

REPORTING GUIDE FOR LEVEL III AIR CARRIERS - STATEMENTS 10, 12, 20, 21, 30

All statements described in this reporting guide are to be returned to:

**Statistics Canada
The Aviation Statistics Centre
Room 1506, Main Bldg.
120 Parkdale Ave.
Ottawa, ON K1A 0T6**

For further information or assistance, please call (collect) 613-951-0125.

This package contains instructions for the completion of:

Form	Frequency
Statement 10, Unit Toll Services, Revenue Operating Statistics	Annual
Statement 12, Charter Services, Revenue Operating Statistics	Annual
Statement 20, Balance Sheet	Annual
Statement 21, Statement of Revenues and Expenses	Annual
Statement 30, Fleet Report	Annual

I. PURPOSE

The purpose of this guide is to provide Level III air carriers with the instructions necessary to complete the filing requirements for operational and financial statistics with the Aviation Statistics Centre.

Please refer to **Appendix A** for the definition of a Level III air carrier.

II. AUTHORITY FOR THE COLLECTION OF STATISTICS

The statistics outlined in this booklet are collected under the authority of the Statistics Act - Statutes of Canada 1985, chapter S19 and the Canada Transportation Act, Section 50.

Unit Toll (Scheduled) Services

The transportation of passengers or goods, or both, by aircraft where the air carrier operating the aircraft, or its agent, sells seats or cargo space, or both, on a per seat or per unit of weight or volume basis directly to members of the public. It excludes charter transportation.

If you perform unit toll service, a Statement 10 report is required.

Charter Services

The transportation of passengers or goods, or both, by aircraft where a person other than the air carrier operating the aircraft, or its agent, contracted a block of seats or portion of cargo capacity for that person's own use or for resale in whole or in units to members of the public. A complete list of activities which are specialty and therefore not subject to filing requirements as charter can be found in the Transport Canada document entitled "Starting a Commercial Air Service", TP 8880. The specialty activities firefighting and helilogging are not included as charter, and the movement of people and goods to a firefighting site is not included as charter, but the movement of people and goods to logging or helilogging site is included as charter. Air ambulance is included as a charter service.

If you perform charter service, a Statement 12 report is required.

If you perform both unit toll and charter service, both Statement 10 and 12 reports are required.

III. Instructions for Completing Statement 10, Unit Toll Services, Revenue Operating Statistics**Statement 12, Charter Services, Revenue Operating Statistics****Introduction**

Statement 10 is to be filed by every Level III air carrier operating domestic or international unit toll (scheduled) air services. If you have **scheduled helicopter services**, please contact the Aviation Statistics Centre for instructions.

Statement 12 is to be filed by every Level III air carrier operating domestic or international charter air services.

Both Statements 10 and 12 are to be filed **annually** on a calendar year basis, and are due **April 1**.

If no service was provided during the year, a **'nil' report** must be filed.

Carrier Name and Year

Report the name of the carrier and the year being reported.

Imperial or Metric

Statements 10 and 12 can be completed in metric or imperial units. The units used should be clearly identified in the appropriate box on the statement. The unit of measurement checked should be used consistently throughout the report.

Authorized Officer and Telephone Number

Print the name and telephone number of the officer authorized to complete the statement.

Area of Operation

For each area of operation (see Appendix B), it is only required to have one line of data for all fixed wing operations and one line for helicopter operations. It is no longer necessary to create a section for each route or licence, or to report by aircraft make (e.g., A320, C120) within a section.

Please refer to the definition of each area of operation contained in Appendix B.

For each Area of Operation, please complete the following:**Passenger Revenue**

Passenger revenue is the revenue derived from the transportation of passengers. Passenger revenue should be reported to the nearest dollar and should exclude the Air Transportation Tax and the Goods and Services Tax (GST).

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III. Instructions for Completing Statement 10, Unit Toll Services, Revenue Operating Statistics**Statement 12, Charter Services, Revenue Operating Statistics (cont'd)****Passengers Enplaned**

Passengers enplaned refers to **revenue passengers**, (including redemptions for frequent flyer travel programs), who board an aircraft and surrender one or more flight coupons or other documents good for transportation over the itinerary specified in these coupons or documents.

Goods Revenue

Report revenue earned from the transportation of enplaned goods (see definition below). Goods Revenue should be reported to the nearest dollar, and should exclude the Goods and Services Tax (GST).

Enplaned Goods (not required for chartered helicopter services)

Enplaned goods includes priority freight, freight, mail and excess baggage for which revenue is obtained. Enplaned goods should be reported to the nearest pound/kilogram.

Aircraft Type

Report fixed wing (F) and helicopter (H) operations separately. If you have **scheduled helicopter operations**, please contact the Aviation Statistics Centre for instructions.

Hours Flown

Hours flown refers to block hours, or the number of hours which elapsed between the time the aircraft started to move to commence a flight and the time the aircraft came to its final stop after the conclusion of a flight. Report the total number of hours flown to the nearest hour.

Passenger-Miles/Passenger-Kilometres

Passenger-Miles/Passenger-Kilometres indicates the number of revenue passengers carried on each flight stage multiplied by the number of miles/kilometres flown on that stage (refer to the example in Appendix B for calculation of passenger-miles/passenger-kilometres).

Goods Ton-miles/Tonne-kilometres

Goods ton-miles/tonne-kilometres represents the number of tons/tonnes of goods carried on each flight stage multiplied by the number of miles/kilometres flown on that stage (see Appendix B).

IV. Instructions for Completing Statement 20, Balance Sheet**Introduction**

Statement 20 is to be filed by every Level III air carrier. The filing is **annual** and the statement should be completed and returned **by April 30**. In order to simplify reporting, you may use data for your financial year.

The Balance Sheet should be calculated and completed according to generally accepted accounting principles. Please contact the Aviation Statistics Centre for clarification of fields not described below.

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IV. Instructions for Completing Statement 20, Balance Sheet (concl.)**Current Assets (Field 10)**

Includes cash, special deposits (i.e. deposits for payment of current obligations (not more than one year)), notes and accounts receivable.

Investments and Special Funds (Field 20)

Includes investments in associated companies, other investments and special funds.

Deferred Charges (Field 170)

Includes long term prepayments, unamortized discount and expense on debt, property acquisition adjustment, other intangibles and other deferred charges.

Current Liabilities (Field 190)

Includes current notes payable, accounts payable general, collections as agents (traffic and other), associated companies and/or shareholders, current portion of long term debt, current obligations under capital lease, accrued salaries and wages, accrued taxes, dividends payable, air travel plan liability, unearned transportation revenue, and other current liabilities.

Authorized Officer and Telephone Number

Print the name and telephone number of the officer authorized by the air carrier to complete the Balance Sheet.

V. Instructions for Completing Statement 21, Statement of Revenues and Expenses**Introduction**

Statement 21 is to be filed by every Level III air carrier. The filing is **annual** and the statement should be completed and returned **by April 30**. In order to simplify reporting, you may use data for your financial year (which should coincide with Statement 20, Balance Sheet).

Please contact the Aviation Statistics Centre for clarification of fields not described below.

Carrier Name and Year

The name of the carrier and the year being reported should be entered on the statement.

Section I - Revenues

Revenues reported for passengers and goods on Unit Toll and Charter services should match the respective totals reported on Statements 10 and 12 for the same period.

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V. Instructions for Completing Statement 21, Statement of Revenues and Expenses (cont'd)**Incidental air transport related revenue-net (Field 90)**

Revenues less expenses from non-flying services incidental to air transport including a) aircraft fuel and oil sales; b) maintenance and aircraft ramp handling service etc. for other carriers; c) commissions (or sales revenue minus payments to the carrier that does the flying) received for the sale of transportation which takes place on other carriers; d) revenue received for the provision of aircraft to other carriers for operations which take place under their control.

Incidental air transport related revenue-gross (Field 100)

Revenues from the above activities.

Estimated Percentage Revenue by Area of Operation (Fields 120 - 240 and 250 - 370)

Carriers are required to enter an estimated percentage breakdown by Province/Territory (or International) of passenger and goods revenue. Revenues should be attributed to the geographic area where the carrier's sales representative (or agent) who made the sale was located.

Section II – Expenses

For field 380 to field 460, inclusive, please report **gross remuneration** (salaries and benefits).

Maintenance - ground property and equipment (Field 380)

Expenses, both direct and indirect, incurred in the repair and upkeep of ground property and equipment to meet operating and safety standards.

Aircraft Operations (Field 390)

Expenses incurred directly in the in-flight operation of aircraft or in the holding of aircraft and aircraft personnel in readiness for assignment to an in-flight status. (e.g. flight crew salaries & benefits and expenses, aircraft fuel and oil, landing and navigation fees, aircraft insurance, aircraft rental)

Maintenance - flight equipment (Field 400)

Expenses, both direct and indirect, incurred in the repair and upkeep of flight equipment required to meet operating and safety standards.

General services and administration (Field 440)

This term includes expenses of a general corporate nature as well as those incurred in performing activities which contribute to more than a single operating function. These include the following.

In-flight service expenses:

cabin crew salaries & benefits and expenses, passenger food and supplies, passenger liability insurance, and interrupted trip expense,

Aircraft and traffic servicing expenses:

expenses incurred on the ground incident to scheduling or preparing aircraft for arrival and takeoff, and expenses incurred in both enplaning and deplaning passenger and cargo traffic,

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V. Instructions for Completing Statement 21, Statement of Revenues and Expenses (cont'd)**General services and administration (Field 440) (Concluded)**

Promotion and sales expenses:

reservations, city ticket offices and other sales expenses, passenger and cargo commissions, advertising and publicity,

General administrative expenses:

general financial accounting activities, administrative salaries & benefits and expenses, property taxes and building rentals, communications purchased, purchasing activities, representation at law and other general operational administration.

Depreciation (Field 450)

Includes all charges to expense incurred in normal wear and tear on property and equipment which have not been replaced by current repair, as well as losses in serviceability occasioned by popular demand or by action of public authority.

Fuel and Oil Expenses (Fields 480 - 540 and 490 - 550)

Please indicate whether litres or gallons are used, using check box 470.

If the fuel consumed is supplied by the customer, an estimate may be made of fuel used based on hours flown and an approximate cost provided based on prevailing market rates.

Employment Expenses (Fields 580 - 680 and 590 - 690)

Employment expenses in this section **should not include** benefits such as employer contribution to pension, medical benefits etc., and **should not include** any layover expenses for flight and cabin crews.

Estimated Percentage of Salaries Paid by Area (Fields 720 - 840)

Please enter an estimated breakdown by Province/Territory (or International sector) of Employment Expenses.

Capital gains or losses (Field 850)

Gains or losses involved in retiring operating property and equipment, aircraft equipment, expendable parts, miscellaneous materials and supplies and other assets, when they are sold or otherwise retired from service as part of a general program and not as incidental sales performed as a service to others. Also included here are gains or losses made on investments in securities.

Interest and discount income (Field 860)

Interest income from all sources and cash discounts on purchase of materials and supplies.

Interest expense (Field 870)

Interest on all classes of debt including premiums, discounts and expenses on short-term obligations, amortization of premium discounts and expenses on short-term and long-term obligations.

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V. Instructions for Completing Statement 21, Statement of Revenues and Expenses (concl.)**Miscellaneous non-operating income and expense (Field 880)**

Revenues and expenses attributable to financing or other activities that are extraneous to and not an integral part of air transportation activities undertaken by this carrier, or its incidental services. These could include a) dividend income, b) the balance of all income or losses from affiliated companies reimbursed to the carrier (because this is a non-consolidated income statement, each carrier reports as if it has a minority interest in any affiliated company, even if it is a majority owner), c) foreign exchange adjustments, d) special items (such as restructuring expenses) which do not occur on a regular basis. Staff reduction expenses should be included in the operating expenses as a general administration expense.

Authorized Officer and Telephone Number

Print the name and telephone number of the officer authorized by the air carrier to complete the Statement of Revenues and Expenses.

Important:

When completing Statement 21, please note the following:

Net income or net loss (Field 910) represents the result of several fields;

Field 110,
Field 460,
Field 890 (which could be a positive or negative value),
Field 900 (which could be a positive or negative value),

where,

Field 110 = the sum of Fields 10 to 90.
Field 460 = the sum of Fields 380 to 450.
Field 890 = the sum of Fields 850 to 880.

VI. Instructions for Completing Statement 30, Fleet Report**Introduction**

Statement 30 is to be filed **annually** by Level III air carriers. The reference date for this report is **October 15**, and the statement should be returned to the Aviation Statistics Centre within 30 days of this date.

All aircraft in a carrier's possession and control (whether under capital lease, operational lease or owned) are to be reported. This includes aircraft in both active and temporarily inactive status providing they had a valid Certificate of Airworthiness at some time during the preceding year.

After filing the statement once, a computer printout of the most recent Statement 30 will be sent to you. If the printout shows an aircraft which is no longer available for operations, the aircraft is to be deleted by putting a bar through the appropriate line. If the computer printout does not include aircraft which were available to the carrier for operation, these aircraft are to be added by completing the required information in the appropriate spaces.

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Name, Address and Telephone Number

Please verify and correct your carrier name, address and telephone number.

Fleet Last Reported

Aircraft Type is the description of a particular type of aircraft which identifies the manufacturer and model number, e.g. DHC-6 or PA-23.

Registration Markings indicate the skin markings on an aircraft, e.g. FABC, as provided by Aviation Licensing, Transport Canada.

Changes to Fleet as Last Reported

If there are no changes to the details of an aircraft, the appropriate space should be checked with a cross mark (X). If there are changes they should be indicated.

Additions and Deletions to Fleet

If there is an addition to a carrier's fleet, the details for the additional aircraft should be entered in the space provided. The aircraft should not be added if it was purchased solely for resale and was not intended for use in the commercial air services of the air carrier.

If there is an aircraft which is no longer available for operations, it is to be deleted by putting a bar through the appropriate line.

APPENDIX A**DEFINITION OF LEVEL III AIR CARRIERS**

Level III air carriers are those that, in each of the two years preceding the reporting year, derived a **gross revenues of more than \$1,000,000** from their licensed air services..

Note: For any carriers involved in a situation (unit toll or charter) where 1) they sell seats and/or cargo space while another carrier operates the service, or 2) they operate a service where seats and/or cargo space has been sold by another carrier, please contact the Aviation Statistics Centre for special instructions.

LEVEL III FILING REQUIREMENTS*

{PRIVATE }Statement No.	Title	Periodicity	Due Date
10	Unit Toll Services, Revenue Operating Statistics	Annually	April 1
12	Charter Services, Revenue Operating Statistics.	Annually	April 1
20	Balance Sheet	Annually	April 30
21	Statement of Revenues and Expenses	Annually	April 30
30	Fleet Report	Annually	Within 30 days after October 15.

* Carriers wishing to file data in magnetic tape or diskette format should contact the Aviation Statistics Centre, Ottawa (Ontario), K1A 0T6, to acquire appropriate record layouts.

APPENDIX B

AREA OF OPERATION

This refers to the region where an air carrier provided transportation services, categorized as follows:

- a) **Domestic** - includes operations between points in Canada;
- b) **Transborder** - includes operations between a point(s) in Canada and a point(s) in the United States (including Puerto Rico, Hawaii and Alaska);
- c) **Transatlantic** - includes operations between a point(s) in Canada and a point(s) in Europe, Africa and/or the Middle East;
- d) **Southern** - includes operations between a point(s) in Canada and a point(s) in Bermuda, the Caribbean, Mexico, Central America and South America;
- e) **Pacific and Orient** - includes operations between a point(s) in Canada and a point(s) in Asia and Australia;
- f) **Other Foreign** - includes operations between points outside of Canada.

PASSENGER-MILES/PASSENGER-KILOMETRES or GOODS TON-MILES/GOODS TONNE-KILOMETRES

Passenger-kilometres (or goods tonne-kilometres) indicates the number of revenue passengers carried (or tonnes of goods) on each flight stage multiplied by the number of kilometres flown on that stage. The following example indicates the correct method of calculation:

Flights from A to B to C to D

Flight Stage	Number of passengers carried over segment, or	Distance Between Points		Passenger-Miles, or	Passenger-Kilometres, or
	Ton(ne)s of goods	Miles	Km	Goods Ton-Miles	Goods Tonne-Kilometres
A to B	5	X 100	161 =	500	805
B to C	4	X 200	322 =	800	1288
C to D	2	X 150	241 =	<u>300</u>	<u>482</u>
				1600	2575

Total number of passenger-miles (goods tonne-miles) for the flights covering A to B through C to D = 1600 (or 2 575 passenger-kilometres (goods tonne-kilometres)).