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RCAFA Trust Briefing to N.E.C Mid-term Meeting /2003

Good Day Gentlemen ,

The RCAF Association Trust is enjoying another successful and active year , the highlight of which was a very generous donation to our Air Cadet Flying Awards Program . To save time for this briefing I have included a two page summary, of the Air Cadet 50th Anniversary Trust Fund of the RCAF Ass'n , in your agenda package . Hopefully , you have had an opportunity to read that summary and I will be pleased to answer any questions you might have on this very worthy project .

During this fiscal year , to 28 February , we have disbursed \$102,643. comprised of \$87,020 in designated grants and \$15,623 in discretionary grants and expenditures . Again , I have included a summary of these disbursements in your agenda package .

Much to our delight , several Wings are now using the Trust in the manner for which it was created . Wings collect the funds , which , when processed through the Trust with a list of donors , result in a corresponding grant and individual donor tax receipts . Currently , such endeavours include a Typhoon Memorial in France supported by a group of Canadian Typhoon pilots , 250 Wing's project to place Air Force History Books in Nova Scotia Schools , 427 Wing's Spooner , George Cross , Memorial at the London Airport, the 801 Wing Heritage Project and 422 Squadron Association's project to mark the sites of several wartime crashes .

Other designated donations have gone to Air Cadets , CASARA , the RCAF Benevolent Fund , the Halifax restoration project , the RCAF Memorial Museum , the 408 Squadron Memorial , the National War Museum , the Canadian Aviation Museum and the Association's Award to the Top Air Cadet Piper .

Trustee discretionary grants have gone to the RCAF Memorial Museum , the 8 Wing Pipe Band , the Fondation Aerovision Quebec , the Normandy Foundation , and the Yorkshire Museum . Funds were also expended for an Ad Astra Stone in memory of Christina Handler , up front support for a military music CD whereby expected proceeds will return to the Trust for Air Cadets , and financing of our third National Appeal .

With regard to the appeal , as of 31 January 484 donors had contributed \$25,358 .00 to the Trust and current unencumbered assets approximate \$40,700 .00. Traditionally , the Trust has endeavoured to maintain a minimum balance of \$20,000 .00 , so we have just over \$20,000 .00 to see us through to the next appeal .

Since 1989 , when my records began , the RCAFA Trust has disbursed a total of \$714,667 .00 to worthy Air Force related projects .

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I would now like to concentrate on two projects for which I request your support .

Firstly , the RCAF Benevolent Fund . As you know , 16 months ago the Association resolved to encourage Wings to make a one time donation to the Benevolent Fund , through the RCAFA Trust . By 16 September , 2002 , we had received donations from nine Ontario Wings , one Quebec Wing and four individuals . Since the AGM in Montreal , when assistance was requested in support of this National resolution , we have received one additional individual donation of \$25.00 . The total for that project has remained at \$10,794.12 since 02 November , 2002 . Your comments would be appreciated .

The Air Force Association of Canada now makes an annual award to the top Air Cadet Piper in Canada - a very worthy endeavour . We recently issued a tax receipt in support of this award , an action which I support , and that clearly puts this project into the charitable category . I strongly recommend that you task the Trustees , RCAFA Trust to fund this annual award in the amount of \$400.00 .

I am reminded that in 1998 the NEC , upon request from the Air Attache in the UK , sent a donation of \$1,700.00 in support of a cairn at Lincoln Fields . The auditors , later assessed this against the Trust which caused a blip in our financial status and the consternation of Trustees who had no prior knowledge of this action . I wish to avoid this in future . Please remember , we are your charitable subsidiary , tasked to handle National charity programs . Common courtesy should dictate that your Trustees be included in any charitable undertakings by the Association .

In summary , I request your support for the Benevolent Fund National resolution and agreement that the RCAFA Trust be tasked to fund the Piper Award .

In closing , I wish to commend the support provided by Bob Tracy over the past dozen years and that provided by his staff over the difficult period of the past year .

Following the passing of Christina , Karin Lacey picked up the pieces , which were quite scattered and often in Christina's corporate memory or personal possession , and persevered through the Trust audit and the National Appeal until handing over these additional duties to Marc Wigle . I am sincerely appreciative of Karin's dedicated efforts on behalf of the Trust , for an extended period and often under very trying circumstances .

Since 01 December 2002 Marc Wigle has served as the Trust Treasurer . Once again , a period of learning ensued and I now look forward to a continuation of outstanding support relating to the RCAFA Trust financial accounting practices . Thank-you.

Ron Button

The Air Cadet 50th Anniversary Trust Fund of the RCAF Association

In 1987, in Red Deer, Alberta, delegates at the RCAFA National AGM resolved to raise \$50,000.00 to recognize the 50th anniversary of the Air Cadet League in 1991.

By 1991, on behalf of the Association, the RCAFA Trust had raised \$67,000.00, with the participation of 100% of the Association Wings. This was presented to the League with agreement that \$7,000.00 would be distributed in the form of Continuation Flying Training Awards (CFTA), of \$300.00 each, and the remaining \$60,000.00 would be invested with the intent that in future annual interest would create 20 annual CFTA.

Other parts of the agreement stipulated that the awards would go to power scholarship graduates, be selected by the League, be presented by RCAFA(AFAC) members, and be selected on the basis of at least one award per Province and thence by Provincial Cadet population. The Chairman RCAFA Trust became a designated Trustee, along with the League's Honorary President, Treasurer and Secretary. Recent negotiations have confirmed that the awards will remain at \$300.00 and that the award recipients will not be subjected to a means test or post award audit.

Regretfully, interest rates of 10% began to decline in the following years and to maintain a minimum of 20 annual CFTA the Trustees, RCAFA Trust, as the sole source of revenue for this project, were required to augment the annual interest, while continuing to solicit funds to increase the capital investment.

In response to this solicitation, 426 Squadron Association donated \$5,000.00 with the proviso that one annual CFTA would be in their name and be presented by a 426 Sqn representative, Our annual goal became 21 annual CFTA. By the turn of the century, Trustees, RCAFA Trust had achieved two prime objectives: 200 CFTA had been presented to worthy Air Cadets, from across Canada, who had achieved Wing Standard through the Air Cadet National Scholarship program, and the capital investment had reached \$100,000.00 (thanks to the generous contributions of 484 Wing, Fort Erie).

By December, 2002, 263 CFTA had been distributed and the capital investment had reached \$122,000.00. Regretfully, interest rates, continued to inhibit self sustainment.

In October, 2002, at the AFAC AGM in Montreal, Mr George Mitchell, President of 441 Huronia Wing in Barrie, enquired about a contribution to our CFTA project in memory of his wife, Virginia, who had passed away on 1 July, 2002. George subsequently made a \$50,000.00 donation to the RCAFA Trust, designated to the Air Cadet Flying Awards.

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Following negotiation with the donor , the League and the kin of Mr Irvin Erb , \$10,000.00 of this donation has created the Irvin Erb/Virginia Mitchell Award of \$500.00 annually to be presented to the top Air Cadet flying scholarship candidate from across Canada .

Mr Irvin Erb was an original founder of the League and upon his death a fund was created with \$5,000.00 for the purpose outlined above , The decline in interest rates voided this award in recent years and without another source of augmentation this worthy award required rejuvenation . George Mitchell accomplished this to the delight of all concerned .

The remaining \$40,000.00 of George Mitchell's donation were added to the capital investment of the Air Cadet 50th Anniversary Trust Fund of the RCAFA raising that investment to \$162,000.00 . Projected interest for 2003 will create a minimum of 24 CFTA in 2003 . Three of these will be Virginia Mitchell / Air Force Association of Canada Awards .

RCAFA Trust involvement in this project is entering its fourteenth year and the results should be a source of pride for our Association . The distribution of 263 CFTA @ \$300 represents an outlay of \$78,900.00 . A total of \$192,355.00 has been processed through the RCAFA Trust for the program of which \$162,000.00 remains invested , another \$10,000.00 is in the Irvin Erb /Virginia Mitchell Trust and \$20,355 served to augment the annual interest since 1991 .

Ron Button ,
Chairman , RCAFA Trust and

Trustee , Air Cadet 50th Anniversary Trust Fund of the RCAFA

ROYAL CANADIAN AIR FORCE ASSOCIATION TRUST
(Unaudited)
SUMMARY OF RECEIPTS AND DISBURSEMENTS

For the Eight Month Period Ended February 28, 2003

	Feb-03	Jun-02	Jun-01
Receipts			
Individuals	24,577.47	2,643.78	26,393.33
394 Wing (for Benevolent Fund)	507.00	0.00	0.00
450 Wing (for Benevolent Fund)	500.00	0.00	0.00
438 Wing Bingo Account (for RCAF Trust)	0.00	100.00	0.00
484 Wing (for Cadet Units)	0.00	23,010.00	20,500.00
484 Wing (for Flying Scholarships)	2,500.00	2,600.00	5,000.00
700 Wing (for Flying Scholarships)	2,000.00	2,000.00	500.00
Individuals (for Flying Scholarships)	52,045.00	0.00	0.00
Individuals (Magazine 75th Anniversary Issue)	0.00	250.00	0.00
422 Wing (for Air Cadet Project)	0.00	138.00	0.00
484 Wing (for Niagara Air Group)	0.00	0.00	4,000.00
484 Wing (for Civil Air Search & Rescue Association)	2,000.00	0.00	6,000.00
484 Wing (for Royal Canadian Legion Branch 71)	0.00	0.00	5,500.00
Individuals (for 428 Squadron Association)	0.00	345.00	5,575.00
Individuals (for Memorials to individuals/Squadrons/Wings)	331.00	4,130.00	4,802.00
Individuals (for Ottawa-Eastview Poppy Fund)	0.00	100.00	0.00
Individuals (for Project Flanders)	0.00	0.00	10,400.00
441 Wing (for Benevolent Fund)	1,000.00	0.00	0.00
441 Wing (for Halifax Res. Association)	0.00	0.00	1,000.00
412 Wing (for Benevolent Fund)	0.00	1,000.00	0.00
Individuals (for AFAC)	25.00	0.00	0.00
Individuals (for 422 Squadron Association)	1,050.00	0.00	700.00
(individuals/Wings (for RCAF Benevolent Fund)	125.00	6,162.12	0.00
Individuals (for Airforce Magazine)	0.00	0.00	50.00
AFAC in memory	0.00	625.00	0.00
AFAC (for Conference of Defence Associations)	0.00	1,000.00	0.00
Individuals (for RCAF Memorial Museum)	500.00	250.00	0.00
Individuals (for #779 RC(Air)CS)	0.00	500.00	500.00
Individuals (for Y2K Spitfire Project)	0.00	0.00	153.00
410 Wing (for Benevolent Fund)	500.00	0.00	0.00
410 Wing (for CWM Passing the Torch)	0.00	0.00	1,000.00
Individuals (for CWM Passing the Torch)	350.00	250.00	350.00
Individuals (for Canada Aviation Museum)	250.00	250.00	350.00
Individuals (for The Air Cadet League of Canada)	0.00	0.00	500.00
Individuals (for Typhoon Aircraft Memorial)	925.00	648.80	0.00
Individuals (for 8 Wing Trenton Pipe Band)	0.00	100.00	0.00
Individuals (for Cadet Squadrons)	0.00	4,000.00	0.00
Individuals (for 250 Wing Heritage Project)	13,600.00	4,150.00	0.00
418 Wing (for 704 RCAC Squadron)	0.00	1,200.00	0.00
Individuals (for the 422 Wing Air Cadet Project)	0.00	7,635.00	0.00
Individuals (for the 801 Wing Heritage Project)	117.70	624.64	0.00
Individuals (427 Wing The Spooner Memorials Fund)	7,830.00	18,716.00	0.00
Individuals (Air Cadet League/OPC)	0.00	600.00	0.00
In Memory of Christine Handler	470.00	1,090.00	0.00
Individuals (427 Wing for Air Cadet Squadron)	945.00	0.00	0.00
Interest - Investments/Bank account	254.64	2,212.94	1,683.12
Total Receipts	112,402.81	86,331.28	94,956.45

ROYAL CANADIAN AIR FORCE ASSOCIATION TRUST

(Unaudited)

SUMMARY OF RECEIPTS AND DISBURSEMENTS

For the Eight Month Period Ended February 28, 2003

	Feb-03	Jun-02	Jun-01
Receipts - carried forward	112,402.81	88,331.28	94,958.45
Disbursements			
Grant to Flying Scholarship Trust	58,545.00	4,800.00	5,500.00
Grant to RCAF Benevolent Fund	2,832.00	8,162.12	0.00
Grant to Normandy Foundation	100.00	100.00	100.00
Grant to Halifax Aircraft Association	250.00	1,475.00	2,000.00
Grant to Yorkshire Air Museum	100.00	100.00	100.00
Grant to RCAF Memorial Museum	3,250.00	1,250.00	1,000.00
Grant to Niagara Air Group	0.00	0.00	4,000.00
Grant to Air Search & Rescue Association	2,000.00	0.00	6,000.00
Grant to Royal Canadian Legion Branch 71	0.00	0.00	5,500.00
Grant to Air Cadet/Army Cadet Units	0.00	28,250.00	21,500.00
Grant to CATPO Museum	0.00	1,000.00	0.00
Grant to CFMAD	0.00	1,000.00	0.00
Grant to 426 Squadron Association	0.00	445.00	5,575.00
Grant to Air Force Productions Limited	0.00	0.00	50.00
Grant to Ottawa-Eastview Poppy Fund	0.00	100.00	0.00
Grant to Project Flanders	0.00	0.00	10,400.00
Grant to Birchall Cup Air Skills Competition	0.00	0.00	1,000.00
Grant to Battle of Britain Historical Society	0.00	0.00	500.00
Grant to 422 Squadron Association	1,050.00	0.00	700.00
Grant to Juno Beach Centre	0.00	500.00	0.00
Grant to 150 Wing WWII Memorial; Fund	0.00	0.00	0.00
Grant to 8 Wing Trenton Pipe Band	3,000.00	3,200.00	3,000.00
Grant to Conference of Defense Associations	0.00	1,000.00	0.00
Grant to 252 (Lord Beaverbrook) Wing Memorial	0.00	0.00	0.00
Grant to 408 Squadron Memorial Project	75.00	2,950.00	4,400.00
Grant to Y2K Spitfire Project	0.00	1,000.00	153.00
Grant to Passing the Torch	350.00	250.00	1,350.00
Grant to Canada Aviation Museum	250.00	250.00	350.00
Grant to the Malta Aviation Museum Foundation	0.00	0.00	2,000.00
Grant to 800 (Regina) Wing Project	0.00	1,000.00	0.00
Grant to Foundation Aerovision Quebec	1,000.00	1,000.00	0.00
Grant to Typhoon Aircraft Memorial	1,025.00	648.80	0.00
Grant to 416 Wing Harvard Memorial	0.00	800.00	0.00
Grant to Pier 21 Air Enhancement Photo Section	0.00	1,000.00	0.00
Grant to Dunbar Project at Greenwood	0.00	1,000.00	0.00
Grant to 250 Wing Heritage Project	13,600.00	4,150.00	0.00
Grant to 422 Wing Air Cadet Project	0.00	7,773.00	0.00
Grant to 801 Wing Heritage Project	117.70	624.64	0.00
Grant to Air Cadet League/OPC	0.00	600.00	0.00
Grant to The Spooner Memorial	7,830.00	19,715.00	0.00
Grant to Air Cadet Pipe Band Award	100.00	0.00	0.00
Grant to 427 Wing Air Cadet Squadron	945.00	0.00	0.00
"Ad Astra" Stone in Memory of Christina Handler	135.00	0.00	0.00
Guthrie Woods CD expenses	553.00	0.00	0.00
Administrative Charges (Trust appeal + postage owed to AFPL)	7,734.69	514.99	7,810.53
Total Disbursements	<u>102,642.39</u>	<u>95,459.55</u>	<u>82,988.53</u>
Change in Balance of Trust	<u>9,760.42</u>	<u>(9,128.27)</u>	<u>11,967.92</u>

RCAFA TRUST Disbursements

	<u>1999-2002</u>	<u>2002-2003</u>
Air Cadet 50th Anniversary Trust (CFTA)	\$135,810	58,545
Air/Army Cadet Units	112,855	945
International Air Cadet Exchange	2,985	
Niagara Air (Cadet) Group	16,500	
Air Force Heritage Fund	2,300	
RCAF Benevolent Fund	13,132	2,632
RCAF Memorial Museum	13,625	3,385
Billy Bishop Memorial Museum	3,350	
Canadian Warplane Heritage	1,200	
Aerospace Heritage Foundation	1,000	
National Council of Vets' Associations (NCVA)	1,950	
CASARA (Search and Rescue)	25,000	2,000
Western Canada Museum	475	
BCATP Museum	3,000	
Yorkshire Museum-Canada Branch	2,000	100
Normandy Foundation	1,000	100
National Aviation Museum	4,595	250
Halifax Aircraft (Restoration) Association	10,200	250
Canadian Forces Museum of Aerospace Defence	4,772	
AFPL (Airforce)	32,491	
426 Squadron Association Memorial	14,097	
Project Flanders - 2000	84,875	
Birchall Cup -Air Skills Competition	8,000	
Royal Canadian Legion	15,500	
Beurling Trophy - Air Force Markmanship	314	
Ottawa Poppy Fund	300	
Bomber Harris Trust	500	
No 5 ITS Memorial Marker	200	
Bomber Command Association	300	
New Brunswick RCAF Memorial	300	
422 Wing Memorial Project	500	
Rideau-Perley Veterans' Health Care Centre	3,000	
Ensigns for Ulster	140	
Lincoln Inn Field Park Memorial Cairn	1,700	
413 Squadron Trust (Helicopter Crew)	3,000	
Canada/Netherlands Memorial Park	1,000	
Miscellaneous Charities - In Memoriam	50	
Administration costs (National Appeals)	17,917	7,735
Raymond Collishaw Air Terminal	1,000	
Battle of Britain Historical Society	1,500	
Bruyere Health Care Centre	150	
Airlift Support Competition Trophy	183	
No 16 SFTS Memorial Marker	1,850	
Barker VC - Documentary	1,000	
Air Force Association of Canada	149	
422 Squadron Association Memorial	2,818	1,050
Canada/Normandy Project-Juno Beach Centre	1,000	
150 Wing , WW11 Memorial Project	25	
8 Wing Trenton Pipe Band (International Competition)	9,200	3,000

Conference of Defence Associations	2,000	
252 Wing Memorial Project	1,000	
408 Squadron Association Memorial Project	7,350	75
Y2K Spitfire Restoration - Comox , B.C.	\$1,153	
Passing the Torch-Canadian War Museum	1,600	350
Malta Aviation Museum Foundation	2,000	
600 Wing , Regina , Memorial Project	1,000	
Fondation Aerovision Quebec	1,000	1,000
Typhoon Project	649	1,025
418 Wing Harvard Memorial	800	
Pier 21 Air Enhancement Photo Section	\$1,000	
Dunbar Project , Greenwood	1,000	
250 Wing Heritage Project	\$4,150	13,600
422 Wing Air Cadet Project	7,773	
801 Wing Heritage Project	625	118
427 Wing - Spooner ,GC , Memorial	19,716	\$7,830
Air Cadet League / OPC	\$600	
Guthrie Woods CD		553
Air Cadet Pipe Band Award		\$100

1989-2001

516,565

2001-2002

95,459

1989-2002

612,024

2002-2003

102,643

Grand Total

714,667

28-Feb-03

Donations to the RCAF Benevolent Fund
National Resolution 01 /2001

RCAFA Trust	1,000		
412 Wing	2,000		
422 Wing	1,000		
416 Wing	1,000		
408/437 Wing	1,010		
428 Wing	500		
418 Wing	1,065		
394 Wing	507		
450 Wing	500		
410 Wing	500		
441 Wing	1,000	\$10,082	
5 individuals	712.12	\$10,794	Nov 02
Atlantic Group	0		
Prairies Group	0	(One individual)	
Alberta Group	0		
Pacific Group	0	As of 17 Feb 03	

RCAFA TRUST NATIONAL APPEAL 02/03

Atlantic Group	33	\$1,485
Quebec Group	28	\$1,735
Ontario Group	233	\$13,033
Prairies Group	35	\$1,530
Alberta Group	38	\$1,665
Pacific Group	93	\$4,910
Other	24	\$1,000
<u>TOTAL to 31 Jan 03</u>	484	\$25,358

ROYAL CANADIAN AIR FORCE ASSOCIATION TRUST
(Unaudited)
Balance Sheet

As at February 28, 2003

	<u>Feb 28/03</u>	<u>Jun 30/02</u>	<u>Jun 30/01</u>
ASSETS			
Cash	21,145.01	6,805.32	7,789.67
Short-term investments	20,463.69	30,209.05	37,795.87
Accrued interest receivable	79.90	79.90	184.30
Due from AFPL	0.00	0.00	0.00
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Total Assets	<u>\$41,688.60</u>	<u>\$37,094.27</u>	<u>\$45,749.84</u>
LIABILITIES			
Accounts payable	981.61	6,147.70	5,675.00
EQUITY			
Balance - beginning of year	30,946.57	40,074.84	28,106.92
Receipts	112,402.81	86,331.28	94,956.45
Disbursements	<u>(102,642.39)</u>	<u>(95,459.55)</u>	<u>(82,988.53)</u>
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Total Liabilities and Equity	<u>\$41,688.60</u>	<u>\$37,094.27</u>	<u>\$45,749.84</u>