

HONG KONG AIR CADET CORPS
Report of the Chairman of the Executive Board
for the period of April 2014 to March 2015

2014/15 was another successful yet extremely busy year for the Hong Kong Air Cadet Corps (HKACC), as significant progress was made on all fronts. Underpinning the success were again unfailing support from the Government, Community Chest, Jockey Club, partner units, as well as from philanthropists both organizational and individual. They were matched with equally high enthusiasm and great dedication by our 3,488 cadet and 1,536 senior members, who worked tirelessly toward the accomplishment of our dual missions of Youth Development and Aviation Education.

On the financial front, the signing of a Memorandum of Administrative Arrangements between HKSAR Government and HKACC in June 2014 provided for the doubling of annual recurrent subvention to \$2.48m, along with a special allocation of \$350k to operate the Assistance Scheme to Needy Student Members. This reflected the greater importance placed on uniformed groups in the implementation of HKSAR's Youth Policy, particularly in the wake of the "Umbrella Movement". The Gala Dinner ably planned and organized by the Honorary Officers Cadre in May 2014 brought in \$800k to finance the Corps' many activities, events and programmes, with another \$600k channeled to the Youth Development in Aviation Fund (YDAF) to put in place a \$1.2m reserve to support worthwhile aviation education and youth development projects. The revenue thus achieved for the financial year 2014/15 was \$6.7m which was well ahead of our target. The expenditure was well controlled at \$4.63m. Adding this operating surplus to the accumulated funds carried forward from past years the Corps has managed to build up a reasonably healthy financial reserve not only to allow for a broadened portfolio of services (e.g. more overseas and Mainland exchange programmes; more scholarship awards for flying, gliding and leadership development), but also sustainment of service during possible times of economic difficulties. Still, financial prudence is a guiding principle for both the Executive Board and the Corps Management to achieve the best value for money and ensure public accountability.

On the diplomatic front, a partnership agreement was reached in November 2014 with our long time ally and mentor United Kingdom Air Cadet Organisation (UK ACO) to reaffirm current exchange/training arrangements and map out future cooperation. In March 2015, an official visit to the Mainland by the Commanding Officer and his management team culminated in the signing of a Memorandum of Strategic Cooperation with the Shandong Aviation Industrial Association (SDAIA), the national lead organisation of the PLAAF sponsored China Air Cadet Movement. Apart from the benefits the Corps may gain from the respective pacts, HKACC is set to serve on Hong Kong's behalf as a conduit between East and West, only this time for initiating and steering collaboration between international and Mainland air cadet organisations, thereby connecting China's aviation training for young people with its global counterparts.

On the third front saw full operational status declared in November 2014 by the \$10.1m (Yuen Yuen Institute: \$6.5m; Hong Kong Jockey Club Charities Trust: \$3.6m) Ha Fa Shan Training Camp Project, the first full-fledged camp facility ever operated by the Corps. The Project's objective is to improve the adversity quotient (AQ) of young people by subjecting them to series leadership tasks and physical challenges, and instilling in them determination and a positive mindset in the face of hardship. The Camp is being run as a self-financing subsidiary of HKACC with accounts independent from the Corps' mainstream operation.

The Executive Board met on four occasions during the year and maintained its overview of the Corps' operations. In particular, this included the Corps' future capital projects, collaboration with the Mainland and the United Kingdom, and the challenges facing the self-financed Ha Fa Shan Training Camp project. These issues will no doubt be subjects of further deliberation as time goes on. As usual the Board considered in depth the annual budget for 2014/15, and the process flagged up a number of issues for the future, particularly in relation to revenue projection, resource generation/allocation and investment of financial reserve. These will continue to be challenging issues for the Board to keep under review in the coming years.

Highlights of the Period

As the activities of the Corps are detailed in the Commanding Officer's Reports submitted before each Executive Board Meeting and copies of such Reports are available upon request from the Headquarters, I shall only highlight below the more noteworthy events and accomplishments:

- (a) The Operations Group Parade was held at the Police Tactical Unit Headquarters on 6 April 2014, Hon Wg Cdr Dennis CHAN was the Inspecting Officer.
- (b) The Red Bull Flugtag 2014 took place on the Central Waterfront on 11 May, made possible by the participation of Hong Kong Air Cadet Corps, Hong Kong Aviation Club and the Central & Western District Council as co-organizers. Some 500 air cadets turned out in support of the related crowd management operation.
- (c) The Annual Gala Dinner 2014, chaired by Ms Connie CHENG., MH, was successfully held on 15 May 2014 at the Hotel InterContinental Ballroom. Mr YAU Shing Mu, JP, Under Secretary for Transport and Housing, was the Guest of Honour.
- (d) 10 members took part in the 10,000 Miles Friendly Trek (同心同根萬里行) held this year from 29 June to 5 July 2014 in the Ningxia Hui Autonomous Region and Beijing.

- (e) The main round of the International Air Cadet Exchange (Hong Kong Phase) 2014 was held during 22 July to 6 August, with 6 escorts and 21 cadets joined the outbound exchanges. Visiting Hong Kong for the local programme were 5 escorts and 31 cadets from 11 overseas countries and the Mainland China. Due to military operations in the Palestine, exchange with Israel was suspended. The Commanding Officer represented the Corps at the IACE Annual Conference held in September 2014 in Edinburgh, Scotland.
- (f) Close to 200 campers and supporting staff took part in the Summer Camp 2014 from 5 to 10 August held successively at three locations: the Adventure Corps High Island Camp, the Ha Fa Shan Camp, and the Piper's Hill Adventure Activities Base. We also saw for the first time participation of the Shandong Air Cadets, represented by 2 cadets and 1 escort.
- (g) Flag Day 2014 was held on Hong Kong Island on 6 September with \$364,686 raised.
- (h) In spite of the "Occupy Central" Movement from late September to mid-December 2014, the day-to-day operation of the Corps was largely uninterrupted throughout the duration of the movement.
- (i) The Ha Fa Shan Camp was officially opened on 16 November 2014 by Mr TSANG Tak Sing, GBS, JP, Secretary for Home Affairs. The Grand Opening Ceremony was attended by more than 300 guests, friends and members.
- (j) Air Vice-marshal Andrew TURNER, CBE, Air Officer Commanding No 22 (Training) Group, Royal Air Force, paid an official visit to the Corps on 13 November 2014. Apart from a dinner hosted by the Commandant and the Commanding Officer at the Aviation Club, AVM TURNER was treated with an air experience flight from Kai Tak, flying left-hand seat to Wg Cdr John LI, Deputy Commanding Officer, Flying/Chief Pilot.
- (k) After years of preparation, the official visit of Air Commodore Dawn McCAFFERTY, Commandant, UK Air Cadet Organisation, took place from 19 to 24 November 2014. Air Cdre McCAFFERTY was the principal guest of a mess dinner in her honour at the Aviation Club on the 22nd, and the Inspecting Officer of the HKACC Annual Parade 2014 held at the Police College on the following day. The visit paved the way for the partnership agreement reached between UK ACO and HKACC.
- (l) The Corps' role as a key provider of aviation education in Hong Kong was prominently featured in the TVB news special "Sunday Report", aired on 26 January 2015.
- (m) The Commanding Officer, Commanding Officer Emeritus & Special Adviser, Chief Staff Officer, Deputy Commanding Officer, Training, and Deputy Commanding Officer, Operations, visited the Shandong Aviation Industrial Association (SDAIA) on a five-day official tour from 15 to 19 March 2015 which culminated in the signing of a Memorandum of Strategic Cooperation.

Appointments

Mr Peter C C CHAU, BBS, MBE, QPM, CPM was elected Chairman of the Executive Board at the first Executive Board Meeting held on 8 December 2014 for a term of two years. He was subsequently appointed to such office by majority vote at the Annual General Meeting held on the same date.

At the first Executive Board Meeting of 8 December 2014, Mr Edwin W C LAU, AE, was elected Honorary Treasurer for a term of one year. He was appointed to the same office by majority vote at the ensuing Annual General Meeting.

Mr Hogan LOH was appointed Vice-Chairman of the Executive Board at the second Executive Board Meeting held on 8 December 2014, for a term of one year.

Captain Joe FUNG was appointed Honorary Secretary of the Executive Board at the second Executive Board Meeting held on 8 December 2014, for a term of one year.

Captain Michael C P CHAN, MBS, MBB, GMSM, AE, was appointed a member of the Executive Board to fill a casual vacancy with effect from 1 January 2015.

Raymond Y K TSE & Co CPA Limited was appointed Auditor for the Financial Year 2014/15.

Staff Movements

Ha Fa Shan Training Camp:

- (a) Mr LAW Chun Chung was employed as Social Worker Assistant on 24 November 2014 replacing Ms LIU Sum Yee who had resigned from the post of Part-time Social Worker on 8 August 2014.
- (b) Mr LEUNG Hin Lung was employed as 17 November 2014 as Camp Programmer replacing Mr CHOI Wai Lok who had resigned from the post of Part-time Instructor on 16 November 2014.

Finance

The Corps continues to rely on subventions through the Home Affairs Bureau and the Community Chest as its principal funding for capital and recurrent expenditures. Additional funding was available in the form of corporate, personal and charitable trust donations, as well as Honorary Officer endowments. In order to balance the budget, the Corps also generates income from membership fees, course fees, and sales of stock items. The Corps' audited accounts for the financial year ended 31 March 2015 will be presented later at the meeting.

Votes of Thanks

I would like to express my gratitude to donors and sponsors for their financial assistance which is crucial to the continuation of our work. The following individuals and organizations deserve special mention for their long-standing support to the Air Cadets:

- (a) The Government of the Hong Kong Special Administrative Region for recurrent and one-off subventions released through the Home Affairs Bureau, and for policy support to our key projects by the Home Affairs Bureau, Home Affairs Department, and Tsuen Wan District Council.
- (b) The Community Chest, for its recurrent subvention.
- (c) The Hong Kong Dragon Airlines, for offering the Dragonair Aviation Certificate Programme.
- (d) The Cathay Pacific Airways, for their support to the Advanced Aviation Education Programme.
- (e) The Honorary Officers Cadre, for its financial contributions and support to Corps' events, projects, programmes and individual units.
- (f) The Flying Squadron, commanded by Wg Cdr John K H LI, MH, AE, Deputy Commanding Officer, Flying, for organizing rotary and fixed wing flying activities for members and friends of the Corps.

To conclude, I should also like to express my heartfelt gratitude to my fellow members on the Executive Board, as well as to officers, honorary officers, warrant officers, instructors, civilian instructors, salaried staff and cadets, for their immense contributions, devotion and efforts. The Corps is blessed with their selfless service and vast experience to remain well positioned to meet changing needs, and to fulfill our multi-faceted missions and commitments.

(Peter C C CHAU)
Chairman of the Executive Board
Hong Kong Air Cadet Corps

HONG KONG AIR CADET CORPS
Executive Board as at 31 March 2015

Chairman

Mr Peter C C CHAU, BBS, MBE, QPM, CPM

- Merchant
- Honorary Commandant, Hong Kong Auxiliary Police Force
-

Commandant

Air Commodore Norman S M LO, AE, *Médaille de l'Aéronautique*, JP

- Director-General of Civil Aviation

Vice-Chairman

Mr Hogan LOH

- Merchant
- Committee Member and Former President, Hong Kong Aviation Club

Honorary Treasurer

Mr Edwin W C LAU, AE

- Vice President, Hong Kong, Guangzhou and Taiwan, Emirate Airlines

Honorary Secretary

Captain Joe Y C FUNG

- Pilot, Cathay Pacific Airway

Commanding Officer

Group Captain LEE Kwok Wing

- Senior Manager, Hongkong Land

Members

Mr Edmund W C CHOW, AE

- Civil Servant

Mr Steve H W LAU, SBS, BEM, CStJ, JP

- Merchant
- Former Commissioner, Road Safety Patrol
- Former Deputy Commissioner, Auxiliary Medical Service

Ms Scarlett O L PONG, JP

- Merchant
- Shatin District Councillor

Mr Kelvin S Y PANG, SBS, CSDSM

- Former Commissioner of Correctional Services

Mr Alan K L WONG

- Former Senior Executive, Cathay Pacific Airways

HONG KONG AIR CADET CORPS
Executive Board as at 31 March 2015 (cont'd)

Group Captain Leonard K P LEUNG, MH, AE

- Commanding Officer Emeritus and Special Adviser
- Former Air Crewman Officer I, Government Flying Service

Honorary Group Captain CHAN Kwok Chiu, MH, JP

- Senior Honorary Officer

Air Commodore Peter Dicky YIP, BBS, MBE, AE, JP

- Honorary Commandant
- Former Commanding Officer, Royal Hong Kong Auxiliary Air Force
- Retired Banker

Captain Michael C P CHAN, MBS, MBB, GSM, AE

- Controller, Government Flying Service

Air Cadet Liaison Officer (Government Flying Service)

Mr Mason W C NG, MBB, AE

- Air Crewman Officer I, Government Flying Service