



See a Social Security Number? Say Something!  
Report Privacy Problems to <https://public.resource.org/privacy>  
Or call the IRS Identity Theft Hotline at 1-800-908-4490



**Return of Organization Exempt From Income Tax**

**2009**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

**A For the 2009 calendar year, or tax year beginning** , 2009, and ending , 20

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input checked="" type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type See Specific Instructions	<b>C</b> Name of organization <b>THE COMMEMORATIVE AIR FORCE</b>	<b>D</b> Employer identification number 74-1484491
		Doing Business As Number and street (or P O box if mail is not delivered to street address) Room/suite P.O. BOX 62000	<b>E</b> Telephone number (432) 563-1000
		City or town, state or country, and ZIP + 4 MIDLAND, TX 79711-2000	<b>G</b> Gross receipts \$ 12,080,919.
		<b>F</b> Name and address of principal officer <b>STEVE BROWN</b> P.O. BOX 62000 MIDLAND, TX 79711-2000	<b>H(a)</b> Is this a group return for affiliates? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <b>H(b)</b> Are all affiliates included? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)
<b>I</b> Tax-exempt status <input checked="" type="checkbox"/> 501(c) ( 3 ) ◀ (insert no) 4947(a)(1) or 527	<b>J</b> Website: ▶ WWW.COMMEMORATIVEAIRFORCE.ORG		<b>H(c)</b> Group exemption number ▶ 5545
<b>K</b> Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶	<b>L</b> Year of formation 1961	<b>M</b> State of legal domicile TX	

**Part I Summary**

Activities & Governance	<b>1</b> Briefly describe the organization's mission or most significant activities TO ACQUIRE, RESTORE, MAINTAIN AND OPERATE A COLLECTION OF WORLD WAR II AIRCRAFT FOR THE EDUCATION AND ENJOYMENT OF PRESENT AND FUTURE GENERATIONS.			
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets			
	<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	<b>3</b>	11	
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>	11	
	<b>5</b> Total number of employees (Part V, line 2a)	<b>5</b>	77	
	<b>6</b> Total number of volunteers (estimate if necessary)	<b>6</b>	10,000	
	<b>7a</b> Total gross unrelated business revenue from Part VIII, column (C), line 12	<b>7a</b>	114,106.	
	<b>7b</b> Net unrelated business taxable income from Form 990-T, line 34	<b>7b</b>	10,099.	
	Revenue	<b>8</b> Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
		<b>9</b> Program service revenue (Part VIII, line 2g)	5,342,044.	4,324,441.
<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)		5,482,037.	5,203,237.	
<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		661,413.	61,847.	
<b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)		1,102,720.	376,794.	
<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)		12,588,214.	9,966,319.	
<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)		0.	88,559.	
<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)		0.	0.	
<b>16 a</b> Professional fundraising fees (Part IX, column (A), line 11e)		1,155,164.	1,262,578.	
<b>16 b</b> Total fundraising expenses, Part IX, column (D), line 25 ▶ 1,375,893.		0.	165,295.	
Expenses	<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	9,023,178.	9,349,270.	
	<b>18</b> Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	10,178,342.	10,865,702.	
	<b>19</b> Revenue less expenses Subtract line 18 from line 12	2,409,872.	-899,383.	
	Net Assets or Fund Balances	<b>20</b> Total assets (Part X, line 16)	Beginning of Year	End of Year
		<b>21</b> Total liabilities (Part X, line 26)	17,070,761.	17,163,719.
<b>22</b> Net assets or fund balances Subtract line 21 from line 20		3,733,333.	4,670,144.	
		13,337,428.	12,493,575.	

**Part II Signature Block**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

**Sign Here** ▶ Floyd S. Houdyshell Signature of officer Date 12/6/10  
▶ Floyd S. Houdyshell, Secretary/Treasurer Type or print name and title

<b>Paid Preparer's Use Only</b>	Preparer's signature ▶ <u>Daniel M. Smith CPA</u> Date <u>12/2/10</u> Check if self-employed <input type="checkbox"/>	Preparer's identifying number (see instructions) P00415184
	Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ <u>WEAVER &amp; TIDWELL, L.L.P.</u> P O BOX 1271 ODESSA, TX 79760	EIN ▶ <u>75-0786316</u> Phone no ▶ <u>432.333.3221</u>

May the IRS discuss this return with the preparer shown above? (see instructions)  Yes  No

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions. \*

9-17 19

SCANNED JAN 05 2011

**Part III Statement of Program Service Accomplishments**

1 Briefly describe the organization's mission.

TO ACQUIRE, RESTORE, MAINTAIN, AND OPERATE A COLLECTION OF WORLD WAR II AIRCRAFT FOR THE EDUCATION AND ENJOYMENT OF PRESENT AND FUTURE GENERATIONS.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?  Yes  No  
If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?  Yes  No  
If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code 711130 ) (Expenses \$ 3,789,248. including grants of \$ ) (Revenue \$ 3,886,290 )

AIRSHOWS ARE PREMIERE AVIATION EVENTS WHERE WARBIRDS (AIRCRAFT) GATHER TO REENACT HISTORIC BATTLES. ADDITIONAL ATTRACTIONS OF THESE SHOWS INCLUDE; JUNIOR ACES KIDS TENT (PROVIDING GAMES, ARTS & CRAFTS AND OTHER FUN ACTIVITIES FOR CHILDREN), FAMED GHOST SQUADRON AIRCRAFT DISPLAYS, SPECIAL SHOWS FOR SPECIAL PEOPLE ON FRIDAYS, PRECEDING THE REGULAR EVENT, THAT OTHERWISE MIGHT NOT BE ABLE TO ATTEND AND NUMEROUS FLYING PERFORMING ACTS SUCH AS WINGWALKING AND AEROBATICS.

4b (Code 713990 ) (Expenses \$ 668,937. including grants of \$ ) (Revenue \$ 1,694,528 )

MEMBERSHIP DUES & ANUAC FEES: MEMBERSHIP DUES ARE ESTABLISHED & COLLECTED TO COVER NORMAL OPERATING EXPENSES OF INDIVIDUAL UNITS. MEMBERSHIP FEES INCLUDE MONTHLY OR QUARTERLY SUBSCRIPTIONS TO THE CAF'S MAGAZINE, "DISPATCH." MEMBERS RECEIVE FREE ADMISSION TO THE MUSEUMS AND EXHIBITS AND OTHER BENEFITS SUCH AS OPPORTUNITIES TO FLY IN CAF AIRCRAFT AND GIFT SHOP DISCOUNTS. EACH UNIT IS ALSO SUBJECT TO ANNUAL ANUAC FEES (ANNUAL ADMINISTRATIVE CHARGES) TO ASSIST IN THE OPERATION OF THE NATIONAL HEADQUARTERS. NATIONAL & LOCAL MEMBERSHIP FEES ARE SET & COLLECTED BY EACH UNIT AND THE NATIONAL HEADQUARTERS, BASED ON THEIR OPERATIONAL NEEDS. ANNUAL ANUAC FEES MAY VARY FROM YEAR TO YEAR.

4c (Code 712110 ) (Expenses \$ 232,600. including grants of \$ ) (Revenue \$ 240,519. )

MUSEUM ADMISSIONS FOR THE CAF ARE FOR MONIES COLLECTED BY INDIVIDUAL UNITS, LOCATED THROUGHOUT THE UNITED STATES, FOR ENTRY INTO THEIR FACILITIES. FACILITIES ARE OPENED TO VISITORS, TOURISTS, SCHOOL GROUPS, ETC. TO VIEW THE AIRCRAFT AND EDUCATIONAL EXHIBITS WITHIN THE FACILITIES.

4d Other program services (Describe in Schedule O) ATTACHMENT 3  
(Expenses \$ 2,034,087. including grants of \$ ) (Revenue \$ 386,859 )

4e Total program service expenses ▶ 6,724,872.

Part IV Checklist of Required Schedules

Table with 3 columns: Question, Yes, No. Rows 1-20 contain various organizational requirements and their status (Yes/No).

**Part IV Checklist of Required Schedules** *(continued)*

		Yes	No
21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II.</i>	X	
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III.</i>		X
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J.</i>	X	
24 a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to question 25.</i>		X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25 a	<b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I.</i>		X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I.</i>		X
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II.</i>		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III.</i>		X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)		
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV.</i>		X
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV.</i>		X
c	An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV.</i>		X
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M.</i>		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M.</i>		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I.</i>		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II.</i>		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I.</i>		X
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1.</i>	X	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2.</i>		X
36	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2.</i>		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI.</i>		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O.	X	

**Part V Statements Regarding Other IRS Filings and Tax Compliance**

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U S Information Returns Enter -0- if not applicable . . . . .		
	<b>1a</b> 125		
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable . . . . .		
	<b>1b</b> 0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? . . . . .	X	
<b>1c</b>			
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return . . . . .		
	<b>2a</b> 77		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)	X	
<b>2b</b>			
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return? . . . . .	X	
<b>3a</b>			
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O . . . . .	X	
<b>3b</b>			
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? . . . . .		X
<b>4a</b>			
b	If "Yes," enter the name of the foreign country. ► _____ See the instructions for exceptions and filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts		
<b>4b</b>			
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . . . .		X
<b>5a</b>			
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? . . . . .		X
<b>5b</b>			
c	If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction? . . . . .		
<b>5c</b>			
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible? . . . . .		X
<b>6a</b>			
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? . . . . .		
<b>6b</b>			
<b>7 Organizations that may receive deductible contributions under section 170(c).</b>			
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor? . . . . .	X	
<b>7a</b>			
b	If "Yes," did the organization notify the donor of the value of the goods or services provided? . . . . .	X	
<b>7b</b>			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? . . . . .		
<b>7c</b>			
d	If "Yes," indicate the number of Forms 8282 filed during the year . . . . .		
	<b>7d</b>		
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . . . .		X
<b>7e</b>			
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . . . .		X
<b>7f</b>			
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required? . . . . .	X	
<b>7g</b>			
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required? . . . . .	X	
<b>7h</b>			
<b>8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year? . . . . .			X
<b>8</b>			
<b>9 Sponsoring organizations maintaining donor advised funds.</b>			
a	Did the organization make any taxable distributions under section 4966? . . . . .		X
<b>9a</b>			
b	Did the organization make a distribution to a donor, donor advisor, or related person? . . . . .		X
<b>9b</b>			
<b>10 Section 501(c)(7) organizations.</b> Enter			
a	Initiation fees and capital contributions included on Part VIII, line 12 . . . . .		
	<b>10a</b>		
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities . . . . .		
	<b>10b</b>		
<b>11 Section 501(c)(12) organizations.</b> Enter.			
a	Gross income from members or shareholders . . . . .		
	<b>11a</b>		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them) . . . . .		
	<b>11b</b>		
<b>12a Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041? . . . . .			
<b>12a</b>			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year . . . . .		
	<b>12b</b>		

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members of the governing body; 1b Enter the number of voting members that are independent; 2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?; 3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?; 4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?; 5 Did the organization become aware during the year of a material diversion of the organization's assets?; 6 Does the organization have members or stockholders?; 7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?; 7b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?; 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following; 8a The governing body?; 8b Each committee with authority to act on behalf of the governing body?; 9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O.

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

Table with 3 columns: Question, Yes, No. Rows include: 10a Does the organization have local chapters, branches, or affiliates?; 10b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?; 11 Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?; 11A Describe in Schedule O the process, if any, used by the organization to review this Form 990; 12a Does the organization have a written conflict of interest policy? If "No," go to line 13; 12b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?; 12c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done; 13 Does the organization have a written whistleblower policy?; 14 Does the organization have a written document retention and destruction policy?; 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?; 15a The organization's CEO, Executive Director, or top management official; 15b Other officers or key employees of the organization; 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?; 16b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed ATTACHMENT 4
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply. [X] Own website [ ] Another's website [X] Upon request
19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization. FLOYD HOUDYSHELL 9600 WRIGHT DR. MIDLAND, TX 79706 432-563-1000

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year. Use Schedule J-2 if additional space is needed.

- List all of the organization's current officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's current key employees. See instructions for definition of "key employee."
- List the organization's five current highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's former officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's former directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if the organization did not compensate any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
TED SHORT DIRECTOR	10.00	X						0.	0.	0.
JOE COWAN DIRECTOR	10.00	X						0.	0.	0.
GEORGE LODGE DIRECTOR	10.00	X						0.	0.	0.
DOUG ROZENDAAL DIRECTOR	10.00	X						0.	0.	0.
FLOYD HOUDASHELL JR. DIRECTOR	10.00	X						0.	0.	0.
BILL COOMBES DIRECTOR	10.00	X						0.	0.	0.
GRAHAM ROBERTSON DIRECTOR	10.00	X						0.	0.	0.
STEVE BARBER DIRECTOR	10.00	X						0.	0.	0.
MARK NOVAK DIRECTOR	12.00	X						0.	0.	0.
TOM RUSH DIRECTOR	10.00	X						0.	0.	0.
CHARLES HUTCHINS DIRECTOR	10.00	X						0.	0.	0.
STEVE BROWN PRESIDENT	40.00			X				225,000.	0.	0.
FLOYD HOUDYSHELL SECRETARY / TREASURER	40.00			X				99,999.	0.	0.



**Part VIII Statement of Revenue**

74-1484491

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
<b>Contributions, gifts, grants and other similar amounts</b>	<b>1a</b> Federated campaigns . . . . .	<b>1a</b>				
	<b>b</b> Membership dues . . . . .	<b>1b</b>	1,073,692			
	<b>c</b> Fundraising events . . . . .	<b>1c</b>				
	<b>d</b> Related organizations . . . . .	<b>1d</b>	481,227.			
	<b>e</b> Government grants (contributions) . . . . .	<b>1e</b>				
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above . . . . .	<b>1f</b>	2,769,522.			
	<b>g</b> Noncash contributions included in lines 1a-1f \$ . . . . .					
	<b>h</b> Total. Add lines 1a-1f . . . . .			4,324,441.		
<b>Program Service Revenue</b>	<b>2a</b> AIRSHOW REVENUE	Business Code	711130	3,886,290.	3,886,290	
	<b>b</b> MEMBERSHIP DUES		713990	119,748.	119,748.	
	<b>c</b> HANGAR INCOME		488119	95,768.	95,768	
	<b>d</b> MUSEUM ADMISSIONS		712110	240,519	240,519	
	<b>e</b> ANUAC FEES		713990	501,088.	501,088	
	<b>f</b> All other program service revenue . . . . .		900099	359,824	359,824	
	<b>g</b> Total. Add lines 2a-2f . . . . .			5,203,237.		
	<b>3</b> Investment income (including dividends, interest, and other similar amounts) . . . . .	ATTACHMENT 5		36,178		
<b>4</b> Income from investment of tax-exempt bond proceeds . . . . .			0.			
<b>5</b> Royalties . . . . .			0.			
<b>Other Revenue</b>	<b>6a</b> Gross Rents . . . . .	(i) Real (ii) Personal				
	<b>b</b> Less rental expenses . . . . .					
	<b>c</b> Rental income or (loss) . . . . .					
	<b>d</b> Net rental income or (loss) . . . . .			0		
	<b>7a</b> Gross amount from sales of assets other than inventory . . . . .	(i) Securities (ii) Other				
	<b>b</b> Less cost or other basis and sales expenses . . . . .					
	<b>c</b> Gain or (loss) . . . . .					
	<b>d</b> Net gain or (loss) . . . . .			25,669		25,669.
	<b>8a</b> Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 . . . . .	a	292,930			
	<b>b</b> Less direct expenses . . . . .	b	276,035			
	<b>c</b> Net income or (loss) from fundraising events . . . . .	ATCH. 6.		16,895.		16,895.
	<b>9a</b> Gross income from gaming activities See Part IV, line 19 . . . . .	a	1,268,118.			
	<b>b</b> Less direct expenses . . . . .	b	1,258,019			
	<b>c</b> Net income or (loss) from gaming activities . . . . .	ATCH. 7.		10,099	-95,885.	105,984.
	<b>10a</b> Gross sales of inventory, less returns and allowances . . . . .	a	895,072.			
	<b>b</b> Less cost of goods sold . . . . .	b	580,546.			
	<b>c</b> Net income or (loss) from sales of inventory . . . . .	ATCH. 8.		314,526.		
	<b>Miscellaneous Revenue</b>		<b>Business Code</b>			
<b>11a</b> ADVERTISING INCOME		541800	8,122.		8,122.	
<b>b</b> UTILITIES REIMBURSEMENT		900099	7,264	7,264.		
<b>c</b> REFUNDS & REBATES		900099	19,888.	19,888.		
<b>d</b> All other revenue . . . . .						
<b>e</b> Total. Add lines 11a-11d . . . . .			35,274.			
<b>12</b> Total Revenue. See instructions . . . . .			9,966,319.	5,134,504	114,106.	78,742.

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U S See Part IV, line 21 . . .	88,559.	88,559.		
2 Grants and other assistance to individuals in the U S See Part IV, line 22 . . . . .	0.		- -	
3 Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16 . . . . .	0.			
4 Benefits paid to or for members . . . . .	0.			
5 Compensation of current officers, directors, trustees, and key employees . . . . .	324,999.	89,999.	191,250.	43,750.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . .	0.			
7 Other salaries and wages . . . . .	731,398.	121,509.	609,889.	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . .	6,837.		6,837.	
9 Other employee benefits . . . . .	112,124.		112,124.	
10 Payroll taxes . . . . .	87,220.		84,895.	2,325.
11 Fees for services (non-employees)				
a Management . . . . .	0.			
b Legal . . . . .	194,037.	174,835.	19,202.	
c Accounting . . . . .	99,273.	21,288.	77,985.	
d Lobbying . . . . .	0.			
e Professional fundraising services See Part IV, line 17	165,295.			165,295.
f Investment management fees . . . . .	0.			
g Other . . . . .	1,025,619.	999,795.	25,824.	
12 Advertising and promotion . . . . .	261,658.	244,243.	14,803.	2,612.
13 Office expenses . . . . .	16,641.	16,641.		
14 Information technology . . . . .	1,731.		1,471.	260.
15 Royalties . . . . .	0.			
16 Occupancy . . . . .	802,282.	642,079.	160,203.	
17 Travel . . . . .	161,269.	89,647.	71,622.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0.			
19 Conferences, conventions, and meetings . . . . .	4,032.		4,032.	
20 Interest . . . . .	65,929.	49,938.	15,991.	
21 Payments to affiliates . . . . . ATCH 9 . . . . .	396,855.	2,924.	393,931.	
22 Depreciation, depletion, and amortization . . . . .	421,671.	215,010.	206,661.	
23 Insurance . . . . .	594,633.	530,029.	64,604.	
24 Other expenses Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a AIRSHOW EXPENSE	1,803,695.	1,463,024.	340,671.	
b DUES & SUBSCRIPTIONS	17,004.	11,608.	5,396.	
c ENTERTAINMENT	10,587.	7,028.	3,559.	
d FUEL & OIL EXPENSE	408,313.	408,070.	243.	
e REPAIRS & MAINTENANCE	357,389.	181,318.	176,071.	
f All other expenses	2,706,652.	1,367,328.	177,673.	1,161,651.
25 Total functional expenses Add lines 1 through 24f	10,865,702.	6,724,872.	2,764,937.	1,375,893.
26 Joint Costs. Check here <input type="checkbox"/> If following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation . . . . .				

**Part X Balance Sheet**

		(A) Beginning of year		(B) End of year	
Assets	1	Cash - non-interest-bearing	2,408,735.	1	1,606,460.
	2	Savings and temporary cash investments	1,396,051.	2	2,557,008.
	3	Pledges and grants receivable, net	125,505.	3	52,899.
	4	Accounts receivable, net	758,753.	4	490,995.
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L	-	5	-
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7	Notes and loans receivable	52,994.	7	43,772.
	8	Inventories for sale or use	467,618.	8	576,080.
	9	Prepaid expenses and deferred charges	283,364.	9	352,517.
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	14,729,141.		
	10b	Less accumulated depreciation	3,808,708.	10c	10,920,433.
	11	Investments - publicly traded securities		11	
	12	Investments - other securities See Part IV, line 11		12	
	13	Investments - program-related See Part IV, line 11	523,346.	13	531,230.
	14	Intangible assets		14	
	15	Other assets See Part IV, line 11	40,090.	15	32,325.
16	<b>Total assets.</b> Add lines 1 through 15 (must equal line 34)	17,070,761.	16	17,163,719.	
Liabilities	17	Accounts payable and accrued expenses	193,121.	17	47,014.
	18	Grants payable		18	
	19	Deferred revenue	36,780.	19	305,000.
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability Complete Part IV of Schedule D		21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties	2,358,801.	23	2,995,470.
	24	Unsecured notes and loans payable to unrelated third parties		24	
25	Other liabilities Complete Part X of Schedule D	1,144,631.	25	1,322,660.	
26	<b>Total liabilities.</b> Add lines 17 through 25	3,733,333.	26	4,670,144.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
	27	Unrestricted net assets	10,126,472.	27	11,763,573.
	28	Temporarily restricted net assets	3,210,956.	28	677,103.
	29	Permanently restricted net assets		29	52,899.
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	<b>Total net assets or fund balances</b>	13,337,428.	33	12,493,575.
	34	<b>Total liabilities and net assets/fund balances</b>	17,070,761.	34	17,163,719.

**Part XI Financial Statements and Reporting**

		Yes	No
1	Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? . . . . .		X
2b	Were the organization's financial statements audited by an independent accountant? . . . . .	X	
2c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? . . . . . If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	X	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? . . . . .		
3b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits		



Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi) (Complete only if you checked the box on line 5, 7, or 8 of Part I)

Section A. Public Support

Table with 7 columns: (a) 2005, (b) 2006, (c) 2007, (d) 2008, (e) 2009, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Tax revenues levied for the organization's benefit; 3 The value of services or facilities furnished by a governmental unit; 4 Total. Add lines 1 through 3; 5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f); 6 Public support. Subtract line 5 from line 4.

Section B. Total Support

Table with 7 columns: (a) 2005, (b) 2006, (c) 2007, (d) 2008, (e) 2009, (f) Total. Rows include: 7 Amounts from line 4; 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 9 Net income from unrelated business activities, whether or not the business is regularly carried on; 10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV); 11 Total support. Add lines 7 through 10; 12 Gross receipts from related activities, etc (see instructions); 13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.

Section C. Computation of Public Support Percentage

Table with 2 columns: Description, Percentage. Rows include: 14 Public support percentage for 2009 (line 6, column (f) divided by line 11, column (f)); 15 Public support percentage from 2008 Schedule A, Part II, line 14; 16a 33 1/3 % support test - 2009. If the organization did not check the box on line 13, and line 14 is 33 1/3 % or more, check this box and stop here. The organization qualifies as a publicly supported organization; b 33 1/3 % support test - 2008. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3 % or more, check this box and stop here. The organization qualifies as a publicly supported organization; 17a 10%-facts-and-circumstances test - 2009. If the organization did not check a box on line 13, 16a or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization; b 10%-facts-and-circumstances test - 2008. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization; 18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions.

**Part III Support Schedule for Organizations Described in Section 509(a)(2)**  
(Complete only if you checked the box on line 9 of Part I.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants") . . . . .	4,229,969.	4,461,493.	2,293,258	6,491,536.	4,444,189	21,920,445.
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose . . . . .	5,739,992.	6,471,938	6,582,307	8,129,187	6,575,323	33,498,747.
3 Gross receipts from activities that are not an unrelated trade or business under section 513 . . . . .						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . . . .						
5 The value of services or facilities furnished by a governmental unit to the organization without charge . . . . .						
6 Total. Add lines 1 through 5 . . . . .	9,969,961.	10,933,431.	8,875,565.	14,620,723	11,019,512	55,419,192
7a Amounts included on lines 1, 2, and 3 received from disqualified persons . . . . .						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year . . . . .						
c Add lines 7a and 7b . . . . .						
8 Public support (Subtract line 7c from line 6) . . . . .						55,419,192

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9 Amounts from line 6 . . . . .	9,969,961.	10,933,431	8,875,565.	14,620,723	11,019,512	55,419,192.
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources . . . . .	86,907	218,143	265,048.	661,413	61,847.	1,293,358
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 . . . . .						
c Add lines 10a and 10b . . . . .	86,907.	218,143.	265,048.	661,413.	61,847	1,293,358.
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on . . . . .			31,456	85,800.	114,106.	231,362
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV) . . . . .	663,797	728,714.	606,539	144,708	27,152	2,170,910.
13 Total support. (Add lines 9, 10c, 11, and 12) . . . . .	10,720,665	11,880,288.	9,778,608	15,512,644.	11,222,617.	59,114,822.
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here . . . . . ▶ <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

15 Public support percentage for 2009 (line 8, column (f) divided by line 13, column (f)) . . . . .	15	93.75 %
16 Public support percentage from 2008 Schedule A, Part III, line 15 . . . . .	16	0.00 %

**Section D. Computation of Investment Income Percentage**

17 Investment income percentage for 2009 (line 10c, column (f) divided by line 13, column (f)) . . . . .	17	2.19 %
18 Investment income percentage from 2008 Schedule A, Part III, line 17 . . . . .	18	0.00 %

19a **33 1/3 % support tests - 2009.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3 %, and line 17 is not more than 33 1/3 %, check this box and stop here The organization qualifies as a publicly supported organization ▶

b **33 1/3 % support tests - 2008.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3 %, and line 18 is not more than 33 1/3 %, check this box and stop here The organization qualifies as a publicly supported organization ▶

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶

**Part IV** **Supplemental Information.** Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. See instructions.

ATTACHMENT 1

SCHEDULE A, PART III - OTHER INCOME

DESCRIPTION	2005	2006	2007	2008	2009	TOTAL
OTHER EXEMPT INCOME	663,797.	728,714.	606,539	144,708.	27,152	2,170,910.
<b>TOTAL</b>	<u>663,797.</u>	<u>728,714.</u>	<u>606,539.</u>	<u>144,708.</u>	<u>27,152.</u>	<u>2,170,910.</u>

SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No 1545-0047

2009

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

Attach to Form 990. See separate instructions.

Name of the organization

THE COMMEMORATIVE AIR FORCE

Employer identification number

74-1484491

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts Complete if the organization answered "Yes" to Form 990, Part IV, line 6

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 1 Total number at end of year, 2 Aggregate contributions to (during year), 3 Aggregate grants from (during year), 4 Aggregate value at end of year, 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?, 6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

Table with 2 columns: Held at the End of the Year. Rows include: 1 Purpose(s) of conservation easements held by the organization (check all that apply), 2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year, 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year, 4 Number of states where property subject to conservation easement is located, 5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?, 6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year, 7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year, 8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)?, 9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8

Table with 2 columns: Revenues, Assets. Rows include: 1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items, 1b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items, 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items.

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule D (Form 990) 2009

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a  Public exhibition
- b  Scholarly research
- c  Preservation for future generations
- d  Loan or exchange programs
- e  Other \_\_\_\_\_

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?  Yes  No

**Part IV Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?  Yes  No

b If "Yes," explain the arrangement in Part XI V and complete the following table

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21?  Yes  No

b If "Yes," explain the arrangement in Part XI V.

**Part V Endowment Funds.** Complete if organization answered "Yes" to Form 990, Part IV, line 10

	(a) Current Year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	2,394,870.	1,926,065.			
b Contributions					
c Net investment earnings, gains, and losses	171,816	468,805			
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	2,566,686.	2,394,870.			

2 Provide the estimated percentage of the year end balance held as

- a Board designated or quasi-endowment  2.0000 %
- b Permanent endowment  98.0000 %
- c Term endowment  %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

- (i) unrelated organizations
- (ii) related organizations

	Yes	No
3a(i)		
3a(ii)	X	
3b	X	

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIV the intended uses of the organization's endowment funds

**Part VI Investments - Land, Buildings, and Equipment** See Form 990, Part X, line 10

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		16,500.		16,500.
b Buildings		6,584,849.	1,723,962.	4,860,887.
c Leasehold improvements		5,636,085.	702,487.	4,933,598.
d Equipment		379,659.	297,623.	82,036.
e Other		2,112,048.	1,084,636.	1,027,412.
<b>Total.</b> Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c))				10,920,433.



**Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements**

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	9,966,319.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	10,865,702.
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	-899,383.
4	Net unrealized gains (losses) on investments	4	55,530.
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	
9	Total adjustments (net) Add lines 4 through 8	9	55,530.
10	Excess or (deficit) for the year per audited financial statements Combine lines 3 and 9	10	-843,853.

**Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return**

1	Total revenue, gains, and other support per audited financial statements	1	12,665,263.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	2,698,944.
e	Add lines 2a through 2d	2e	2,698,944.
3	Subtract line 2e from line 1	3	9,966,319.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)	5	9,966,319.

**Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

1	Total expenses and losses per audited financial statements	1	13,509,116.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV)	2d	2,643,414.
e	Add lines 2a through 2d	2e	2,643,414.
3	Subtract line 2e from line 1	3	10,865,702.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)	5	10,865,702.

**Part XIV Supplemental Information**

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b Also complete this part to provide any additional information

SEE PAGE 5

**Part XIV** Supplemental Information (continued)

## PART XII

## RECONCILIATION OF REVENUE TO AUDITED STATEMENTS

FUNDRAISING EXPENSES	\$ 276,035
COGS	\$ 580,546
GAMING	\$1,258,019
UNREALIZED GAINS	\$ 55,530
DONATION-IN-KIND	\$ 528,814

## PART V

## ENDOWMENT FUNDS

ASSIST THE CAF IN THE PRESERVATION, OPERATION & EXHIBITION OF WORLD WAR  
II AIRCRAFT & RELATED PARAPHERNALIA AND ADMINISTER ENDOWMENT FUND MONIES  
FOR ORGANIZATIONAL PURPOSES OF CAF.

## PART XIII

## RECONCILIATION OF EXPENSE TO AUDITED STATEMENTS

FUNDRAISING EXPENSES	\$ 276,035
COGS	\$ 580,546
GAMING	\$1,258,019
DONATION-IN-KIND	\$ 528,814



**Part II Fundraising Events.** Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than \$5,000

		(a) Event #1	(b) Event #2	(c) Other Events	(d) Total events
		WINGS OVER GILL (event type)	S PADRE AIRSHOW (event type)	20 (total number)	(add col (a) through col (c))
Revenue	1	114,661.	19,747.	158,522.	292,930.
	2				
	3	114,661.	19,747.	158,522.	292,930.
Direct Expenses	4				
	5				
	6				
	7				
	8				
	9	97,240.	39,931.	138,864.	276,035.
	10	Direct expense summary Add lines 4 through 9 in column (d)			
11	Net income summary. Combine line 3, column (d), and line 10				16,895.

**Part III Gaming.** Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col (a) through col (c))
		1	303,832.	964,286.	
Direct Expenses	2	282,500.	703,167.		985,667.
	3				
	4	14,298.	45,377.		59,675.
	5	102,919.	109,758.		212,677.
	6	<input checked="" type="checkbox"/> Yes _____ % <input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> Yes _____ % <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
7	Direct expense summary Add lines 2 through 5 in column (d)				( 1,258,019.)
8	Net gaming income summary. Combine line 1, column d, and line 7				10,099.

	Yes	No
9 Enter the state(s) in which the organization operates gaming activities TX, _____		
a Is the organization licensed to operate gaming activities in each of these states?	X	
b If "No," explain _____		
10 a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?		X
b If "Yes," explain _____		
11 Does the organization operate gaming activities with nonmembers?		X
12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?		X

<b>13</b>	Indicate the percentage of gaming activity operated in				
<b>a</b>	The organization's facility	<b>13a</b>	0.0000 %		
<b>b</b>	An outside facility	<b>13b</b>	100.0000 %		

**14** Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ▶ FLOYD HOUDYSHELL

Address ▶ P.O. BOX 62000 MIDLAND, TX 79711-2000

**15 a** Does the organization have a contract with a third party from whom the organization receives gaming revenue? **15a**

**b** If "Yes," enter the amount of gaming revenue received by the organization **\$** \_\_\_\_\_ and the amount of gaming revenue retained by the third party **\$** \_\_\_\_\_

**c** If "Yes," enter name and address of the third party:

Name ▶ \_\_\_\_\_

Address ▶ \_\_\_\_\_

**16** Gaming manager information

Name ▶ RAY PIERSON

Gaming manager compensation ▶ **\$** 0.

Description of services provided ▶ MR PIERSON VOLUNTEERS FOR CAF AS BINGO CHAIRPERSON

Director/officer       Employee       Independent contractor

**17** Mandatory distributions

**a** Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? **17a**

**b** Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ **\$** 10,099.

	Yes	No
<b>15a</b>		X
<b>17a</b>	X	





**SCHEDULE J  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Compensation Information**

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

**2009**

**Open to Public Inspection**

Name of the organization THE COMMEMORATIVE AIR FORCE	Employer identification number 74-1484491
---	--

**Part I Questions Regarding Compensation**

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items

- |  |  |
|--|--|
| <input type="checkbox"/> First-class or charter travel             | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions                     | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees   |
| <input type="checkbox"/> Discretionary spending account            | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

b If any of the boxes on line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply

- |  |  |
|--|--|
| <input type="checkbox"/> Compensation committee              | <input checked="" type="checkbox"/> Written employment contract          |
| <input type="checkbox"/> Independent compensation consultant | <input type="checkbox"/> Compensation survey or study                    |
| <input type="checkbox"/> Form 990 of other organizations     | <input type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization

- a Receive a severance payment or change-of-control payment? **4a**
- b Participate in, or receive payment from, a supplemental nonqualified retirement plan? **4b**
- c Participate in, or receive payment from, an equity-based compensation arrangement? **4c**
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III

**Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.**

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of

- a The organization? **5a**
- b Any related organization? **5b**
- If "Yes" to line 5a or 5b, describe in Part III

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of

- a The organization? **6a**
- b Any related organization? **6b**
- If "Yes" to line 6a or 6b, describe in Part III

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
<b>1b</b>		
<b>2</b>		
<b>4a</b>		X
<b>4b</b>		X
<b>4c</b>		X
<b>5a</b>		X
<b>5b</b>		X
<b>6a</b>		X
<b>6b</b>		X
<b>7</b>		X
<b>8</b>		X
<b>9</b>		

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2009

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** Use Schedule J-1 if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
STEVE BROWN	(i)	225,000.	0.	0.	0.	225,000.	0.
	(ii)	0.	0.	0.	0.	0.	0.
	(i)						
	(ii)						
	(i)						
	(ii)						
	(i)						
	(ii)						
	(i)						
	(ii)						
	(i)						
	(ii)						
	(i)						
	(ii)						
	(i)						
	(ii)						
	(i)						
	(ii)						
	(i)						
	(ii)						
	(i)						
	(ii)						
	(i)						
	(ii)						

**Part III Supplemental Information**

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

Area with horizontal dashed lines for supplemental information.

**SCHEDULE O  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990**

Complete to provide information for responses to specific questions on  
Form 990 or to provide any additional information.  
▶ Attach to Form 990.

OMB No 1545-0047

**2009**

**Open to Public  
Inspection**

Name of the organization

THE COMMEMORATIVE AIR FORCE

Employer identification number

74-1484491

ATTACHMENT 2

PT VI GOVERNANCE, MANAGEMENT, DISCLOSURE

GOVERNING BODY AND MANAGEMENT

NON VOTING MEMBERSHIP IS NOT RESTRICTED. REGULAR, LIFE, ASSOCIATE AND  
CADET (AGES 13-23) MEMBERSHIPS ARE AVAILABLE. NATIONAL ELECTION VOTING  
RIGHTS AND THE OPPORTUNITY TO HOLD A UNIT LEVEL OFFICE ARE AVAILABLE ONLY  
TO INDIVIDUALS (18 AND OVER) HOLDING A COLONEL MEMBERSHIP. MEMBERS OF  
THE CAF ARE ALLOWED TO SUBMIT NOMINEES FOR ELECTION TO THE CAF GENERAL  
STAFF TO THE V.P. OF ADMINISTRATION. IN ACCORDANCE WITH CAF'S BYLAWS,  
ABSENTEE BALLOTS ARE MAILED TO ALL COLONELS REQUESTING THEM. ALL  
ELECTION BALLOTS ARE TIMELY COLLECTED AND COUNTED BY THE ORGANIZATION'S  
INDEPENDENT AUDITOR.

PT V IRS FILINGS

TAX COMPLIANCE

FORM 990T IS TIMELY FILED FOR UNRELATED BUSINESS INCOME (GAMING).

PT VI GOVERNANCE, MANAGEMENT, DISCLOSURE

POLICIES & DISCLOSURE

POLICIES ARE REVIEWED BY THE BOARD (GENERAL STAFF) IN TIMELY INTERVALS TO  
ENSURE ENFORCEMENT / COMPLIANCE WITH POLICIES. ANY CONFLICTS WOULD BE  
DISCLOSED AT BOARD MEETINGS.

PT VI GOVERNANCE, MANAGEMENT, DISCLOSURE

POLICIES & DISCLOSURE

A COPY OF THE TAX RETURN IS REVIEWED BY THE SECRETARY/TREASURER (FLOYD

Name of the organization THE COMMEMORATIVE AIR FORCE	Employer identification number 74-1484491
---	--

ATTACHMENT 2 (CONT'D)

HOUDYSHELL) BEFORE IT IS MAILED.

PT VI GOVERNANCE, MANAGEMENT, DISCLOSURE

POLICIES & DISCLOSURE

POLICIES ARE MADE AVAILABLE BY REQUEST OR ON THE ORGANIZATION'S MEMBER WEBSITE.

PT VI, SECTION A.

GOVERNING BODY AND MANAGEMENT

PLEASE CONTACT STEVE BROWN AND/OR FLOYD HOUDYSHELL AT

P.O. BOX 62000

MIDLAND, TX. 79711-2000

PHONE: 877-767-7175

FAX: 432-563-8046

AMENDMENT CHANGES

VARIOUS

THESE ARE THE ITEMS THAT HAVE BEEN CHANGED IN THIS AMENDMENT AND THE REASONING FOR THOSE CHANGES.

1. FORM 990, PAGE 1, SECTION F: THE ADDRESS HAS BEEN CHANGED FROM THE PHYSICAL ADDRESS TO THE MAILING ADDRESS PER THE INSTRUCTIONS TO THE FORM 990.
2. FORM 990, PAGE 1, SECTION H: BOXES H(A) AND H(B) HAVE BEEN CHECKED AS "YES" AS ALL CHAPTERS ARE INCLUDED IN THIS FILING.

Name of the organization THE COMMEMORATIVE AIR FORCE	Employer identification number 74-1484491
---	--

ATTACHMENT 2 (CONT'D)

3. FORM 990, PART VII, SECTION A: ROBERT STENEVIC AND KEITH LAWRENCE WERE DETERMINED NOT TO MEET THE DEFINITION OF OFFICERS AND REMOVED FROM THE LIST.
4. FORM 990, PART VIII, LINE 1B: MEMBERSHIP DUES ARE CONSIDERED CHARITABLE CONTRIBUTIONS TO THE EXTENT THEY EXCEED THE TANGIBLE BENEFITS PROVIDED. WE HAVE RECLASSIFIED THIS AMOUNT TO LINE 1B RATHER THAN LISTING ALL MEMBER DUES ON LINE 2B.
5. FORM 990, PART VIII, LINE 1E: THE \$30,000 AMOUNT LISTED ON THE ORIGINAL RETURN WAS NOT A GOVERNMENTAL GRANT BUT A GENERAL CONTRIBUTION THAT HAD BEEN MISNAMED. IT HAS BEEN MOVED TO LINE 1F.
6. FORM 990, PART VIII, LINES 8A-8C: THE MAIL-OUT FUNDRAISING PROGRAM HAS BEEN DETERMINED NOT TO MEET THE DEFINITION OF A FUNDRAISING EVENT, BUT IS AN ONGOING PROGRAM INTENDED SOLELY TO GENERATE CONTRIBUTIONS. THE REVENUES HAVE BEEN MOVED TO LINE 1F AS GENERAL CONTRIBUTIONS AND THE EXPENSES HAVE BEEN MOVED TO PART IX COLUMN D AS FUNDRAISING EXPENSES.
7. FORM 990, PART IX: AS A RESULT OF THE CHANGE TO THE FUNDRAISING PROGRAM, TOTAL EXPENSES HAVE INCREASED.
8. SCHEDULE A, PART III, SECTION A: AS A RESULT OF THE CHANGE TO THE MEMBERSHIP DUES CLASSIFICATION, LINES 1 AND 2 HAVE CHANGED.

Name of the organization THE COMMEMORATIVE AIR FORCE	Employer identification number 74-1484491
---	--

ATTACHMENT 2 (CONT'D)

9. SCHEDULE D, PART XII AND XIII: THE MAIL-OUT FUNDRAISING EXPENSES ARE  
NO LONGER RECONCILING ITEMS TO THE AUDITED FINANCIALS.

10. SCHEDULE G, PART II: THE MAIL-OUT EVENT IS NO LONGER LISTED AS A  
SPECIAL EVENT.

## ATTACHMENT 3

## FORM 990, PART III, LINE 4D - OTHER PROGRAM SERVICES

<u>DESCRIPTION</u>	<u>GRANTS</u>	<u>EXPENSES</u>	<u>REVENUE</u>
OTHER PROGRAM SERVICE ACTIVITIES		2034087.	386,859.
TOTALS		<u>2034087.</u>	<u>386,859.</u>

## ATTACHMENT 4

## FORM 990, PART VI, LINE 17 - STATES

AL, AK, AZ, AR, CA, CO,  
FL, GA, IL, IN, KS, KY, ME, MD, MA, MI,  
MN, MS, MO, NH, NJ, NM, NY, NC, ND, OH, OK, OR, PA,  
SC, TN, UT, VA, WA, WV, WI,

## ATTACHMENT 5

## FORM 990, PART VIII - INVESTMENT INCOME

<u>DESCRIPTION</u>	(A) <u>TOTAL REVENUE</u>	(B) <u>RELATED OR EXEMPT REVENUE</u>	(C) <u>UNRELATED BUSINESS REV.</u>	(D) <u>EXCLUDED REVENUE</u>
INTEREST	36,178			36,178

Name of the organization

THE COMMEMORATIVE AIR FORCE

Employer identification number

74-1484491

ATTACHMENT 5 (CONT'D)FORM 990, PART VIII - INVESTMENT INCOME

<u>DESCRIPTION</u>	(A) <u>TOTAL REVENUE</u>	(B) <u>RELATED OR EXEMPT REVENUE</u>	(C) <u>UNRELATED BUSINESS REV.</u>	(D) <u>EXCLUDED REVENUE</u>
TOTALS	<u>36,178.</u>			<u>36,178.</u>

ATTACHMENT 6FORM 990, PART VIII - FUNDRAISING EVENTS

<u>DESCRIPTION</u>	<u>GROSS INCOME</u>	<u>DIRECT EXPENSES</u>	<u>NET INCOME</u>
SPECIAL EVENTS	292,930.	276,035.	16,895.
TOTALS	<u>292,930.</u>	<u>276,035.</u>	<u>16,895.</u>

ATTACHMENT 7FORM 990, PART VIII - GAMING ACTIVITIES

<u>DESCRIPTION</u>	<u>GROSS INCOME</u>	<u>DIRECT EXPENSES</u>	<u>NET INCOME</u>
BINGO	303,832.	399,717.	-95,885
PULL-TAB	964,286	858,302.	105,984
TOTALS	<u>1,268,118.</u>	<u>1,258,019.</u>	<u>10,099.</u>

Name of the organization THE COMMEMORATIVE AIR FORCE	Employer identification number 74-1484491
---	--

ATTACHMENT 8

FORM 990, PART VIII - GROSS SALES AND COST OF GOODS SOLD

GROSS SALES LESS RETURNS AND ALLOWANCES .....	895,072.
INVENTORY AT BEGINNING OF YEAR .....	467,618.
PURCHASES .....	
SALARIES AND WAGES .....	
OTHER COSTS .....	689,009.
SUBTOTAL .....	<u>1,156,627.</u>
MINUS ENDING INVENTORY .....	576,081.
COST OF GOODS SOLD .....	<u>580,546.</u>

ATTACHMENT 9

FORM 990, PART IX - PAYMENTS TO AFFILIATES

<u>DESCRIPTION</u>	<u>(A) TOTAL EXPENSES</u>	<u>(B) PROGRAM SERVICE EXP.</u>	<u>(C) MANAGEMENT AND GENERAL</u>	<u>(D) FUNDRAISING EXPENSES</u>
ASSISTANCE TO AFFILIATES	396,855.	2,924.	393,931.	
TOTALS	<u>396,855.</u>	<u>2,924.</u>	<u>393,931.</u>	

ATTACHMENT 10

FORM 990, PART X - NOTES AND LOANS RECEIVABLE

BORROWER:	INTERCOMPANY RECEIVABLE (INCL ANUAC)
BEGINNING BALANCE DUE .....	13,453.
ENDING BALANCE DUE .....	<u>1,483.</u>

BORROWER:	NOTES RECEIVABLE
BEGINNING BALANCE DUE .....	39,541.
ENDING BALANCE DUE .....	

Name of the organization  
 THE COMMEMORATIVE AIR FORCE

Employer identification number  
 74-1484491

ATTACHMENT 10 (CONT'D)  
42,289.

TOTAL BEGINNING NOTES AND LOANS RECEIVABLE 52,994.  
 TOTAL ENDING NOTES AND LOANS RECEIVABLES 43,772.

ATTACHMENT 11

FORM 990, PART X - PREPAID EXPENSES AND DEFERRED CHARGES

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>
PRE-PAID EXPENSES	352,517.
TOTALS	<u>352,517.</u>

ATTACHMENT 12

FORM 990, PART X - DEFERRED REVENUE

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>
DEFERRED REVENUE	305,000.
TOTALS	<u>305,000.</u>

ATTACHMENT 13

FORM 990, PART X - SECURED MORTGAGES AND NOTES PAYABLE

LENDER: BANK OF GEORGIA  
 ORIGINAL AMOUNT: 650,000.  
 INTEREST RATE: 7.000000  
 MATURITY DATE: 04/05/2013  
 REPAYMENT TERMS: DUE ON DEMAND  
 SECURITY PROVIDED: REAL ESTATE / HANGAR  
 PURPOSE OF LOAN: DIXIE WING

BEGINNING BALANCE DUE .....	569,998.
ENDING BALANCE DUE .....	<u>552,427.</u>

Name of the organization THE COMMEMORATIVE AIR FORCE	Employer identification number 74-1484491
---	--

ATTACHMENT 13 (CONT'D)

LENDER: WELLS FARGO (AAHF)  
ORIGINAL AMOUNT: 96,560.  
MATURITY DATE: 12/31/2010  
REPAYMENT TERMS: PRIME + 2  
SECURITY PROVIDED: NONE  
PURPOSE OF LOAN: GREAT LAKES

BEGINNING BALANCE DUE ..... 55,236.  
ENDING BALANCE DUE ..... 55,236.

LENDER: INDIVIDUAL - UNSECURED  
ORIGINAL AMOUNT: 25,000.  
INTEREST RATE: 0.000000  
REPAYMENT TERMS: UNSPECIFIED INCREMENTS OVER UNSPECIFIED TIME PD  
SECURITY PROVIDED: NONE  
PURPOSE OF LOAN: NATIONAL CAPITAL (12,500 EA. DON WEEKS/GARY HOBBS)

BEGINNING BALANCE DUE ..... 17,500.  
ENDING BALANCE DUE ..... 15,500.

Name of the organization THE COMMEMORATIVE AIR FORCE	Employer identification number 74-1484491
---	--

ATTACHMENT 13 (CONT'D)

LENDER: UNSECURED NOTE / FOUNDATION  
ORIGINAL AMOUNT: 100,000.  
MATURITY DATE: 12/31/2011  
REPAYMENT TERMS: INTEREST @ PRIME + 2%  
SECURITY PROVIDED: UNSECURED / INTERCOMPANY  
PURPOSE OF LOAN: P-40 SPONSOR GP

BEGINNING BALANCE DUE .....	91,641.
ENDING BALANCE DUE .....	<u>91,641.</u>

LENDER: LOBO HANGAR FINANCING GROUP  
ORIGINAL AMOUNT: 84,889.  
INTEREST RATE: 6.000000  
DATE OF NOTE: 09/14/2004  
MATURITY DATE: 05/30/2016  
SECURITY PROVIDED: HANGAR (50'X90') MORIARTY AIRPORT, MORIARTY N.M.  
PURPOSE OF LOAN: LOT 82 METAL BUILDING / LOBO WING

BEGINNING BALANCE DUE .....	70,234.
ENDING BALANCE DUE .....	<u>65,234.</u>

Name of the organization THE COMMEMORATIVE AIR FORCE	Employer identification number 74-1484491
<u>ATTACHMENT 13 (CONT'D)</u>	

LENDER: GNB FINANCIAL NA / PROSPERITY NTL BANK  
 ORIGINAL AMOUNT: 20,000.  
 INTEREST RATE: 6.000000  
 DATE OF NOTE: 05/07/2004  
 MATURITY DATE: 12/31/2010  
 REPAYMENT TERMS: PRIME + 2  
 PURPOSE OF LOAN: CORSAIR GROUP

BEGINNING BALANCE DUE .....	9,628.
ENDING BALANCE DUE .....	<u>1,061.</u>

LENDER: MUSEUM OF FLYING SUPPORT FUND  
 ORIGINAL AMOUNT: 450,000.  
 INTEREST RATE: 7.000000  
 DATE OF NOTE: 06/07/2004  
 MATURITY DATE: 07/31/2008  
 REPAYMENT TERMS: PRINCIPAL AND INTEREST PAYABLE IN ONE YEAR  
 SECURITY PROVIDED: SUPERMARINE SPITFIRE MK XIV N749DP  
 PURPOSE OF LOAN: INTERCOMPANY

BEGINNING BALANCE DUE .....	1.
ENDING BALANCE DUE .....	<u>1.</u>

Name of the organization THE COMMEMORATIVE AIR FORCE	Employer identification number 74-1484491
---	--

ATTACHMENT 13 (CONT'D)

LENDER: WELLS FARGO - RLOC  
ORIGINAL AMOUNT: 700,000.  
INTEREST RATE: 7.750000  
MATURITY DATE: 12/31/2010  
REPAYMENT TERMS: FLOATING RATE / INDEX PLUS 0%  
SECURITY PROVIDED: NONE  
PURPOSE OF LOAN: REVOLVING LOC

BEGINNING BALANCE DUE ..... 369,416.  
ENDING BALANCE DUE ..... 644,231.

LENDER: UNSECURED - INDIVIDUALS  
ORIGINAL AMOUNT: 17,500.  
INTEREST RATE: 0.000000  
MATURITY DATE: 01/16/2012  
REPAYMENT TERMS: \$3,500 EA: DOUG MATTHEWS, RAY REEVES, JOE BROKER  
PURPOSE OF LOAN: \$3,500 EA: SCHUYLER VAN NESS, ALAN ARMSTRONG

BEGINNING BALANCE DUE ..... 17,000.  
ENDING BALANCE DUE ..... 17,000.

Name of the organization THE COMMEMORATIVE AIR FORCE	Employer identification number 74-1484491
---	--

ATTACHMENT 13 (CONT'D)

LENDER: CAF / AAHF NR & CAF NP  
ORIGINAL AMOUNT: 42,000.  
MATURITY DATE: 12/31/2010  
REPAYMENT TERMS: PRIME + 2%  
SECURITY PROVIDED: INTERCOMPANY  
PURPOSE OF LOAN: B-29 SQUADRON

BEGINNING BALANCE DUE .....	758,906.
ENDING BALANCE DUE .....	<u>901,167.</u>

LENDER: AAHF 41-401-14600  
ORIGINAL AMOUNT: 100,000.  
MATURITY DATE: 09/30/2010  
REPAYMENT TERMS: PRIME + 2%  
PURPOSE OF LOAN: P-47 / INTERCOMPANY

BEGINNING BALANCE DUE .....	124,619.
ENDING BALANCE DUE .....	<u>130,404.</u>

Name of the organization

THE COMMEMORATIVE AIR FORCE

Employer identification number

74-1484491

ATTACHMENT 13 (CONT'D)

LENDER: WELLS FARGO (UTAH WING)  
 ORIGINAL AMOUNT: 206,877.  
 MATURITY DATE: 04/01/2030  
 REPAYMENT TERMS: 5%  
 SECURITY PROVIDED: UTAH HANGAR

BEGINNING BALANCE DUE .....	206,877.
ENDING BALANCE DUE .....	<u>289,000.</u>

LENDER: CAF / HQ (FLORIDA WING)  
 ORIGINAL AMOUNT: 67,745.  
 MATURITY DATE: 04/23/2011  
 REPAYMENT TERMS: PRIME + 1%  
 SECURITY PROVIDED: PROPERTY  
 PURPOSE OF LOAN: INTERCOMPANY

BEGINNING BALANCE DUE .....	67,745.
ENDING BALANCE DUE .....	<u>24,959.</u>

Name of the organization

THE COMMEMORATIVE AIR FORCE

Employer identification number

74-1484491

ATTACHMENT 13 (CONT'D)

LENDER: WELLS FARGO

ORIGINAL AMOUNT: 207,609.

INTEREST RATE: 0.500000

MATURITY DATE: 08/17/2011

REPAYMENT TERMS: FLOATING RATE / INDEX PLUS .500% OR FLOOR OF 5.0%

PURPOSE OF LOAN: B-29

ENDING BALANCE DUE ..... 207,609.

TOTAL BEGINNING MORTGAGES AND OTHER NOTES PAYABLE 2,358,801.TOTAL ENDING MORTGAGES AND OTHER NOTES PAYABLE 2,995,470.



**Part III Identification of Related Organizations Taxable as a Partnership**(Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?	
							Yes	No		Yes	No
-----											
-----											
-----											
-----											
-----											
-----											
-----											
-----											
-----											
-----											

**Part IV Identification of Related Organizations Taxable as a Corporation or Trust**(Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
-----							
-----							
-----							
-----							
-----							
-----							
-----							
-----							
-----							
-----							

**Part V Transactions With Related Organizations** (Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule

		Yes	No
1	During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a	Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity		
b	Gift, grant, or capital contribution to other organization(s)	X	
c	Gift, grant, or capital contribution from other organization(s)		
d	Loans or loan guarantees to or for other organization(s)	X	
e	Loans or loan guarantees by other organization(s)	X	
f	Sale of assets to other organization(s)		
g	Purchase of assets from other organization(s)		
h	Exchange of assets		
i	Lease of facilities, equipment, or other assets to other organization(s)		
j	Lease of facilities, equipment, or other assets from other organization(s)		
k	Performance of services or membership or fundraising solicitations for other organization(s)		
l	Performance of services or membership or fundraising solicitations by other organization(s)		
m	Sharing of facilities, equipment, mailing lists, or other assets		
n	Sharing of paid employees		
o	Reimbursement paid to other organization for expenses	X	
p	Reimbursement paid by other organization for expenses	X	
q	Other transfer of cash or property to other organization(s)		
r	Other transfer of cash or property from other organization(s)		

	(a) Name of other organization	(b) Transaction type (e-r)	(c) Amount involved
2	If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds		
(1)	AAHM & AAHF	O, P, Q, R	121,324.
(2)	AAHM & AAHF	D, E	1,204,496.
(3)	AAHM	B	88,559.
(4)			
(5)			
(6)			

