



2015
ANNUAL
REPORT

(FISCAL YEAR ENDING JAN 31, 2016)

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

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2016

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President's Report

Year ending Jan 31, 2016

Avro Museum celebrated its first year in the new hangar in January. It's been a hectic year of moving and reorganization, but the Museum and its replica Arrow project are thriving on having the new hangar space to call home. The project is drawing an ever increasing following on our website and Facebook pages and numerous tours and special presentations are being booked in addition to our regular monthly open houses. Maintaining our Avro Lane address has become a priority for our organization.

In the past year we signed a \$375,000 purchase agreement with the hangar owner and have since secured permission of Alberta Gaming permission to use \$187,500 of our accumulated casino funds in support of a dollar matching Community Facility Enhancement Program Grant to purchase the hangar. Our grant application period closed March 15th and a decision on the successful applications is expected to take twelve weeks. We're optimistic that we'll be successful as previous discussions of the matter with these agencies have been extremely positive and we appreciate their support.

The project's new location has also attracted talented and experienced volunteers to help with design, engineering and testing. The fabrication crew has managed to layup all the carbon spar material, and composite rib material. All the wing spar and rib components have now been cut to size and being prepped for assembly. We're about to undertake the critical fabrication of the wing's structural spar and rib frame before the initial fitting and molding of the wing skins.

Our January Casino fund was again a success and Avro Museum would like to thank the volunteers who come forward to help us with this all important fund raising opportunities. Our next casino is scheduled for the third quarter of 2017.

A volunteer has posted a Facebook page in our name to which we've contributed reports, photos and videos of our project – you can now show your friends and associates our project on <https://www.facebook.com/AVROMuseum>. Our full annual report and printable membership forms can be found on our website at www.avromuseum.com.

To-date, we've spent some \$409,533 of the \$558,022 funds raised on airframe fabrication supported by some 21,479 volunteer man hours valued at an additional \$536,975 and another \$176,483 in donated facilities, goods and services.

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 Project Report - thru Jan 31 / 2016

FINANCIAL HISTORY THRU JAN 31, 2016

FUNDS RAISED TO DATE	\$558,022	\$558,022
FUNDS EXPENDED TO DATE		
AIRCRAFT	\$409,533	
HANGAR PURCHASE	\$ ----	\$409,533
DONATED TO DATE		
MANHOURS 21,479 @ \$25	\$536,975	
FACILITIES (EST)	\$164,983	
GOODS / SERVICES (EST)	\$ 11,500	\$713,458

Estimated Overall Completion 50%

Inspections to-date 1

Funding

Aircraft 40%

Hangar 30%

Volunteers

Board 8 Admin 2

Engineering 4 Drafting 1

Avionics/Simulator 4 Fabricators 12

IT 2 Pilots 2

Tools 100%

Materials 70%

Facility Space 100%

Project Item

Materials %	Concept %	Engineering %	Fabrication %
Fuselage Structure			
Forward (cockpit section) 70%	75%	75%	70%
Center (duct section) 80%	80%	75%	60%
Aft (engine section) 30%	40%	40%	0%
Engine Bays 20%	40%	10%	0%
Cockpit Mockup 100%	90%	50%	45%
Cockpit 10%	70%	60%	20%
Nose Gear 0%	70%	30%	0%
Main Gear Mockup 100%	100%	100%	100%
Main Gear 70%	100%	95%	0%
Main Test Spar 100%	100%	100%	100%
Inner wing 80%	80%	70%	40%
Outer wing 80%	80%	75%	55%

Project Item

	Materials %	Concept %	Engineering %	Fabrication %
Fin / Rudder	70%	60%	70%	50%
Flight Control	0%	90%	40%	0%
Systems				
Avionics	0%	90%	80%	10%
Electrical	0%	80%	70%	0%
Electro-Hydraulic	50%	85%	70%	0%
Fuel	0%	80%	70%	0%
Simulator				
Setup / systems check			100%	
Flight Evaluations			on going	
Flight Testing			50%	
Avionics Testing			10%	
Manuals				
Flight Test Program			90%	
Flight Test Guide			80%	
Flight Manual			50%	
Pilot's Handbook			80%	

AVRO MUSEUM BUDGET – 2016

BUDGETED CAPITAL EXPENDITURES

MUSEUM HANGAR PURCHASE	\$ 375,000	
ARROW II AIRCRAFT PROJECT	\$ 1,000,000	\$1,375,000

FUNDING THRU JAN 31, 2017

BANKED AS OF MAR 2016	\$ 150,122	
CASINO (EST)	\$ 65,000	
MEMBERSHIPS / DONATIONS (EST)	\$ 10,000	
CFEP FACILITY GRANT (EST)	\$ 187,500	\$412,622

EXPENDITURES THRU JAN 31, 2017

HANGAR PURCHASE	<\$375,000>	
HANGAR OPERATING COSTS	<\$ 7,500>	
AIRCRAFT MATERIALS	<\$ 10,000>	<\$ 392,500>
	YEAR END	\$20,122

5 YEAR PLAN	RESERVE	HANGAR EXP	AIRCRAFT EXP	BALANCE
MARCH 4/2016				\$150,122
2016	\$412,622**	<\$382,500>***	<\$10,000>	\$20,122
2017	\$ 85,122*	<\$7,500>	<\$25,000>	\$52,622
2018	\$ 42,622	<\$7,500>	<\$25,000>	\$20,122
2019	\$85,122*	<7,500>	<\$25,000>	\$52,622
2020	\$52,622	<7,500>	<\$25,000>	\$20,122

*CASINO FUND RAISING (EST \$65,000)

**FUNDING THRU JAN 31, 2017

*** EXPENDITURES THRU JAN 31, 2017

A.V. Roe Canada Aviation Museum

Audited Financial Statements

January 31, 2016

A.V. Roe Canada Aviation Museum
Statement of Financial Position
January 31, 2016

	2016	2015
Assets		
Current Assets		
Cash	\$ 8,594	\$ 3,014
Cash – Designated (Note 3)	141,654	146,993
Accounts Receivable	3,897	5,643
Inventory (Note 2)	0	0
	\$ 154,145	\$ 155,650
Liabilities and Net Assets		
Current Liabilities - Accounts Payable	\$ (4,082)	\$ (16,924)
Net Assets Designated (Note 3)	\$ 141,654	\$ 146,993
Net Assets General	\$ 16,573	\$ 25,581
	\$ 154,145	\$ 155,650

See accompanying notes to financial statements

Approved on behalf of the Board,

Jude Pothier , Director

Date: March 21, 2016

William J. Cates, Director

Date: March 21, 2016

A.V. Roe Canada Aviation Museum
Statement of Operations and Changes in Net Assets
January 31, 2016

	2016	2015
Revenue		
Sales of merchandise (net of returns)	\$ 2,354	\$ 534
Casino	2,185	78,558
Donations	4,709	1,530
Grants	0	0
Museum Admission	0	0
Memberships	1,025	650
	\$ 10,273	\$ 81,272
Expenses		
Cost of Goods Sold (net of returns)	\$ 0	\$ 0
Aircraft	11,474	13,551
Exhibits / Collection	0	0
General and Administrative	13,145	5,372
	\$ 24,619	\$ 18,923
Excess (deficiency) of revenue over expenses	\$ (14,346)	\$ 62,349
Net assets - designated, beginning of year	146,993	105,978
Net assets – general, beginning of year	25,580	4,247
Net assets - designated, end of year	\$ 141,654	\$ 146,993
Net assets – general, end of year	\$ 8,594	\$ 25,580

A.V. Roe Canada Aviation Museum
Statement of Cash Flow
January 31, 2016

	2016
Cash flows from operating activities	
Cash from sales of merchandise	\$ 2,354
Cash from Casino (designated use)	2,185
Cash from Donations	4,709
Cash from Museum admission	0
Cash from other	1,025
Cash paid for cost of goods sold	0
Cash paid for operating expenses	(10,033)
<hr/>	
Increase (Decrease) in cash	\$ 240
Cash, beginning of year	\$ 150,007
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Cash, end of year	\$ 150,247

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 \$141,653.57.

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 \$100,000.00 is being "Held in Trust" to be used toward the purchase of the hangar as per AGLC approval. The amount of \$41,653.57 is from the April 2014 Casino and must be used by June 2016.

4 - Commitment

Avro Museum is committed to a Hangar Agreement with Leigh Schubert for use of Hangar 20, 229 Avro Lane, Springbank Airport. There will be \$0 charged for rent but Avro Museum has assumed responsibility for the annual land lease, insurance and condo fees associated with the unit as well as the month to month utility costs incurred by it's occupancy.

Auditors Report

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

We, the undersigned, have reviewed the books for the A.V. Roe Canada Aviation Museum Association as of 31 January 2016.

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, 2016 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.

Signature

Ian McLaren
Print Name

March 20, 2016
Date

Signature

Michael Ward
Print Name

March 20, 2016
Date