



2012
ANNUAL
REPORT

(FISCAL YEAR ENDING JAN 31, 2013)

A.V. Roe Canada Aviation Museum Association
Unit A, 7012 Ogden Road SE, Calgary, Alberta, Canada T2C 1B4

PHONE (403) 279-7791

WWW.AVROMUSEUM.COM

BOARD OF DIRECTORS

FOR 2013

EXECUTIVE

PRESIDENT:

**DOUG HYSLIP
CALGARY, AB**

VICE-PRESIDENT:

**PAUL GIES
REDWOOD MEADOWS, AB**

SECRETARY:

**GORD MASIUK
CALGARY, AB**

TREASURER:

**BILL CATES
CALGARY, AB**

DIRECTORS

DIRECTOR

**ARNY VANWIEREN
CALGARY, AB**

DIRECTOR

**DENNIS JOHNSON
CALGARY, AB**

DIRECTOR

**GARY PENNER
HIGH RIVER, AB**

DIRECTOR

**IAN McLAREN
CALGARY, AB**

DIRECTOR

**NORMAN HIEB
CALGARY, AB**

DIRECTOR

**DONETTE HYSLIP
CALGARY, AB**

President's Report – 2012

Avro Museum is pleased to report the continued support of some thirty plus members in 2012. While work on our replica aircraft is being done quietly behind hangar doors, our efforts have now being filmed for a future TV news interest item.

In this past year we were successful in getting our replica design into a flight simulator to test aircraft handling in various flight scenarios. We're pleased to report that the aircraft in its original form truly flies well. We've also upgraded our aircraft structural and aerodynamic analysis software to the best industry standard to assist with design work.

Our focus of course remains one of design and fabrication and we've reached a critical point in our project - the design and development of capable wing spars and control systems.

Wing spars represent the most critical components of the airframe, they carry the weight of the aircraft in flight and the loads associated with landing. Much time has been spent in this past year on basic design, modeling, and repeated testing of materials and processes. Our sacrificial test spar is near complete and ready for destructive testing in late spring to prove its capability. Once testing has been completed, we will move on to building the seven spars that comprise the internal frame of the wing.

Members are encouraged to follow our progress as we continue to build a new website at a new address - www.avromuseum.com .

To-date, we've spent some \$322,187 of the \$474,173 funds raised on airframe fabrication supported by some 11,842 volunteer man hours valued at an additional \$296,050 along with \$111,800 in donated facilities, goods and services.

Our next Casino fund raising opportunity is scheduled for 2nd quarter of 2014 and our fund raising team could benefit from additional casino volunteers. Indeed, volunteers are needed for a whole range of other things as well – please check the website for ideas on how you might help us with a few hours of your time.

As we again move forward, the Board wishes to thank all our volunteers, Museum members and particularly our Casino volunteers, for their continued support.....

Doug Hyslip
President

ARROW II - BUDGET - 2013

BUDGET

MATERIAL / PARTS (REVISED 2011) **\$1,000,000**

EXPENDITURES

RECORDED COSTS TO JAN 31, 2013: **\$322,187**

FIVE YEAR COST PROJECTION

2013 \$ 77,813

2014 \$100,000

2015 \$100,000

2016 \$200,000

2017 \$200,000

\$677,813

FUNDING

BANKED AS OF JAN 31, 2013: \$151,986

ESTIMATED INCOME IN 2013: \$ 0,000

ESTIMATED FUNDS TO JAN 31, 2014: **\$151,986**

FUNDS REQUIRED TO COMPLETION: \$525,827

DONATED

MANHOURS 11,842 @ \$25 \$296,050

FACILITIES \$101,800

GOODS / SERVICES \$10,000

\$407,850

TOTAL EXPENDITURES / DONATIONS TO-DATE

\$730,037

A.V. Roe Canada Aviation Museum

Audited Financial Statements

January 31, 2013

A.V. Roe Canada Aviation Museum
Statement of Financial Position
January 31, 2013

	2013	2012
ASSETS		
Current Assets		
Cash	\$ 1,480	\$ 1,335
Cash – Designated (Note 3)	151,986	123,837
Accounts Receivable	1,847	1,441
Inventory (Note 2)	0	0
	\$ 155,313	\$ 126,612
LIABILITIES AND NET ASSETS		
Current Liabilities - Accounts Payable	\$ -20,364	\$ -19,569
Net Assets Designated (Note 3)	\$ 151,986	\$ 123,837
Net Assets General	\$ 23,691	\$ 22,344
	\$ 155,313	\$ 126,612

See accompanying notes to financial statements

Approved on behalf of the Board,

_____, Director

Date _____

_____, Director

Date _____

A.V. Roe Canada Aviation Museum
Statement of Operations and Changes in Net Assets
January 31, 2013

	2013	2012
REVENUE		
Sales of merchandise (net of returns)	\$ 1,270	\$ 1,179
Casino	70,382	68,756
Donations	1,307	710
Grants	0	0
Museum Admission	0	0
Memberships	650	720
Other	0	0
	\$ 73,609	\$ 71,365
EXPENSES		
Cost of Goods Sold (net of returns)	\$ 0	\$ 0
Aircraft	35,313	83,251
Exhibits / Collection	0	18
General and Administrative	8,800	10,374
	\$ 44,113	\$ 93,643
Excess (deficiency) of revenue over expenses	\$ 29,496	\$ -22,278
Net assets - designated, beginning of year	123,837	167,977
Net assets – general, beginning of year	22,344	483
Net assets - designated, end of year	\$ 151,986	\$ 123,837
Net assets – general, end of year	\$ 23,691	\$ 22,344

A.V. Roe Canada Aviation Museum
Statement of Cash Flow
January 31, 2013

	2013
<i>CASH FLOWS FROM OPERATING ACTIVITIES</i>	
Cash from sales of merchandise	\$ 1,270
Cash from Casino (designated use)	70,382
Cash from Donations	1,307
Cash from Museum admission	0
Cash from other	650
Cash paid for cost of goods sold	0
Cash paid for operating expenses	(44,909)
<hr/>	
Increase (Decrease) in cash	\$ 28,700
Cash, beginning of year	\$ 126,613
<hr/>	
<i>CASH, END OF YEAR</i>	<i>\$ 155,313</i>

Notes to Financial Statements

1 - PURPOSE OF THE ORGANIZATION

The A.V. Roe Canada Aviation Museum Association is a non-profit organization and registered charity, incorporated under the Societies Act of Alberta in 1997. The organization is dedicated to preserving the history of A.V. Roe Canada Ltd. through development of a Museum exhibit telling of the company's many accomplishments and the construction of a flying replica of the Avro Arrow aircraft.

2 - Significant Accounting Policies

- **Inventory** has been expensed out in detail expense accounts. Offset income accounts reflect the income from the small amount of inventory still carried.
- **Fixed assets** are expensed in the year of acquisition.
- **Revenue Recognition** – contributions, including operating grants, are included in revenue in the year in which they are received or receivable, with the exception of contributions to fund specific future period operating expenses that are included in revenue in the later period.

3 - Cash – Designated

During any year the Association might raise funds through holding a Casino. These funds are held in a separate bank account and recorded as cash designated and net assets designated until they are spent for the purposes intended. Casino funds currently stand at \$151,985.85.

The casino funds are designated approximately for museum expenses, (15%), aircraft expenses (75%), and promotion expenses of the project (10%). The organization has approval from Alberta Gaming and Liquor Commission to extend the disbursement of these funds in the following manner:

The amount of \$17,028.83 from the November 2009 casino pool distribution must be spent by February 28, 2013. The amount of \$66,665.00 from the May 2011 casino must be spent by August 31, 2013. The amount of \$68,292.02 from the September 2012 casino must be spent by November 30, 2014.

4 - Commitment

Avro Museum has a month-to-month shared rental agreement with Action Hobby for its administration office at \$304 per month (GST included).

Auditors Report

To the members of
A.V. Roe Canada Aviation Museum Association

We, the undersigned, have examined the books for the A.V. Roe Canada Aviation Museum Association as of 31 January 2013.

We can confirm that the funds were used in accordance with the needs and purposes of the Museum Association. We found no suspect error or substantial discrepancy.

The financial statements present fairly, in all material respects, the financial position of the A.V. Roe Canada Aviation Museum as at January 31, 2013 and the results of its operations, the changes in net assets, and the cash flows for the year.

We feel the records fairly reflect the financial position of the organization and recommend the Board accept the findings of this report.

Donette Hylsip

Ian McLaren

Date

Date