League, its role and relationship with Sponsoring Committees as well as DND. The presentations have been very well received by the participants and we would like to extend our thanks to the Commanding Officer of the Regional Cadet Support Unit, as well as the staff at RCIS, for allowing us the opportunity to make these presentations.

Review Boards and Wing Meetings

The dates have now been set for the 2006 Scholarship Review Boards and the schedule has been placed on the BCPC website. Tentative dates have also been established for the Wing meetings starting in January. Please check the website on a regular basis for any updates.

The criteria for the scholarship courses have been published on the website and a copy has been provided to each Chair and Commanding Officer in the AGM package. As there have been some changes to the criteria this year, it is important that the criteria be reviewed with the staff that will be responsible for processing the applications at the Squadron. Again, we

ask that the prior year's school marks transcript, as well as the current year's marks, be included with the application.

Honours and Awards

As a result of some hard work by Bob Burchinshaw, former Okanagan Wing Chair and now a National Governor of the Air Cadet League, we are pleased to announce that a provincial Honours and Awards policy has been established. With this new policy, we will be able to recognize individuals in the province who have made significant contributions to the Air Cadet movement in either the province or at the national level.

This policy has been added to the Administrative Manual (Section 2) and a copy will be provided to all attendees at the 2005 AGM. In addition, the website has been updated to reflect this addition. The policy is not restricted to League Members, but extends to Military personnel as well as outside individuals who may have made a contribution to Air Cadets. In addition to the policy, a nomination form has been developed and is included in the forms section of the manual as Item 29.

Real Estate Policy

One of the biggest challenges facing Sponsoring Committees is providing adequate premises for the squadron. As a result, many committees have considered entering into various types of real estate transactions which take many forms, from outright ownership to informal licences of occupation; but all involve occupancy agreements and varying degrees of occupancy costs. These transactions can be complex and there are numerous considerations that need to be taken into account before entering into a purchase or lease arrangement.

To assist Sponsoring Committees in dealing with real estate, we made a major revision to the Real Estate Rule 3.1. The modified Rule incorporates a draft Business Plan and checklist. A copy of the modified Rule has been provided to all Chairs and the website has been updated to reflect these changes.

SQUADRON LIAISON

Tom Holland, CD
Vice-President, Squadron Liaison



New Squadrons

The Air Cadet program continues to expand in British Columbia, and we managed to bring two new squadrons into existence during the past year: our newest Squadron, 841 Boundary Squadron in Grand Forks was chartered on August 23rd, 2005, while 777 Neptune Squadron in Port Coquitlam was chartered last fall.

But we're not finished yet! I am pleased to announce that the new Chair of the Kootenays Wing, Mr. Don Watt, was successful in finding suitable quarters for the new satellite flight in Cranbrook, fostered by 266 Kimberley Squadron. It's hard to say when this unit might become a squadron, but when they do, they'll be our 55th!

There are three or four other locations throughout the province where the possibility of starting new units is actively being studied. There are four basic criteria which must be met prior to the approval of a new unit: a list of at least 30 eligible young people (and preferably 50) who are committed to joining; confirmation that sufficient officers have agreed to join; the provision of suitable permanent quarters for the Squadron, and last, but not least, the creation of a strong Sponsoring Committee. Experience has taught us that the Sponsoring Committee is often the most difficult elements in this "formula", but also the most important - without a Sponsoring Committee, the Squadron simply will not survive.

Sponsoring Committee Fees

It has been almost one year since the Sponsoring Committees of British Columbia agreed to increase the annual Operating Assessment they pay to the provincial committee to \$75 per cadet. At that time, Sponsoring Committees were given the option of

collecting voluntary contributions (or fees) from parents to help offset this major increase.

As you are aware, following a request from the Department of National Defence, the Provincial Committee agreed to **not** use the word "registration" fee and to ensure that the parents and public in general were aware that funds being raised were not for the training program, but for the additional costs that Sponsoring Committees must pay.

Many Sponsoring Committees in B.C. have now instituted this type of voluntary fee and, with a few exceptions, the program has been very well received throughout the province. We have fielded about 15 written and oral complaints, or requests for information, at the provincial office, and these usually involve misunderstandings on the voluntary nature of this program.

It must be made absolutely clear to all members and potential recruits that this is a voluntary fee and that no youngster will be denied membership or participation for non-payment. Collection of donations is the responsibility of the Sponsoring Committee, and cannot involve officers or cadets. The greatest of care must be taken to ensure that parents understand why the donations are requested, where the money goes, and that help is available if they need it.

Real Estate Interests

The new regulations and questionnaire on real estate interests is contained in your AGM booklet. I urge all Sponsoring Committees to study this material if they're even considering looking at their own real estate, whether it's a purchase, construction project, or lease. Those who involved in developing real estate now should make sure they have submitted the questionnaire to the provincial office. There are too

many serious issues involved which must be settled *before* development takes place.

In the very near future, the Department of National Defence will probably be instituting real estate occupancy agreements for most (if not all) their facilities; thus, even those units who are not involved with real estate interests at present may find they are still required to execute an agreement. In the long run, this is in the best interests of the Squadron, as it provides a clear basis for the tenancy and sets out the terms to avoid any confusion down the road.

Wing Meetings

Wing Meetings have been held in most areas throughout the province over the past year; some Wings have had two or three such meetings.

The Wing Meetings act as mini-AGM's, but on a far less formal basis. They provide an opportunity for Sponsoring Committee members and League Reps to discuss common problems in the system, and to suggest common solutions. They also allow the inclusion of members who cannot attend the provincial AGM, at a much lower cost to the unit.

We encourage Wing Chairs to continue with Wing Meetings on a regular basis. It is our practice to ensure that an Executive Committee member is available to attend every Wing Meeting, if requested by the Wing Chair. Just please provide us with sufficient advance notice.

Finally, I would like to welcome our newest Wing Chair, Don Watt, and to extend our sincere appreciation to the outgoing Kootenay Chair, Trevor Smith, for his years of dedicated service.



Proposed Headquarters building for 676 Kittyhawk Squadron, Sidney.

COMPLIANCE OFFICER

Sherry Strutt



Volunteer Screening

The Registration and Screening Program, which has been in place for over six years, was established by the National Air Cadet League, and formally adopted by all the Provincial Committees as policy.

Screening refers to a range of procedures and processes to carefully scrutinize individuals in order to choose the best candidates and weed out, as far as possible, those who would do harm. Screening is a fundamental resource management activity which provides a further level of protection for the cadets in all the squadrons.

By adopting the screening policy, we in B.C., along with all the other Provinces as well as the Canadian Forces, have pledged to parents that no one will have direct contact with Air Cadets unless they have passed the required level of scrutiny.

While most Sponsoring Committees comply with the screening requirement, there are a few who do not take this responsibility seriously. While all the Sponsoring Committees have screened some of their members, there are still some Committees who have not completed the screening process. Sponsoring Committees are encouraged to continue to do their part and complete the screening to provide the necessary protection for the Cadets.

The information on the screening process is contained in Section 3.1.11 of the Administrative Manual – refer to the hard copy or the BCPC website. Sponsoring Committees are reminded that the initial screening covers a five year period and that screening must be renewed after that period.

Compliance

The first year is always the hardest. This holds true with Compliance, and the duties of the Compliance Officer are to ensure that all Sponsoring Committees have met the reporting requirements of various levels of government and the League, and to assist those who have not.

This year, a learning year for both myself and the Sponsoring Committees, has proved to be fairly successful. As at the end of August there were only five Sponsoring Committees still left to collect Form 11 for 2004. Now that the information is up to date, the process should be fairly simple this year.

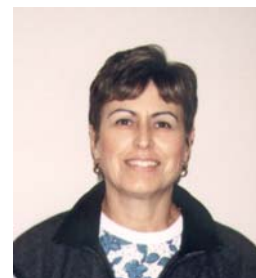
Thank you to those Committees who have been so patient and cooperative this past year. As I said, it has been a learning experience for me and your co-operation has helped immensely. Good work and I look forward to 100% compliance and successful screening of all volunteers this coming year.



Massed Bands at the 2005 Battle of Britain Parade - Boundary Bay Airport, Delta, B.C.

EFFECTIVE SPEAKING PROGRAM

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



Thank you to all the Squadrons, Sponsoring Committees, Officers, Wing Chairs and, in particular, the Cadets who participated in the Effective Speaking Program 2005.

Although there are large geographical barriers in some areas, the participation at Wing Competitions is still very good. I sincerely appreciate your support in making this program a success.

There was a Regional Competition in each Wing, with the winner of the Wing competition going on to the Provincial Competition.

The winner of the Provincial Competition, Sgt Joseph Oorebeek from the Okanagan Wing, went on to represent British Columbia at the National Competition in Calgary, June 10th, 2005. Cpl Oorebeek did an excellent job of re-presenting our Province in a very demanding competition, with 11 of the best Cadet speakers from across Canada.

We offer our congratulations to the cadets who represented their Wings at the Provincial Competition during 2005:

Kootenay Wing **F/Sgt Andrew Masuch**
531 City of Trail Squadron

Okanagan Wing **Sgt Joseph Oorebeek**
243 Ogopogo Squadron

Northern Wing **Cpl Stephanie Kao**
396 City of Prince George Squadron

Fraser Valley Wing **AC Judy Madarasz**
767 Dearman Squadron

Lower Mainland Wing **F/Sgt Delna Contractor**
103 Thunderbird Squadron

Vancouver Island Wing **Sgt Stephen Prior**
386 Komox Squadron

I really encourage each Squadron to send a representative to the competition in their Wing in 2006. As I say every year – you don't have to be a Cadet from a big Squadron to do well at Effective Speaking, you just have to be able to speak.

We will be hosting the next National Effective Speaking Competition in Richmond, June 16th, 2006, during the National Annual General Meeting. Gail and I will be seeking assistance from local Squadrons and Sponsoring Committees to help with this event. This will be an excellent opportunity for our Cadets to meet the Provincial Effective Speaking Representatives.

Information regarding the 2006 Effective Speaking Program will be given to each Squadron at this meeting. This package includes the Rules and Regulations and the Application form – with the topics for the Prepared Speech 2006.

This information, plus scoring sheets are available on the Internet at the British Columbia Provincial Committee web site under PROGRAMS – EFFECTIVE SPEAKING at www.aircadetleague.bc.ca

Additional information, such as the Organizers' Guide, Planning Calendar, Guide for Speakers, and Information for Judges, is available on the National Air Cadet League web site at www.aircadetleague.com

Having the National AGM in Richmond this year will also present the perfect opportunity for cadets, parents, Sponsoring Committees and Squadron staff to witness a national competition, and to see for themselves the degree of skill displayed by the provincial winners.

Guests are more than welcome to attend the competition on Friday morning, June 16th, 2006 at the Best Western Richmond Inn. The competition

begins early, at 8:00 am, and continues until noon.

Thank you again for your help for this most worthwhile activity. If you have any questions or require assistance with any aspect of the Effective Speaking program during the coming year, please contact me via the B.C. Provincial Committee Office, or your Wing Chair.



Sgt. Joseph Oorebeek at the 2005 Calgary Competition
(Gladys Jarvie, Mr. Oorebeek, Joseph Oorebeek, Mrs. Oorebeek, Wing Chair Penny Doern)

*You'd scarce expect one of my age
To speak in public on the stage;
And if I chance to fall below
Demosthenes or Cicero,
Don't view me with a critic's eye,
But pass my imperfections by.
Large streams from little fountains flow,
Tall oaks from little acorns grow.*

David Everett
1769-1813

PROVINCIAL AVIATION REPORT

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



The Provincial Aviation Committee (PAC) is a Standing Sub-committee appointed by the Air Cadet League, BC Provincial Committee (BCPC) Executive Committee. The PAC, although responsible to the President of BCPC, works within the guidelines and policies as set out by the National Flying Committee (NFC). All Provincial Aviation Chairpersons form the core of the NFC, with DND represented by a National Cadet Air Operations Officer, and a National Technical Authority.

Formal meetings of the NFC were held in November, 2004 at the Semi-Annual General Meeting in Ottawa, and again in June, 2005 at the Annual General Meeting in Calgary. Over the past year several flying-related issues were addressed by the NFC, many of which were specific to other Regions and are therefore not included in this report.

The focus of this report will be the two major items of importance to Pacific Region: the current status of the acquisition of the "Wilga 2000" as our 6th tow aircraft and its role as a replacement for L-19s; and the development of a National "Statement of Operational Requirements for the Air Cadet Gliding Program Tow Aircraft" (SOR)

Wilga Acquisition and Tow Aircraft Replacement

At the time of my last year's Aviation Report, the Wilga evaluation trial had been completed. The purchase of the Wilga was recommended, subject to several modifications being done on the aircraft to make it more suitable to our operation. The Wilga Company confirmed that these modifications would be done.

Before BCPC could commit to the purchase, however, National DND blessing was required to have the Wilga accepted onto the DND/ACL "Contract for Services" (C of S). Because DND would be obligated to share a major portion of the operating and main-tenance (O & M) costs, they were not prepared to accept the Wilga until more detail on the O & M costs were obtained (technical jargon: Integrated Logistics Systems)

In March 2005, Major John Cooper (National Technical Authority) completed three important studies that had been underway since November, 2004, in an attempt

to address the issues surrounding the replacement of the L-19s and the O & M costs of the Wilga:

(1) "Cessna 305 (L-19) Engine Supportability" (to report on parts and technical services availability to support the L-19 engine)

Conclusion: Existing L-19 engines are supportable for at least ten years however, the parts shortage should be monitored

(2) "Cessna 305 (L-19) Airframe Maintainability" (to report on estimated useful life of airframe)

Conclusion: "There does not appear to be major issues that would prevent the Cessna 305 from being operated in its current role until 2010-2015.

(3) "Wilga and L-19 Operating and Maintenance (O & M) Cost Estimates" (comparative O & M between Wilga and L-19).

Conclusion: "ILS (O&M) costs to DND are not expected to be higher for the Wilga than the L-19. In fact, there is a possibility the O&M costs could be reduced by operating the Wilga"

The findings of the above reports bodes well for BC's long term aircraft replacement plan in that it provides a comfort level that our L-19s still are supportable for at least the near future, while we systematically phase them out over the next few years. It is also encouraging to see that the Wilga/L-19 O & M study tends to support our RCA Ops findings that the Wilga should be cheaper to operate than the L-19.

Further, it is worthy of note that the Chair of the NFC, in his report to the Air Cadet League forum at the June National AGM, expressed his concern about the aircraft replacement issue stating:

"Each Region should start to plan for the funding of a replacement aircraft now. If left to ten or so years down the road, it will be too late to start looking for funds or to figure out how funds will be raised". [BC started its planning three years ago!]

In May, 2005, BCPC received notification from the Director of Cadets that DND would approve the addition of the Wilga to the "Contract for Services". The thrust of DCdts approval letter is summarized:

"Although the three above noted studies indicate that there appears to be no technical reasons to change to the Wilga, there are no technical reasons not to either." Approval, however, was subject to the following:

1. "Purchase Agreement" must include all items and modifications that were deemed necessary by the RGS (Pacific) staff submitted to BCPC 13 August 2004 (Final evaluation test report which included several required modifications to aircraft before purchase be considered)

2. Affirmation that Sealand Aviation (PZL Wilga distributor) would provide certain equipment, publications, and training as promised.

3. An "Implementation Plan" should be developed for replacement of the L-19s (not mandatory).

Confirmation was received from the Wilga Company, through Sealand Aviation, that all of the above-noted conditions would be met. On July 8th, BCPC signed a "Purchase Agreement" for the prototype model of the PZL 104-MA "Wilga 2000" (the modified version of the "M" model which was used for the evaluation trial).

At the time of this writing, delivery is scheduled for sometime in October, 2005. A draft "Implementation Plan" for bringing the Wilga "on-line" has been developed by RGS Pacific. The handover ceremony is planned to be held at Comox this fall; details will be announced as they become available.

Statement of Operational Requirements- ACGP Tow aircraft (SOR)

Nationally, the ACGP has 31 tow aircraft (16 Bellanca Scouts and 15 Cessna 305/L-19s). The SOR was a NFC recommendation put forward in 2003/04 with the objective of providing a formalized guideline for adding a tow aircraft (other than the existing Scouts and L-19s) to the ACGP.

The aim of the SOR is to determine the requirements for a tow aircraft capable of supporting the ACGP (the primary function being the towing of Schweizer 2-33A gliders). The SOR is a collaborative effort between the DND and the ACL (through NFC) and will take into consideration such factors as regional differences in "operational requirements", aircraft performance

capability requirements, "primary" and "secondary" mission requirements, responsibly of DND/ACL and so forth. A preliminary draft SOR has been sent to all PACs for evaluation with the view of finalizing at the SAGM/NFC meeting In November.

Flying Operations

Our Flying/Gliding coordinator, Ron Aumonier reported the following 2004/05 flying activities statistics that were provided by Pacific Region Air Operations:

A total of 7,465 Glider Fights were flown, consisting of:

- 2,288 flights for Cadet Spring/Fall Familiarization;
- 2,471 flights for the summer Glider Pilot Scholarship course;
- 2,042 flights for Annual Proficiency ratings, conversion, maintenance and transit;
- 282 Public Relations flights;
- 305 Glider Instructor & Refresher training (graduated 8 instructors)
- 77 flights for cadets on the Introduction To Aviation Course

A total of 4,176 cadet familiarization flights were flown in gliders and power aircraft:

- 2,288 Spring/Fall/ITAC glider fam flights;
- 1,195 flights in 573 rental power aircraft;
- 451 cadets at Albert Head Basic Camp in 154 power a/c flights; and,
- 242 cadet flights in L-19 aircraft.

Power Pilot Scholarship flying training was carried out at Courtenay and Campbell River flying schools, and 34 cadets obtained their Transport Canada Power Pilot License (Private Pilot's Licence). The Glider Pilot Scholarship course was carried out at Comox with 41 cadets obtaining their Transport Canada Glider Pilot's License.

I would like to acknowledge another safe and very productive flying year for BC cadets. A special thanks to L/Col Kip Kipple, Major Chris Tuck and all other members of the RCA Ops staff for their valued advice and contribution over the past year.



Photographs of Wilga 2000 Serial W-19

(This is the actual aircraft we purchased, which is now being readied for shipment from Poland. The yellow colour is primer paint. The aircraft will be white with blue trim when it arrives.)





Wings Graduation Parade - CFB Comox - August, 2005