

Accounting for and Administration of External Trust Funds

1. A NPP organization is characterized by the fact, that upon the closure of the activity, its funds and other assets accrue to the Base/Wing Fund, the CFCF or some other NPP organization and are used for NPP purposes.
2. Conversely, the funds and other assets of organizations such as such as a charity, the Boy Scouts or other external morale and welfare activity do not accrue to Base Fund or any other NPP organization and therefore are not considered NPP activities.
3. The NPPAM should not normally provide accounting services to non-NPP activities as such action will reduce the NPP accounting resources available for NPP activities. Nonetheless, if NPP Accounting Services are provided, these non-NPP activities are accounted for as external trusts IAW paragraph 4 below. Further, CFCF has offered investment opportunities to specific organizations with close ties to NPP and these funds are also accounted for as external trusts. Details of trust investments are contained in [Chapter 9](#) (Consolidated Banking System).
4. If considered to be in the best interest of the CAF, NPPAMs may be directed to account for non-NPP activities such the Military Police Fund for Blind Children (see [Appendix 1](#)), Canadian Military Family Resource Centres (see [Appendix 2](#)) or some other external non-NPP organization or morale and welfare activity. In these circumstances, the Base/Wing Comd may request through CFO that the Regional Accounting Manager (RAM) and the NPPAM provide accounting services. When the NPPAM provides accounting services to non-NPP activities they are accounted for as external trusts and [Appendix 3](#) (Accounting Services to non-NPP activities) will apply unless otherwise directed by CFO.
5. All public grants, including Directorate of History and Heritage (DHH) museum grants, shall be accounted for as external trust accounts in accordance with (IAW) [Chapter 10](#) (Canadian Forces Central Fund (CFCF) Contributions, CFCF Line of Credit, CFCF Loans, NPP Funding Distribution, NPP and Public Grants).

[Appendix 1 - NPP Accounting Procedures for the Military Police Fund for Blind Children](#)

[Appendix 2 - NPP Accounting Procedures for Military Family Resource Centres](#)

[Appendix 3 - Accounting Services to non-NPP Activities](#)