



# AIR CADET LEAGUE OF CANADA BRITISH COLUMBIA PROVINCIAL COMMITTEE

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## 70<sup>th</sup> Annual General Meeting Kamloops Towne Lodge Annual General Meeting Minutes SATURDAY, October 1, 2011

- 1) **Meeting called to order**

Ilona Turra  
Chief Administrative Officer  
ACL/ BC Provincial Committee
- 2) **March on the Flag Party**

**Acknowledgement and thanks to the 204 Sqn Flag Party**  
**Singing of "O Canada"**  
**Moment of Silence**

204 Black Maria Squadron Cadets
- 3) **Welcome and Opening remarks by President, Tina Kirkpatrick.**

Welcomed everyone to the 70<sup>th</sup> Annual General Meeting and hoped that everyone enjoyed the Friday night meet and greet and to please forward any feedback on our new location for the meet and greet.  
Tina then called upon Ilona Turra, CAO for the declaration of Quorum.
- 4) **Declaration of Quorum**

Ilona Turra, Chief Administrative officer declares that there are 69 members in attendance and we have a quorum.
- 5) **Introduction of Head Table**

*Ilona Turra (CAO)*  
*Tina Kirkpatrick (Director -President)*  
*Jack Henwood (Director- Treasurer)*  
*LCol Tony Appels (RGS- CO) Guest*  
*Geoffrey Johnston (Director)*

**Tina Kirkpatrick**  
Ken Higgins – (ACL- 1<sup>st</sup> Vice President & Governor)  
*Tom Holland (Director -Past President)*  
*Ron Rique (Director -1<sup>st</sup> Vice President)*  
*Norman Lovitt (Director- Vice President)*
- 6) **Opening remarks by President, Tina Kirkpatrick.**

Welcomed everyone attending, noted a couple of changes to the AGM format this year...

  - 1) Geoffrey Johnston has been involved in the BCPC for many years, serving many roles including President. He was co-opted back to the Executive committee to assist with the Business Centre as well as the replacement aircraft program.
  - 2) Tina noted that we have done a lot this year as the BCPC and she warned that we have spent a lot of money, but the rewards that we are going receive in return and the income that we will generate will be beneficial to the program. We already have Cadet Units using the conference room for ground school. The intent of this facility will be host our own meetings such as Wing Meeting, Effective Speaking, Exec meeting, etc as this will keep money coming back into our own pockets instead of paying out to Hotels.
  - 3) Another change in the AGM: In the past Major Deck had taken the officers off to attend their own training sessions, this year Tina convinced him that officers were asking for League information and wanted to attend with their SSC partners. Therefore all afternoon sessions will be combined with officers and SSC members.
- 7) **Adoption of Minutes – 69<sup>th</sup> Annual General Meeting Tina Kirkpatrick, President**

Tina asked if everyone had a chance to read the 69<sup>th</sup> Annual General Meeting Minutes, these were included in the registration packages. Tina called for errors or omissions. None Received

  - a) Mike Symons – moved to accept the minutes as presented/ all voting members in favor. Minutes of the 68<sup>th</sup> AGM adopted as presented. Seconded by Terri Slater Vote called for / all in Favour  
**69<sup>th</sup> Annual General Meeting minutes were adopted as presented to the members.**
- 8) **Ken Higgins – Vice President, Air Cadet League of Canada**

Address by Ken Higgins:

  - a) Brought greetings to everyone from the President of the Air Cadet League, Bob Robert and acknowledged and thanked for the opportunity to attend on behalf of the Air Cadet League.
  - b) Noted that the 75<sup>th</sup> anniversary of the ACL is fast approaching in 2016 and would like to bring everyone's attention to the gathering of historical information that will be presented in Bob Burchinshaw's Commemorative Album.
  - c) Air Cadet numbers are increasing and the key is to sustain these numbers Cadet numbers across Canada, which encompasses Air/Sea/ Army 76,000 as set by the Chief of Defense staff for 2016.
  - d) Overview of the need for recruiting not only with cadets but also with Volunteers and adults for the Cadet program
  - e) Overview of the work that has been accomplished by the National Office staff and National members as well as the strong contribution by the BC Provincial committee
  - f) Directed to the SSC's... there is a National committee that is devoted to Training SSC's in their Volunteer jobs.
  - g) Ken reviewed the proposals that national were presented with in reference to training that will be provided to SSC's. National Committee will be focusing on the 3<sup>rd</sup> option; Computer Based Training. Review on the process will work.

9) **INTRODUCTION of Attendees – Microphone was passed around and brief intro was asked for all attending.**

**Attendance list by Sqn/SSC**

89 Pacific SSC Vice Chair	BCPC – Adele Vos – Member
103 Thunderbird SSC – Treasurer	BCPC – Albert Walsh – Member
111 Pegasus SSC – Chair	BCPC - Bob Burchinshaw – Member
135 Bell Irving SSC – Chair	BCPC – Chris Tuck – Member
147 Airwolf SSC – Chair	BCPC –Christine Welch – Member
204 Kamloops SSC – Chair	BCPC – Don Doern – Member
222 Shuswap SSC – Chair	BCPC – Don Hogan - Member
223 Red Lion SSC- Chair	BCPC – Doug Slowski – Member
232 Big Horn SSC – Chair	BCPC – Jim McKeachie – Associate Member
259 Penticton SSC – Chair	BCPC – Keith Kepke- Director
363 Capt Brian Barker – Chair	BCPC – Mike Symons- Member
386 Komos SSC – Chair	BCPC – Paddi Paddison – Member
396 City of Prince George SSC - Chair	BDPC – Penny Doern – Director
513 Hornet SSC – Chair	BCPC - Rick Meijer – Director
525 Pathfinder SSC – Chair	BCPC – Richard Taylor – Member
531City of Trail SSC – chair	BCPC – Stanley Horton – Associate Member
552 Key City Cranbrook SSC –Treasurer	BCPC – Terri Slater – Member
583 Coronation SSC- Chair	BCPC – Darcy Montgomery – Member
609 Steveston SSC – Chair	BCPC – Gail Elgert – Member
637 Arrow SSC – Secretary	BCPC – Nancy Chapman – member
655 Richmond SSC- Chair	BCPC – Paul Kusnir- Member
692 BCIT Aerospace SSC – Chair	BCPC – Sheila Kung – Member
744 Duncan SSC – vice Chair	BCPC Office Amin – Gail Rique
746 Lightning Hawk SSC – Chair	Guest – Sarah Matresky – National ED
754 Phoenix SSC – Chair	Guest – John Calderwood
759 Falcon SSC – Chair	767 Dearman SSC- vice Chair
768 Quesnel SSC – Chair	777 Neptune SSC – Chair
787 MacKenzie SSC – chair	819 Skyhawk SSC - Chair
848 Royal Roads SSC- chair	858 Skookumchuk SSC – Chair
861 Silverfox SSC- chair	888 Avenger SSC – chair
893 Beaufort SSC – Chair	899 Vanderhoof SSC – Chair
902 Summerland SSC –Director	

**Tina Kirkpatrick thanked everyone for their introductions.**

10) **RCSU (Pacific) Major Brent Deck- Addressed on behalf of Commander Rod Hughes**

- a) Commander Hughes sends regrets for not attending  
Points to be covered: Cadet Program Growth Initiative  
Recruitment through CF Recruiting Centre
- b) CPGI – Review of Cadet Program Growth Initiative Goals and current cadet numbers in Canada and BC.
- c) Growth initiative is a partnership initiative and
- d) Recruiting of new officers- RCSU is working to get the word out that volunteers are needed.  
Recruiting Centre has focused on processing CIC files, etc to try to catch up with files ready to be processed.  
This is in progress right now. This focus should assist in bring on board new officers for this training year.  
It is anticipated that by Christmas there will be 90 new officers brought on board.  
It is hoped that this recruiting blitz will become an annual event.

**CD PRESENTATIONS** made by L Col Tony Appels

- Capt John Harrop – CD presented for 12 years of service
- Capt Ted Bowman – CD-1Presented for 22 years of service
- Major Monty Cross –CD-1 for 22 years of service

11) **Norm Lovitt – REFERENCED - Article on Aveos- BC’s Work experience program that was put in all registrants folders.**

Overview of the successful completion of the first work experience program that was completed in the spring of 2011.

This year we have a number of other corporations that are interested in putting the program on.

On Vancouver Island a) RGS staging program for a cadet a week between Oct – March

Sqn’s on North end of the Island please promote the program to your cadets.

b) South end Vancouver Island... still in negotiations... the negotiations are not going well, but if it does come up, it will be short notice and it would be at Victoria Air Maintenance, Pat Bay Victoria... more to follow if it comes through.

c) Greater Vancouver is back on again this year, dates and cadet #'s to be confirmed next week.

d) Fraser Valley- program to be run at Conair, 8 cadets 2 serials of 4 cadets.

Program will run end of January /first week of February. This program is definite.

If this program is successful, the parent company, Cascade is willing to have the program run with them also.

e) Okanagan - Program to be run at Kelowna Flight Craft- End of January- beginning of February  
2 Serials – 3 cadets per serial for a total of 6 Cadets or one Serial of 6 cadets – to be confirmed.

Once the Applications have been finalized they will be uploaded onto the Cadet net website as well as the BCPC Website.

I ask you to support the program and if we don't populate these within the industries, we are on trial with these companies and they are having a good look at us. WE encourage you to promote these work experience program. Please note that this is a LEAGUE program same as the Effective speaking program.

When the Cadets apply they will be attending as "students" and therefore no supervision is required by League or Volunteers.

**12) LCol Tony Appels- Regional Gliding School Commanding Officer - Address**

See attached presentation in Appendix 1 – Joint Briefing

**13) Norman Lovitt- BC Provincial Committee Aviation /Aerospace Committee Chair - Address**

See attached Appendix 1 Part 2 of presentation

Call for Questions:

- a) Al Walsh: was the maintenance officer at RGS. Would like to congratulate L Col Appels on the program he is running. Question about the tow hook on the 182, is it the same tow hook that was on the L19.  
Answer – L Col Appels: it is a completely different assembly. No longer using the Schwiezer tow hook.
- b) Capt Don Lavoie- Chilliwack: Will there be an expansion on the Winch Launch Program. I understand that there was going to be 6 winches. Where does the program stand right now?  
Answer: L Col Appels: Not sure where the number "6" came from however, the original number was actually 2; it is currently operating however there is a limitation with the Winch program as to the areas that can be used. Comox/ Abbotsford/ Prince George are where the program is viable at this time.  
Presentation concluded

[I:\2011 AGM Files\MINUTES\C182 Project -APPENDIX 1 A-B BCPC AGM Oct 2011 \[Compatibility Mode\].pdf](I:\2011 AGM Files\MINUTES\C182 Project -APPENDIX 1 A-B BCPC AGM Oct 2011 [Compatibility Mode].pdf)

BREAK FOR COFFEE

**14) Geoffrey Johnston – Director BCPC - BUSINESS CENTRE PRESENTATION**

Geoffrey presented the Virtual Video on the ACL/ BC Provincial committee's Business centre.

- a) The process of finding a location began approximately 5 years ago.
- b) Review of the History of the League office has been house over the past years. For many years the BCPC office had been quartered at Jericho.
- c) Review of the needs of the BC League/the SSC/ the needs of our partner DND (RCSU).
- d) Overview of the locations that were available and the costs for these office locations.
- e) The Heritage Hanger was the perfect location for our offices due to the tie in that we have with the History of the Air Force and the RCAF memorial, etc. The Heritage hanger was opened the day before the Air Cadet League was formed in 1941. There is a true connection with this location making it an ideal spot for the BC provincial committee offices. RCAF Memorial is just outside the new BCPC office.
- f) Alpha Aviation was instrumental in supporting our quest for the Sewage system, a requirement with which we could not continue. A proposal for a temporary septic tank was put forward which will last for the next few years, accepted at a reasonable cost which allowed us to move forward with the project.
- g) Stacey Leuwven, who put together a comprehensive design package for us and stick handled it with the Corporation of Delta.
- h) Lighthouse Construction, Therese and Andy Hirst were approached for a quote; put together a cost plus contract that worked well within our budget. Their involvement and passion for the Cadet program made it a good fit. We took this contract to finish approx 1700 sq ft to Alpha Aviation; we asked how we can make this work as we wanted to be there long term. they reviewed and proposed a deal for us, 1<sup>st</sup> year is completely free, 10 years at reduced rent with an option to renew for another 2 ten year option.
- i) We are into the new offices, overall cost \$145,000 with rent that will be \$650 p/m
- j) Geoffrey presented a virtual tour video of the Business centre to all members in attendance.
- k) CALL FOR questions... no were presented.

**15) Jack Henwood – Financial Presentation / Budget**

**See attached financials in Appendix 2 – Financial Presentation & Budget.**

- a) Madame President, ladies and gentlemen, it has been an interesting, a challenging as well as a busy year from the financial side of the house. There have been highlights of the two major projects we have going. We sent out the financials to everyone at the beginning of the week to allow everyone to have a look at the financials in preparation for today's meeting.
- b) Reviewed:
- c) *Appendix 2 – Schedule 1 – Balance Sheet.* To clarify the bank accounts we have: "unrestricted cash" is the cash that is used to keep the normal operation going.  
Then there are the "dedicated" or "restricted accounts". These are all special high interested savings accounts that have been dedicated to those particular projects or subjects as listed. It is important that I show that on a Balance Sheet for other organizations such as financial institutions, Revenue Canada, and BC Gaming Grant purposes. We must show that these are, in fact, dedicated and restricted funds.  
Reviewed Air Craft replacement funds and Building funds these will be paid down substantially by the end of the year.

d) *Appendix 2 – Schedule 2 - Income statement*

Jack reviewed the Income statement and commented that all in all we ended the year in a favourable position. Jack also mentioned that he showed how we did with last year's AGM and where the money comes from and goes to. National funding: the Treasurer's report explains clearly what we send to National ACL.

e) *Appendix 2- Schedule 3a Business Centre*

This was to break down the costs and lease holds improvements, etc for the Business Centre. It will also show you how the lease payments will be for the next 10 years. There is no historical or clerical evidence as what the operating costs are, municipal taxes, hydro and sewage are estimates at this time.

f) Appendix 2 - Schedule 3b Tow Fleet renewal Program was reviewed by Norm Lovitt in his presentation in Appendix 1 – Joint presentation.

g) Appendix 2 -2011-2012 Budget was presented at the \$100 assessment fee based on 3388 cadets. What about next year and the future, 3 things have already been touched upon.

- 1) Gaming grant: we have just run out with our 3 year grant and Jack now has to apply for another 3 year grant. We can't put the gaming funds into the budget. We don't know if we will get the gaming grant. We have received over \$300,000 of gaming money over the last 8 years. \$280,000 to the Flying program and \$20,000 to the Effective Speaking program. This has been a big help to hold down our assessment fees. The gaming grant is a key factor.
- 2) Impact of the *Tow aircraft and renewal program* and how it goes on schedule. Please note: Bank Financing - we have been speaking with our bank to try to have 'bank support' to in place to use only if we need it. It would be tied to a specific airplane. We have not used any as of yet, but if we need it we will have the funds set up to use.
- 3) The factors that may affect the assessment fee for next year. Cadet recruitment and retention will be a factor.

By March of next year the Executive will sit down and review the financial status of the BC Provincial committee after that we will know if there will be an impact on the assessment fees and there will be ample warning should there be a need to increase assessment fees.

**This concludes the financial report.**

Jack Henwood moved that the budget be approved as presented. Are there any questions?

**Q)** Gaming comment from Sherri @ 848 SSC

Sherri referred to another organization that she belongs to where they budgeted a small amount or gaming. Point being that if you don't budget anything, then you won't get anything.

RESPONSE: Jack acknowledged that he understands what she is saying. For the budget presented here today, my preference is not to show a budget amount for next year Gaming Revenue since the amount, if any at all, is unknown at this time. However, while all other budget figures will be the same, the Grant application will show a Gaming Revenue budget amount for our two Gaming approved programs based on an amount that has yet to be determined for the application sometime in November.

*Comment:* Nancy Chapman- BCPC

Nancy clarified that this budget shown is submitted to the Members. The gaming submission is a separate application and this budget is not the one that is used when completing the gaming application.

No further questions.

President, Tina Kirkpatrick called for a vote on the current motion on the table "to accept the British Columbia Provincial committee Budget as presented."

All in favor? Voting cards showed all in favour, any opposed? – None

**The BCPC budget has been approved as presented.**

**16) ELECTIONS: Mr. Thomas Holland – Past president, chair of the Nominating committee.**

**The nominations are presented as follows:**

The BCPC Nominating Committee has identified these members of The British Columbia Provincial Committee to stand for election as Directors.

**2011 Nominees for Director BCPC**

**Nominated for Director-** Two year term (October 2011 to AGM 2013)

Geoffrey Johnston

Jack Henwood

Penny Doern

Tina Kirkpatrick

Keith Kepke

Ron Rique

**Nominated for Director-**One year term: October 2011 to AGM 2012

*Mike Symons to replace retiring Director Mr. Don Watt who had a one year term remaining.*

17) Mr. Bob Burchinshaw –(BCPC Member/Honours and Awards Committee) 75<sup>th</sup> Anniversary Commemorative album Presentation.

Bob Burchinshaw and Mike Symons presented the template that will be the on line 75 Anniversary Commemorative album for the Air Cadet League of Canada. This album will included as much historical information on the existence or the Air Cadet League of Canada and British Columbia as will be researched and verified by Bob's committee, comprised of Mike Symons and Walter Tyrell. In the year 2016 will be the 75<sup>th</sup> Anniversary of the Air Cadet League of Canada as well as the BC Provincial Committee. It is slated to be published in the first or 2<sup>nd</sup> month of 2016. There was a request made by Mike Symons that all the SSC's dig through their Squadrons' archived files and send him any historical information that they find regarding their own squadrons. He will be contacting the SSC's throughout the next 3-4 years gathering information to put this album together. This will be an electronic album and there may be and opportunity later one to have printed copies, but not as of yet.

18) ELECTIONS Continued: Meeting was resumed at 1:00 pm in the afternoon to conclude the Election Process;

Mr. Holland resumed the meeting with the nominations for a 2 year as presented

*Geoffrey Johnston*

*Jack Henwood*

*Penny Doern*

*Tina Kirkpatrick*

*Keith Kepke*

*Ron Rique*

**For a one year term;**

*Mike Symons*

**Any further nominations were called for 3 times. No further nominations were received. Mr. Thomas Holland declared the slate of nominated directors elected.**

Mrs Tina Kirkpatrick concluded the Annual General Meeting for the Air Cadet League of Canada, BC Provincial committee with closing remarks thanking everyone for attending and encouraging all members and officers to remain in the Theatre room to continue with the training sessions for the afternoon.

**The meeting of the Air Cadet League of Canada, British Columbia Provincial committee's 70<sup>th</sup> Annual General meeting was adjourned at: 1:30 pm**

Minutes completed and submitted by:



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Ilona Turra  
Chief Administrative Officer  
Air Cadet League of Canada,  
British Columbia Provincial Committee



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Mrs. Tina Kirkpatrick  
President,  
Air Cadet League of Canada,  
British Columbia Provincial Committee

The 70<sup>th</sup> Annual General Meeting minutes are available in audio format.

## Treasurer's Report (Year Ending 31 Aug 2011)

**Jack Henwood, BCom. MBA, CD2**

**Treasurer**

The financial statement information presented in this report includes seven Schedules:

- Schedule 1: "Balance Sheet" as at August 31, 2011
- Schedule 1(a): "List of Assets" showing Insured replacement values
- Schedule 2 "Operating Statement" as of August 31, 2011 with a comparison to the 2010/11 Budget
- Schedule 3: "Dedicated (Restricted) Fund Accounts Synopsis": showing Gaming Grant Account, "National Assessment Funding Account", "Aircraft Replacement Fund Account" and "Business Centre Building Fund Account" summaries.
- Schedule 3(a): "Business Centre Office" showing Leasehold Improvements, Lease/rent sub-schedule and estimated Operating costs
- Schedule 3(b): "Tow Fleet Renewal Program" current and forecast financial data
- Schedule 4: "Proposed Cash Budget 2011/12"

### "Balance Sheet" (Schedule 1)

Our cash position to start the 2011/12 fiscal year is within our guideline of two months "unrestricted" cash reserves to carry us through until operating assessment cash inflows begin in mid-November. Those accounts listed as "Dedicated (Restricted) Cash Accounts" are cash reserve funds approved by Director/Exec resolutions and/or donor-specific programs/projects as noted by the Account designation. Amplification of some of the Balance Sheet items is listed on "Notes to Balance Sheet". **Schedule 1(a)** shows a summary of our major assets and their insured replacement value..

### "Operating Statement as at 31 Aug" (Schedule 2)

"**Schedule 2**" is the "Revenue and Expense" statement for 2010/11 fiscal year. It also shows the variance between the 2010/11 budget amounts presented and approved at our last AGM. The following table summarizes Schedule 2.:

<i>Account</i>	<i>Actual</i>	<i>Budget</i>	<i>Variance</i>
Operating Revenue	\$394,072	\$367,800	Favorable \$26,272
Administration Expense	\$115,609	\$116,250	Favorable \$641
League Member Expense	\$89,624	\$106,960	Favorable \$17,336
Program Activities Expense	\$141,285	\$122,500	Unfavorable \$18,785
Total Cash Expenses	\$346,518	\$345,710	Unfavorable \$808
Net Operating Income	\$47,454	\$22,090	Favorable \$25,364

We ended 2010/11 fiscal year with Operating Revenues, Administration Expenses, and League Activity Expenses in a "favorable" position compared to budget. We completed the year in an "unfavorable" position for "Cadet Program Activities". The over-budget was due primarily to

Flying Program related expenses. However, we concluded the year in a favorable “Net Operating Income” position.

### **“Dedicated (Restricted) Fund Accounts Synopsis” (Schedule 3)**

Of the seven “Dedicated (Restricted) Fund Accounts” listed on the Balance Sheet, four of these funds deserve further amplification. **Schedule 3** shows financial activity of the following Accounts:

- (A) **Gaming Grant Account:** In February of 2009, BCPC was approved for a \$117,000 “three year grant” (\$39,000 per year). We received the last of our three year \$39,000/yr Gaming Grant in December 2010. Use of Grant funds is restricted to our Flying Program (\$35,000) and Effective Speaking Program (\$4000). I plan to make a new application for a Gaming Grant funds sometime before the end of November. However, Gaming Grant approval is not assured.
- (B) **“Aircraft Replacement Fund Account” (ARF):** The ARF was established in 2004/05 with the Budget approval of a \$40,000 per year fixed annual amount to be allocated to an “Aircraft Replacement Fund” (line item # 31 Sched 2, #33 Sched 4). In addition, other sources of funds specific to our Flying Program are also placed in this account. The ARF is a financial aide to manage the Source and Application of funds for our “Tow Fleet Renewal Program” (TFRP) initiative. More details on the TRFP can be found in Norm Lovitt’s “Aviation Coordinator’s Report” in your “AGM Report” book. Further amplification of the TFRP will be presented at the AGM. Schedule 3 shows the “Source and Application” of funds since 2009/110 as well as a projection to the end of our next 2011/12 fiscal year.
- (C) **“National Assessment Funding Account”.** In 2007/08 a “National Assessment Fee” initiative was introduced. This initiative is intended to provide financial support for our National Headquarters. The rationale for the initiative was the concern with the decline in revenue sources in conjunction with the cost of Operations for our National office to more effectively administer 11 Provincial Committees and the 450 Squadrons across Canada. This cost/revenue squeeze was, in part, due to the drop in traditional donations and the growing complexity and cost of fund raising campaigns. The financial support is to come from all Provincial Committees in the form of an annual “National Assessment Fee” (NAF). The NAF is intended to not only contribute to the day-to-day operating costs, but also covers those items that National needs to support specific Provincial financial needs such as cadet & Director liability insurance, IACE fees, National Legal Fund and Web site maintenance,. Prior to the introduction of the NAF these costs where invoiced separately to Provincial Committees for inclusion in respective Provincial budget process. The NAF is a “per cadet” charge based on 31 March DND “Fortress” cadet enrollment. The current charged by National to all Provinces is \$10/cdt. BC’s NAF obligation for 2010/11 was \$31,960 based on 3196 cadet enrollment. Our obligation for 2011/12 is \$33,880 based on 3388 cadet population. Schedule 3 shows a summary of the Fund since its inception.
- (D) **“Business Centre Office Fund” Account:** This account was established this fiscal year to manage the Source and Application of funds for the Leasehold Improvements of the new Office at Boundary Bay Airport. Schedule 3 shows the financial activity to 31 Aug of the current 2010/11 year with a projection to its completion September or our 2011/12 fiscal year. I would be remiss not to recognize the effort Tom Holland put forth in the design and

implementation of the “1 in a 1000” fund raising campaign for the new Business Center. As of the 31 Aug., the campaign had generated total donations just under \$20,000 (net after promotion costs approx \$18,800).

### **Business Center Office (Schedule 3a)**

There will be a short presentation by Geoffrey Johnston at the AGM on the new Boundary Bay airport Business Centre. At the time of this writing, the plan is to show a “visual tour” of the completed facility for your viewing pleasure. Aside from the many qualitative or “soft” benefits of the new Business Centre, the financial benefits should also prove to be a good business investment. Schedule 3(a) shows a breakdown of the “Leasehold Improvements” costs, lease/rent costs for the initial 10yr of our 30 year lease agreement with Alpha Aviation, and some estimated projected Operating Costs. I have also included a sub-Table that highlights the very favorable 10yr \$4.45/sq ft Lease/rent “advantage” that BCPC will benefit from as compared to paying \$15.35/sq ft Commercial Lease rates for a comparable 1952 sq ft facility. It is estimated that BCPC Lease/rent advantage (not having to pay) would be around \$220,000 for the initial 10 yrs .....in today’s dollars (Present Value) of around \$173,000 for the investment of \$145,000.

### **“Cash Budget 2011/12” (Schedule 4):**

Four years ago at our 2007/08 AGM, membership approved an increase from \$75 to \$100 per cadet in our Squadron “Operating Assessment Fee” (OAF). The fee increase justification was to support an enhanced level of administrative assistance given to cadet program and Squadron Sponsoring Committees (SSC). The OAF in combination with unit 31 March, DND “Fortress” cadet effective strength figures, is an integral part of our budget process. The OAF is reviewed annually in March/April to review projected program activities for the forthcoming year and to ensure the OAF will sustain sufficient funding to cover anticipated expenditures. On or around mid-July of this year, SSCs were notified that BCPC did not anticipate a change in the \$100/cadet OAF structure for 2011/12 although it was expected we would need to increase the budget for expenses related to the Tow Aircraft Replacement initiative. The budget for 2011/12 that is presented for your approval, therefore, is based on a 31 March, **3388 cadet population at \$100 per cadet** for “Squadron Assessment Revenues”. With regards to Total Operating Revenues, some key factors that could impact future per/cadet OAF:

- **Gaming Grants:** Since 2005 we have applied for and received \$300,000 in BC Gaming Grants....\$280,000 for our Flying Program and \$20,000 for our Effective Speaking Program. These Grant funds have been a key factor in holding the \$100 assessment fee since 2008. The Tow Aircraft Fleet Renewal Program initiative will no doubt put a heavy demand on our cash requirements for our flying program. A new Gaming Grant approval will be submitted sometime in November. However, based on my experience with Grant applications, approval will not be a “slam-dunk” .If we are not successful in our Grant application, it could impact our fee structure for 2012/13.
- **HST Rebates:** For charities and not-for-profit organizations (as we are), the HST system allows a 57% tax rebate on Provincial taxes paid (not available prior to HST) as well as the 50% GST rebate on Federal Taxes paid . As of 31 Aug we had \$17,800 in HST rebates (\$7800 GST/\$10,000 PST). This relatively large amount of rebates is primarily due to costs related to Business Center Office renovations and Tow Fleet Renewal Program. The rejection of the HST and revert back to the “old” tax system may put the



current budgeted rebates in jeopardy. Moreover, the loss of the Provincial rebate is one of the factors that could negatively impact the “Tow Fleet Renewal Program” over the next five years could be a factor in an OAF adjustment.

- **Cadet Enrollment:** A key component in our Squadron Assessment Revenues is the our Cadet Effective Strength. . For example, in 2010/11 we had a 6% increase in cadet enrollment over 2009/10.(3388 from 3196) which translated into \$19,200 additional revenues for 2010/11 over 2009/10 . A drop in enrollment, therefore, could necessitate an increase in OAF in the future,

### **ACC9s**

Although there were a few Squadrons that seem to have problems with their ACC9 preparation, there was a notable improvements in the quality and timeliness of submissions of last years ACC9 returns. BC submission rate to National for 2009/10 ACC9 was 100%. Well done! Remember, your 2010/11 ACC9 is due at BCPC office by the 31 October. The only acceptable format is one of the following versions: ACC9 (M), ACC9 (S), ACC9 (P-Excel), and ACC9 (P). All versions, complete with instructions, can be found on both the National and BC/s Web site.

### **Air Cadet Foundation of British Columbia**

“*The Air Cadet Foundation of British Columbia*” (the *Foundation*) was incorporated under the British Columbia Society Act in September 2006 as a means of establishing a long term funding source for the *Air Cadet League of Canada, British Columbia Provincial Committee (BCPC)*. The purpose of the Foundation is to provide a suitable registered charitable structure to allow the creation of a permanent fund, with the interest revenue to be used to support the charitable activities and operation of the BCPC. While all donations, regardless of size or type are sought after, the Foundation, by way of its favorable “disbursement quota” requirements, is ideally suited to receive and administer donation bequests from “Planned Giving”; Gifts-in-Kind; Charitable Remainder Trusts; “special gifting”; “ten year gifting”; Life Insurance, and “Monthly Giving” charitable donations. As of 31 Aug 2011, there was \$5880 in the Foundation Fund.

On behalf of the BC Provincial Committee, I would like to thank Sponsoring Committees for their timely submission of the Squadron Operating Assessments...this has been essential factor in the financial management of the BC cadet program. We look forward to your continued support for 2011/12

Jack Henwood  
Treasurer

**BUSINESS CENTRE OFFICE (Boundary Bay Airport)**

Schedule 3(a)

**A Leasehold Improvements (BCPC Investment)**

<u>Activity</u>	<u>Cost</u>	<u>HST</u>	<u>Total</u>	<u>HST Rebate</u>	<u>Net Cost</u>
Office Design	\$7,232	\$636	\$7,868	\$344	\$7,524
Construction	\$95,706	\$11,484	\$107,190	\$6,211	\$100,979
Sewage System	\$13,487	\$1,618	\$15,105	\$875	\$14,230
Internet/Tech	\$14,934	\$1,792	\$16,726	\$969	\$15,757
Security System	\$2,204	\$264	\$2,468	\$143	\$2,325
Signage	\$2,665	\$320	\$2,985	\$173	\$2,812
<b>Total all</b>	<b><u>\$136,228</u></b>	<b><u>\$16,114</u></b>	<b><u>\$152,342</u></b>	<b><u>\$8,715</u></b>	<b><u>\$143,627</u></b>

**B Leasehold Improvements Summary**

	<u>HST Amt</u>	<u>Est Rebate</u>	
Total Cost Incl HST			\$152,342
GST	\$6,801	\$3,401	
Prov	<u>\$9,521</u>	<u>\$5,427</u>	
Total HST	<b>\$16,322</b>	<b>\$8,828</b>	<b><u>(\$8,828)</u></b>

*Net Estimated Cost of Leasehold Improvements* **\$143,514**  
*Rounded* **\$145,000**

**C Business Centre Operation****Lease Agreement (Alpha Aviation)**

Alpha		Cost		Total		Net	
Lease	Year	Per sq ft	HST	HST	Net	Cost	Cost
1 Jun-31 May	(1769 ft <sup>2</sup> )	Cost/year		Rebate	Cost	per Mth	
1	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0
2	\$2.50	\$4,422	\$531	\$4,953	\$287	<b>\$4,666</b>	<b>\$389</b>
3	\$3.50	\$6,192	\$743	\$6,935	\$402	<b>\$6,533</b>	<b>\$544</b>
4	\$4.00	\$7,040	\$845	\$7,885	\$456	<b>\$7,429</b>	<b>\$619</b>
5	\$4.50	\$7,960	\$955	\$8,915	\$516	<b>\$8,399</b>	<b>\$700</b>
6	\$5.00	\$8,845	\$1,061	\$9,906	\$574	<b>\$9,332</b>	<b>\$778</b>
7	\$5.50	\$9,730	\$1,168	\$10,898	\$632	<b>\$10,266</b>	<b>\$855</b>
8	\$6.00	\$10,614	\$1,274	\$11,888	\$690	<b>\$11,198</b>	<b>\$933</b>
9	\$6.50	\$11,499	\$1,380	\$12,879	\$746	<b>\$12,133</b>	<b>\$1,011</b>
10	\$7.00	\$12,383	\$1,486	\$13,869	\$804	<b>\$13,065</b>	<b>\$1,089</b>
<b>Avg 10 yrs</b>	<b>\$4.45/ft<sup>2</sup></b>	<b>\$7869/yr</b>				<b>\$8300/yr</b>	<b>\$692/mth</b>
		<b>\$656/mth</b>					

**D Business Center Annual (1 Sept-31 Aug) 5 yr Operating Cost Estimates**

	<u>2011/12</u>	<u>2012/13</u>	<u>2013/14</u>	<u>2014/15</u>	<u>2015/16</u>
<b><u>Lease:</u></b>					
1 Sept-31 May	\$0	\$3,499	\$4,900	\$5,572	\$6,299
1 June-31 Aug	<u>\$1,166</u>	<u>\$1,633</u>	<u>\$1,857</u>	<u>\$2,100</u>	<u>\$2,333</u>
<b>Net Lease</b>	<b>\$1,166</b>	<b>\$5,132</b>	<b>\$6,757</b>	<b>\$7,671</b>	<b>\$8,633</b>
<b><u>Est Costs:</u></b>					
Muni Tax	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Hydro	\$1,800	\$1,800	\$1,800	\$1,800	\$1,800
Insurance	\$525	\$525	\$525	\$525	\$525
Security	\$45	\$45	\$45	\$45	\$45
Sewage	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
<b>Sub total</b>	<b>\$6,236</b>	<b>\$10,202</b>	<b>\$11,827</b>	<b>\$12,741</b>	<b>\$13,703</b>
<b>Off-sets (DND &amp; other)</b>	<b>(\$1,200)</b>	<b>(\$1,800)</b>	<b>(\$2,400)</b>	<b>(\$2,400)</b>	<b>(\$2,400)</b>
<b>Est Total cost</b>	<b><u>\$5,036</u></b>	<b><u>\$8,402</u></b>	<b><u>\$9,427</u></b>	<b><u>\$10,341</u></b>	<b><u>\$11,303</u></b>

**E Is the \$145,000 Leasehold improvements a good investment?**

<u>Lease/Rental Advantage</u>	<u>Sq ft rate</u>	<u>Sq ft**</u>	<u>Per Year</u>	<u>Per Month</u>	<u>10 Yr (120 mths)</u>
Commercial Lease Rate (Avg 10 yr Market rate)	\$15.35	1952	\$29,963	\$2,497	\$299,632
BCPC Lease costs (Avg 10 yr )	\$4.45	1769	\$7,872	\$656	<u>\$78,721</u>
BCPC Lease/Rent advantage				----- \$1,841	<u>\$220,912</u>
				Rounded	<u>\$221,000</u>
<b>Lease Advantage over 10 yrs</b>	<b>\$221,000</b>				
Discount rate	2.5%				
Period	10 yrs				
<b>Present Value.....</b>		<b><u>\$173,000</u></b>	<b>(value of \$221,000 Lease/rental savings in 10 yrs in present day \$)</b>		
<b>For an investment of.....</b>		<b><u>\$145,000</u></b>			

\*\* Actual Square Footage is 1952 sqft. Alpha added an additional 180 sq ft space subsequent to Lease Agreement at no extra charge, We pay on 1769 Sqft

**The Air Cadet League of Canada, BC Provincial Committee**  
**Operating Statement as at 31 August 2011**  
**(With Comparison to Budget)**

Schedule 2

<b><u>REVENUE</u></b>	<b>Actual to <u>31-Aug-11</u></b>	<b>Budget <u>2010-11</u></b>	<b>Variance <u>(under)</u></b>
<b># <u>Income</u></b>			
1 Squadron Assessments	\$319,620	\$319,600	\$20
2 Gamming Commission Grant	\$39,000	\$39,000	\$0
3 Donations (Regular)	\$7,617	\$5,000	\$2,617
4 Business Centre Donations ("1 in a 1000")	\$19,980	\$0	\$19,980
5 Miscellaneous Revenue	\$0	\$200	(\$200)
6 Interest Income	\$6,892	\$3,500	\$3,392
7 Continuation Flying Awards Donations	\$863	\$500	\$363
	-----	-----	-----
<b>TOTAL REVENUE</b>	<b>\$393,972</b>	<b>\$367,800</b>	<b>\$26,172 (Favourable)</b>
 <b><u>EXPENSE</u></b>			
<b><u>Administration</u></b>			
8 Bank Charges/Visa/MasterCard	\$1,013	\$800	\$213
9 Insurance - Office contents	\$569	\$450	\$119
10 Telephone/internet/WEB	\$5,470	\$5,000	\$470
11 Legal Expense	\$19,132	\$21,000	(\$1,868)
12 Office: (supplies,postage,equipment)	\$5,559	\$10,500	(\$4,941)
13 Wages/Benifits: C Adm O/Assistant	\$60,528	\$58,500	\$2,028
14 Office File Storage	\$1,618	\$2,000	(\$382)
15 Business Center Renovations	\$18,851	\$18,000	\$851
16 Business Center Fund Raising	\$2,871	\$0	\$2,871
	-----	-----	-----
<b>Total Office Admin</b>	<b>\$115,609</b>	<b>\$116,250</b>	<b>(\$641) (Favourable)</b>
 <b><u>League Activities</u></b>			
17 Exec/Directors Meetings/Misc	\$1,940	\$2,000	(\$60)
18 League Rep/Member Travel	\$32,259	\$45,000	(\$12,741)
19 Wing Travel/Meetings (8 Wings)	\$2,947	\$5,000	(\$2,053)
20 Provincial AGM (Kamloops)	\$9,396	\$11,000	(\$1,604) (Note 1)
21 National: AGM/SAGM	\$11,122	\$12,000	(\$878)
22 National Assessment Fee Funding	\$31,960	\$31,960	\$0
	-----	-----	-----
<b>Total League Activities</b>	<b>\$89,624</b>	<b>\$106,960</b>	<b>(\$17,336) (Favourable)</b>

...page 2

	Actual to <u>31-Aug-11</u>	Budget <u>2010-11</u>	Variance <u>(under)</u>	
<b><u>Program Activities</u></b>				
23	\$9,067	\$6,500	\$2,567	
24	\$337	\$1,000	(\$663)	
25	\$2,915	\$2,500	\$415	
26	\$2,003	\$1,500	\$503	
27	\$10,123	\$9,000	\$1,123	
28	\$1,000	\$1,000	\$0	
29	\$3,409	\$0	\$3,409	
30	\$72,432	\$61,000	\$11,432	
31	\$40,000	\$40,000	\$0	
	-----	-----	-----	
<b>Total Program Activities</b>	<b>\$141,285</b>	<b>\$122,500</b>	<b>\$18,785</b>	(Unfavourable)
	-----	-----	-----	
<b>TOTAL EXPENSE</b>	<b>\$346,518</b>	<b>\$345,710</b>	<b>\$808</b>	(Unfavourable)
	-----	-----	-----	
<b>NET OPERATING INCOME</b>	<b><u>\$47,454</u></b>	<b><u>\$22,090</u></b>	<b><u>\$25,364</u></b>	(Favourable)

\*\*\*\*\*

Note 1 **Provincial 2010 AGM (October 2010)**

**Revenues**

Registration fees	\$27,153
Fee refunds	<u>(\$415)</u>
<b>Sub total</b>	<b>\$26,738</b>

**Venue Costs**

**(For Setting Registration Fee)**

Meeting Rooms/Catering	(\$26,718)	
<b>Net Revenue</b>		<b>\$20</b>

**Other Costs:**

**(For setting Budget)**

Prizes/supplies/misc	(\$2,949)	
League Reps/Execs/Directors/Guests	<u>(\$6,467)</u>	
		<u>(\$9,416)</u>
<b>Net Total Cash Cost</b>		<b>(\$9,396)</b>
<b>2010/11 Budget</b>		<b>\$11,000</b>
<b>Actual vs. Budget</b>	(Favourable)	<b><u>\$1,604</u></b>

**The Air Cadet League of Canada  
British Columbia Provincial Committee  
Balance Sheet as of 31 August 2011**

**ASSETS**

**Schedule 1**

**Current Assets:**

**Bank Accounts (Unrestricted)**

Chequing Accounts	\$4,820	
Savings Account	\$71,166	
<b>Total Unrestricted Cash</b>		<b>\$75,986</b>

**Dedicated Accounts (Restricted)**

Gaming Grant Account	(Note 1) \$0	
Aircraft Replacement Fund Account	(Note 2) \$91,576	
Business Centre Fund Account	(Note 3) \$42,101	
Aviation Awards Fund Account	(Note 4) \$2,763	
National Assessment Fund Account	(Note 5) \$20,656	
National AGM 2016 Fund Account	(Note 6) \$1,515	
Trust Fund Accounts (3)	(Note 7) \$44,906	
<b>Total Restricted Bank Accounts</b>		<b><u>\$203,518</u></b>

**Total Cash** **\$279,504**

**Other Assets**

Accounts Receivable	\$1,700	
Prepaid Expenses	\$3,585	
HST Rebate Receivable	\$17,787	
Inventory - Glider Models/Long Service Medals	\$3,588	
<b>Total Other Assets</b>		<b>\$26,661</b>
<b>Total Current Assets</b>		<b>\$306,165</b>

**Fixed Assets**

L-19s and Gliders	(Note 8) \$1	
Cessna C-FCGS	(Note 8) \$1	
Cessna C-FTUG	(Note 8) \$1	
Leasehold Improvements (Office)	(Note 9) <u>\$75,476</u>	
<b>Total Fixed Assets</b>		<b>\$75,479</b>

**TOTAL ASSETS** ..... **\$381,643**

**LIABILITIES**

**Current Liabilities**

Aviation Awards Reserve	(Note 4) \$1,451	
National Funding Reserve	(Note 5) \$20,623	
Aircraft Replacement Fund Reserve	(Note 2) \$86,812	
<b>Total Current Liabilities</b>		<b>\$108,886</b>

**Long Term Liabilities**

National 2016 AGM Hosting Reserve	(Note 6) \$1,500	
Trust Funds	(Note 7) \$44,906	
<b>Total Long Term Liabilities</b>		<b>\$46,406</b>

**TOTAL LIABILITIES** **\$155,291**

**EQUITY**

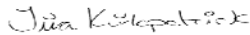
**Capital**

Retained Earnings	\$178,898	
Current Earnings (1Sept-31Aug)	<u>\$47,454</u>	
<b>Total Retained Earnings</b>		<b><u>\$226,352</u></b>

**TOTAL EQUITY** **\$226,352**

**LIABILITIES AND EQUITY** **\$381,643**

Director 

Director  Tina Kirkpatrick (President)

**Notes to Balance Sheet 31 August 2011**

- Note 1** "Gaming Grant Account": See written report and Schedule 3 for detail
- Note 2** "Aircraft Replacement Fund Account" See written report and Schedule 3 for Fund detail
- Note 3** "Business Centre Fund Account" See written report and Schedule 3 for Fund detail
- Note 4** "Aviation Awards Fund Account" is for donations specific for flying awards such as "Glider Pilot Training Achievement Award" (see Aviation report) , , "Bill Batchelor CFTA" and the "Harry Astoria Glider Pilot CFTA)"
- Note 5** "National Assessment Fund Account" See written report and Schedule 3 for Fund detail
- Note 6** "National 2016 AGM Fund Account"  
BC Committee will be "hosting" 2016 National AGM. Effective 2009/10, an annual budgeted amount of \$1500-\$2500 will be placed into this account to accumulate a "Reserve" fund to offset the 2016 cost
- Note 7** Trust Funds:
- 1 "Philip H Stevens-Guille Bursary". This bursary was funded by the estate of S/L Philip Henry Stevens-Guille. The Principal to be held in Trust with annual interest allocated to aviation Flying awards (Value as at 31 Aug: \$22,370)
  - 2 The "Thunderbird Fund" was established through a donation by Mr. Norman McSween, retired Airline Pilot and an x-cadet of the "103 Thunderbird Squadron" of North Van. The fund was established for the benefit of cadets of the 103 Sqn but administered on their behalf by BCPC. (Value as at 31 Aug: \$10,857)
  - 3 The "Jim Campbell Cadet Music Trust" was established to provide support for the BC Provincial Tri-Service cadet music program. The Trust Fund was Transferred from Vancouver Island Tattoo Society. BCPC has agreed to administer the Fund on behalf of the three cadet Leagues and is to provide monetary awards to the winners of Cadet Corps or Squadron band competitions held on Vancouver Island (Value as at 31 Aug: \$11,679)
- Note 8** The Tow aircraft & Gliders are recorded at nominal value of 1\$.  
Insured Value of Aircraft Assets are listed in Schedule 1(a)
- Note 9** "Capitalized" portion only for "Leasehold Improvements" (see Schedule 3 & 3(a) for detail)

**The Air Cadet League of Canada, BC Provincial Committee**  
**Operating Statement as at 31 August 2011**  
**(With Comparison to Budget)**

Schedule 2

<b><u>REVENUE</u></b>	<b>Actual to <u>31-Aug-11</u></b>	<b>Budget <u>2010-11</u></b>	<b>Variance <u>(under)</u></b>
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<b>TOTAL REVENUE</b>	<b>\$393,972</b>	<b>\$367,800</b>	<b>\$26,172 (Favourable)</b>
 <b><u>EXPENSE</u></b>			
<b><u>Administration</u></b>			
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21 National: AGM/SAGM	\$11,122	\$12,000	(\$878)
22 National Assessment Fee Funding	\$31,960	\$31,960	\$0
	-----	-----	-----
<b>Total League Activities</b>	<b>\$89,624</b>	<b>\$106,960</b>	<b>(\$17,336) (Favourable)</b>

...page 2



	Actual to <u>31-Aug-11</u>	Budget <u>2010-11</u>	Variance <u>(under)</u>	
<b><u>Program Activities</u></b>				
23	\$9,067	\$6,500	\$2,567	
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	-----	-----	-----	
<b>TOTAL EXPENSE</b>	<b>\$346,518</b>	<b>\$345,710</b>	<b>\$808</b>	(Unfavourable)
	-----	-----	-----	
<b>NET OPERATING INCOME</b>	<b><u>\$47,454</u></b>	<b><u>\$22,090</u></b>	<b><u>\$25,364</u></b>	(Favourable)

\*\*\*\*\*

Note 1 **Provincial 2010 AGM (October 2010)**

**Revenues**

Registration fees	\$27,153
Fee refunds	<u>(\$415)</u>
<b>Sub total</b>	<b>\$26,738</b>

**Venue Costs**

**(For Setting Registration Fee)**

Meeting Rooms/Catering	(\$26,718)	
<b>Net Revenue</b>		<b>\$20</b>

**Other Costs:**

**(For setting Budget)**

Prizes/supplies/misc	(\$2,949)	
League Reps/Execs/Directors/Guests	<u>(\$6,467)</u>	
		<u>(\$9,416)</u>
<b>Net Total Cash Cost</b>		<b>(\$9,396)</b>
<b>2010/11 Budget</b>		<b>\$11,000</b>
<b>Actual vs. Budget</b>	(Favourable)	<b><u>\$1,604</u></b>

**Restricted (Dedicated) Fund Accounts Synopsis**

**A. Gaming Grant Account**

<u>Source of Funds:</u>		<u>Effective Speaking</u>	<u>Flying Program</u>
Grant Rec'd 21 Dec 2010	<u>\$39,000</u>		
<b>Total Available</b>	<b>\$39,000</b>	<b>\$4,000</b>	<b>\$34,940</b>
<u>Application of Funds</u>			
Bank Charges	(\$60)		
Wing/Provincial ES Competitions	(\$4,000)	(\$4,000)	
Tow Fleet Renewal Project (Refurb #2 C-FTUG)	(\$6,665)		(\$6,665)
Tow Fleet Renewal Project (Refurb #2 C-FTUG)	(\$1,177)		(\$1,177)
Tow Fleet Renewal Project (Refurb #2 C-FTUG)	(\$27,098)		(\$27,098)
<b>Balance 31 Aug</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

**B. Aircraft Replacement Fund (ARF)**

	<u>2009/10</u>	<u>2010/11</u>	<u>Projected 2011/12</u>
<b><u>Source of Funds:</u></b>			
\$40M/yr Budgeted Amount @ \$10/cdt	\$40,000	\$40,000	\$40,000
<b>Fwd from previous year</b>	<b>\$0</b>	<b>\$59,500</b>	<b>\$91,576</b>
Allocated from "Aircraft Maintenance" budget	\$19,500		
Aircraft Insurance claim proceeds C-FTGF		\$109,500	
2011/12 Maintenance Budget			\$95,000
Sale of L-19 C-FTGA to Atlantic Region		\$3,000	\$29,000
Bank Interest		\$1,548	
Estimated HST Rebates			\$9,000
	-----	-----	-----
<b>Total Available</b>	<b>\$59,500</b>	<b>\$213,548</b>	<b>\$264,576</b>
<b><u>Application of Funds</u></b>			
Applied to purchase of Cessna 182 #1 C-FCGS			
Purchase of Cessna 182 #2: C-FTUG		(\$64,622)	
Engine and Prop Cessna 182 #2: C-FTUG		(\$54,850)	
Balance of Refurbish C-182 #2 C-FTUG (Est)			(\$98,000)
Purchase of C-182 #3 (Est)		(\$2,500)	(\$71,000)
Purchase Engine/Prop C-182 #3 (Est)			(\$60,000)
2 mths Refurbish C-182 #3 (Est)			(\$46,000)
	-----	-----	-----
<b>Total Expenses</b>	<b>\$0</b>	<b>(\$121,972)</b>	<b>(\$275,000)</b>
<b>Balance at year end</b>	<b><u>\$59,500</u></b>	<b><u>\$91,576</u></b>	<b><u>(\$10,424)</u></b>

<b>C. <u>National Funding Account</u></b>	<b>2009/10</b>	<b>2010/11</b>	<b>Projected 2011/12</b>
<b><u>Source of Funds:</u></b>			
Annual Budgeted amount @\$10/cdt	\$31,000	\$31,960	\$33,800
<b>Fwd from previous year</b>	<u>\$25,138</u>	<u>\$25,248</u>	<u>\$20,621</u>
<b>Total Available</b>	<b>\$56,138</b>	<b>\$57,208</b>	<b>\$54,421</b>
<b><u>Application of Funds</u></b>			
National Website up-grade contribution			
National Legal Fund Contribution			
National Website up-grade contribution			
2010 National Assessment (3110x\$9.25 Per cdt)	(\$28,768)		
2011 National Assessment (3190x\$10.00 Per cdt)		(\$31,960)	
2012 National Assessment (3388x\$10/cdt)			(\$33,800)
BCPC Paid: Governor's Travel , Accom, Reg fee	(\$2,122)	(\$4,627)	(\$4,000)
<b>Total Payments for year</b>	<b>(\$30,890)</b>	<b>(\$36,587)</b>	<b>(\$37,800)</b>
<b>Balance at year end</b>	<u><b>\$25,248</b></u>	<u><b>\$20,621</b></u>	<u><b>\$16,621</b></u>

<b>D. <u>Business Centre Office Fund Account</u></b>	<b>2010/11</b>	<b>Projected 2011/12</b>	<b>Totals</b>
<i>(Lease Hold Improvements)</i>			
<b><u>Source of Funds</u></b>			
Cash Reserves (Director's Resolution)	<b>\$100,000</b>		<b>\$100,000</b>
Donations "1 in a 1000"(net of promo)	<b>\$18,800</b>		<b>\$18,800</b>
From 2010/11 Budget	<b>\$18,550</b>		<b>\$18,550</b>
HST Rebates		<b>\$8,800</b>	<b>\$8,800</b>
From 2011/12 Budget		<b>\$5,495</b>	<b>\$5,495</b>
Bank Interest	<b>\$697</b>		
<b>Carry Forward</b>	<b>\$0</b>	<b>\$42,100</b>	
<b>Balance Available</b>	<b>\$138,047</b>	<b>\$56,395</b>	<b>\$151,645</b>
<b><u>Application of Funds (Incl HST)</u></b>			
Office Design & Muni Permits	(\$7,868)		<u><b>(\$7,868)</b></u>
Construction	(\$56,380)	(\$50,810)	<u><b>(\$107,190)</b></u>
IT Systems	(\$15,126)	(\$1,600)	<u><b>(\$16,726)</b></u>
Sewage System	(\$14,105)	(\$1,000)	<u><b>(\$15,105)</b></u>
Security System	(\$2,468)		<u><b>(\$2,468)</b></u>
Signage		(\$2,985)	<u><b>(\$2,985)</b></u>
<b>Total Application of Funds</b>	<u><b>(\$95,947)</b></u>	<u><b>(\$56,395)</b></u>	<u><b>(\$152,342)</b></u>
<b>Account Balance</b>	<u><b>\$42,100</b></u>	<u><b>\$0</b></u>	

## Tow Fleet Renewal Program

Schedule 3(b)

### Source of Funds:

2010/11 Gaming Grant Funds	\$34,940
2010/11 a/c Maintce Budget	\$4,593
Aircraft Replacement Reserve :	\$4,760

### Aircraft Replacement Fund (ARF):

L-19 C-FTGF Insurance Claim	\$109,500
2009/10 \$40M/yr "New a/c Funding"	\$40,000
Balance 2009/10 a/c Maintce Budget	\$19,500
2010/11 \$40M/yr new a/c funding	\$40,000
Interest on Account	\$1,488
Deposit on L-19 sale (Atlantic Prov)	\$3,000
Total source from ARF Fund	\$213,488

### **Total Sources**

**\$257,781**

### Application of Funds

Purchase of a/c #2: C-FTUG (incl import/broker fee)	(\$69,322)
New Engine & Prop for C-FTUG	(\$54,851)
Mods and Refurbishment C-FTUG	(\$39,532)
Deposit on Cessna a/c #3	(\$2,500)

**Total expended to 31 Aug' 11**

**(\$166,205)**

**Carry forward to 2011/12**

**\$91,576**

## Projection 2011/12

### Fund Source Sept '11- Aug'12

**Carry forward from 2010/11**

**\$91,576**

Est HST Rebates	\$9,000
Balance of L-19 sale (Atlantic)	\$29,000
\$40M/yr "New a/c Funding"	\$40,000
2011/12 a/c Maintce Budget	\$95,000

### **Sub Total**

**\$173,000**

### **Total funding Available**

**\$264,576**

### Application of funds: Sept '11- Aug'12

Balance to Purchase a/c #3	(\$71,000)
New Engine & Prop a/c #3	(\$60,000)
Balance of Mods and Refurb C-FTUG	(\$98,000)
Mods and Refurb of a/c #3 (2 mths)	(\$46,000)

**Total expended to 31 Aug' 12**

**(\$275,000)**

**Carry forward to 2012/13**

**(\$10,424)**

## Acquisition of a/c #2 C-FTUG - "The Bottom Line":

Aircraft Purchase	\$69,000
New Engine & Prop	\$55,000
Mods and Refurbishment	<u>\$138,000</u>
	<b><u>\$262,000</u></b>
Insurance claim off-set	<b><u>(\$109,500)</u></b>

**Net cost to BCPC(approx)**

**\$152,500**

# Cash Budget : 2011/12

Schedule 4

	<u>Actual</u> <u>2009/10</u>	<u>Actual</u> <u>2010/11</u>	<u>Budget</u> <u>2011/12</u>	
<b><u>REVENUES:</u></b>				
	<u>Assessment Fee/cdt</u>	<u>\$100</u>	<u>\$100</u>	<u>\$100</u>
#	<u>Cadet Eff Strength</u>	<u>3110</u>	<u>3196</u>	<u>3388</u> (Note 1)
1	Squadron Assessment	\$311,200	\$319,620	\$338,800
2	Gaming Grant Income	\$39,000	\$39,000	\$0 (Note 2)
3	Donations	\$7,941	\$7,617	\$7,000
4	Business Centre "1 in a 1000" Donations	\$0	\$19,980	\$0
5	Interest Income	\$4,116	\$6,892	\$4,000
6	Continuation Flying Awards Donations	\$818	\$863	\$500
7	GST/HST Rebates	\$8,004	\$7,470	\$17,000 (Note 3)
		-----	-----	-----
	<b>Total Revenues</b>	<b>\$371,079</b>	<b>\$401,442</b>	<b>\$367,300</b>

## EXPENSES

### Administration

8	Bank/Visa/MasterCard Charges	\$803	\$1,013	\$950
9	Insurance - Office Contents	\$425	\$569	\$600
10	Telephone/Fax/Internet/Web	\$3,251	\$5,470	\$5,500
11	Legal Services	\$22,517	\$19,132	\$23,000
12	Office Expense( postage/supplies etc)	\$4,422	\$4,828	\$4,829
13	Office Equip Maintc & Purchase	\$5,283	\$730	\$3,000
14	Wages/Benefits: CAdminO/Assisstant	\$54,399	\$60,528	\$62,000
15	Business Centre Operation	\$3,067	\$4,488	\$6,000
16	Business Center Leasehold Improvements	\$0	\$18,851	\$10,000
		-----	-----	-----
	<b>Total Administration</b>	<b>\$94,167</b>	<b>\$115,609</b>	<b>\$115,879</b>

### League Activities

17	Insurance - D & O Liability	\$3,578	\$0	\$0 (Note 4)
18	Exec/Directors Meetings/Misc	\$1,312	\$1,940	\$2,000
19	League member Travel	\$40,809	\$32,259	\$35,000
20	Wing Meetings (8 wings)	\$2,267	\$2,947	\$3,000
21	Provincial AGM (Kamloops)	\$9,980	\$9,396	\$11,000
22	National ACL: AGM/SAGM	\$9,859	\$11,122	\$13,000
23	National Assessment Fee Funding	\$30,889	\$31,960	\$33,880
		-----	-----	-----
	<b>Total League Activities</b>	<b>\$98,694</b>	<b>\$89,623</b>	<b>\$97,880</b>

....page 2

**Budget 2011/12**

	<i><u>Actual</u></i> <i><u>2009/10</u></i>	<i><u>Actual</u></i> <i><u>2010/11</u></i>	<i><u>Budget</u></i> <i><u>2011/12</u></i>
<b><u>Program Activities</u></b>			
24 Cadet Scholarship Selection Boards	\$5,859	\$9,067	\$9,000
25 Insurance Liability- cadets	\$8,398	\$0	\$0 (Note 4)
26 Parades/Special Events/Competitions	\$238	\$337	\$500
27 Trophies & Awards	\$3,356	\$2,915	\$2,500
28 Public Relations/Recruiting	\$0	\$2,003	\$1,000
29 Effective Speaking Program	\$6,988	\$10,123	\$10,000
30 Continuation Flying Awards (CFTAs)	\$3,349	\$1,000	\$1,000
31 Aircraft Insurance	\$0	\$3,409	\$5,000
32 Aircraft Maintenance & Parts	\$57,611	\$72,432	\$95,000
33 \$40M/yr Aircraft Replacement Funding	\$40,000	\$40,000	\$40,000
	-----	-----	-----
<b>Total Program Activities</b>	<b>\$125,799</b>	<b>\$141,285</b>	<b>\$164,000</b>
	-----	-----	-----
<b>Total Cash Expenses</b>	<b>\$318,659</b>	<b>\$346,518</b>	<b>\$377,759</b>
	-----	-----	-----
<b>NET CASH REVENUE</b>	<b><u>\$52,420</u></b>	<b><u>\$54,924</u></b>	<b><u>(\$10,459)</u></b>
			<b><u>\$76,000</u></b>
			<b><u>\$65,500</u></b>

**Note 1** Source: DND "Fortress" Effective Cadet Strength as of 31 March

**Note 2** New application for Gaming Grant 2011/12 will be required. Approval is not assured

**Note 3** With the recent rescinding of HST, rebates will be subject to the Feds honoring our claim

**Note 4** Expense now paid by National HQ as part of annual National Assessment fee