



Annual Report 2019

REACHING HIGHER ALTITUDE

MUSEUM STAFF

Brian Desjardins *Executive Director*

Cassandra Cummings *Collections Manager*

Herb Grieder *Events and Operations Manager*

Lauren Maillet *Guest Services and Marketing Manager*

Caitlin Reid *Education and Volunteer Manager*

Willa Wu *Office Manager*

Stephen Yuzyk *Education Interpreter*

BOARD OF DIRECTORS

Nora Molina *Chair*

Lyle Witkowicz *Vice Chair*

Betty Thompson *Treasurer*

Don Ross *Secretary*

Brian McFadyen *Director*

John Melbourne *Director*

Lesley Rigg *Director*

Douglas Robertson *Director*

Michael Wilton *Director*

Jim Williams *Past Chair*





CONTENT

Message from the Chair and1 Executive Director	1
About the Museum	3
Strategic Plan	5
Accomplishments in 2019	6
A Year in Review	8
Hawker Hurricane #5389	13
CF-100 Restoration	15
In the Media.....	17
Attendance Highlights.....	19
Volunteers.....	20
Annual Supporters.....	21
Audited Financial Statements	22

MESSAGE FROM THE CHAIR AND EXECUTIVE DIRECTOR



While this annual report is on activities through to December 2019, we would be remiss in not mentioning all that has changed since the new year and the onset of COVID-19. Life is anything but normal right now and we have taken necessary steps to address these unprecedented circumstances, including: closing the Museum to the public on March 16; following social distancing guidelines with staff who continue to work hard at the Museum; allowing staff to work remotely from home; laying off several staff and taking advantage of the financial assistance through the federal wage subsidy program to supplement our lost income. While all this is happening, we continue to work on new exhibits, catch up on museum maintenance and develop plans for recovering in the year ahead.

Focusing back on 2019, it was most certainly a year of many successes at The Hangar Flight Museum. To say it was an exciting year would be a vast understatement, as we accomplished many amazing projects and initiatives.

Highlights for 2019 include:

1. the return of the Tiger Moth after a 10-year loan to Heritage Park (Gasoline Alley),
2. the long-awaited homecoming of Hawker Hurricane #5389 (thank you to the Calgary Mosquito Society and City of Calgary for making this a reality),

3. addition of a new full time Collections Manager to our staff,
4. adding a new McCall & McKnight exhibit that celebrates two of Calgary's famous flying aces,
5. record attendance at National Aviation Day, Father's Day Wings 'n Wheels and Remembrance Day,
6. homecoming of artifacts, including a Cessna Crane wing, from a storage building near Springbank Airport,
7. adding a virtual reality station to the Museum, and
8. a start on cleaning and organizing of the west-side mezzanine which we hope to open to visitors soon.

Of course, our biggest achievement was the successful fundraising to restore our CF-100 Canuck to full static display. We raised \$400,000, due in large part to grants from the City of Calgary and Province of Alberta, along with several local foundations, and public donations from individuals across the country. Work has already begun and we are anticipating the return of the aircraft in 2023.

Visitation numbers increased by 10% in the past year from 30,098 in 2018 to 33,195 in 2019. We also saw across the board increases in all revenue streams. As a result, The Hangar began 2020 in a strong financial position. We anticipate significant financial impact from COVID-19 in 2020 and are monitoring closely all municipal, provincial and federal policies affecting the Museum.

We continue to work collaboratively with the City of Calgary and the Calgary Airport Authority, local businesses, tourism marketing industry, stakeholders, and the aviation community. We enjoy strong relations with the historical community including the Alberta Museum Association and the Canadian Museum Association.

In 2020, we will be updating our strategic plan which focuses on strengthening resources, improving visitor experience, and engaging with community. The new plan will articulate a clear long-term vision with short-term goals and strategies providing a solid foundation for future expansion.

Thank you to our members, partners and donors for your continued support. Our success relies heavily on a community of support that fuels the commitment, passion and dedication of the staff, many volunteers and Board of Directors at The Hangar Flight Museum.

As we face the uncertainty of the year ahead, we will remain responsible stewards of the Museum and ever grateful to be part of a dedicated community that values preserving the past and educating the future.



Nora Molina
Chair, Board of Directors



Brian Desjardins
Executive Director

ABOUT THE MUSEUM



The Hangar Flight Museum provides a community place and historical resource in Calgary. The history of aviation is closely tied to Canada's development as a nation and to Calgary's development as a vibrant, international city. Our Museum tells this history, expands and inspires visitors' knowledge of the stories surrounding aviation's role in immigration, oil and gas exploration, war and civilian pleasure travel. Many roadways in Calgary are named after renowned aviators such as McKnight, McCall, Barlow and Palmer - who, after serving their country in wartime, went on to develop civilian passenger and transport aviation.

The Museum is a civic partner of the City of Calgary and a large part of our collection is owned by the City. We are honoured to be entrusted by the City and others who have donated artifacts to us with the stewardship of our collection for the benefit of Calgarians and visitors from around the world.

Calgary has a long and proud aviation history, including the formation of the Calgary Aero Club in 1919. During the Second World War, Calgary and its surrounding areas were home to many British Commonwealth Air Training Plan flight training schools which, by the end of the War, had produced more than 130,000 aircrew, including pilots, navigators, wireless operators, and air gunners for the Royal Canadian Air Force and the Air Forces of Britain and other members of the Commonwealth. Calgary's long standing connection to aviation continues to this day, with a vibrant aviation community centered on the YYC Calgary International Airport - Canada's fourth-busiest airport.

The Hangar Flight Museum is committed to preserving and enhancing that impressive aviation history. Through consultations with City of Calgary officials in 2018, we were successful in securing the City's commitment (subject to ongoing annual budget approval) to substantially increasing our operational funding for the next three years.

INSPIRING DREAMS OF FLIGHT

Vision: To inspire dreams of flight.

Mission: To provide a rich understanding and appreciation of the evolution of flight by telling stories related to our collection that provides information to current and future generations.

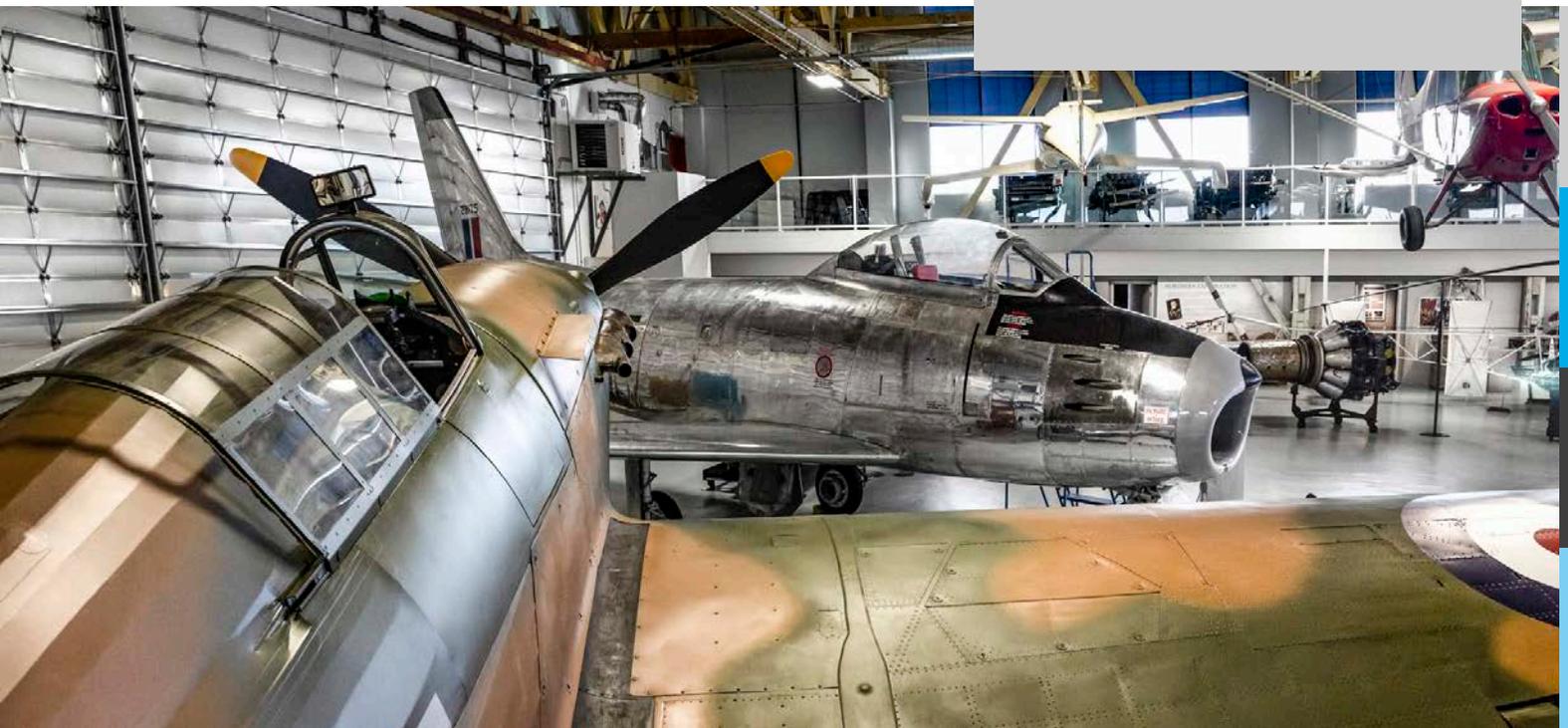
Values: Our values describe our behaviours and how we create a positive, engaging experience for all visitors at The Hangar Flight Museum:

- Hold a **passion** for flight
- Bring a strong desire for **sharing** that passion
- Hold **respect** for our history, our museum community, and our visitors
- Ensure the **preservation** of the history of flight
- Focus our **energy** to make a difference

“

Stephen and the volunteers were wonderful with the students! We also loved hearing all the stories about flight that brought it to life for our students!

Grade 6 Teacher



STRATEGIC PLAN



AREAS OF FOCUS

In January 2017, the following three strategic pillars became our areas of focus for the next 3-5 years. Within this goal framework, we will implement the following seven strategies to accomplish our mission and advance our vision. In 2019, we began a full review of our strategic plan and look forward to presenting it in 2020.

IMPROVING VISITOR EXPERIENCE

- Develop our exhibits, programs, and events
- Be responsible stewards of our collection

CONNECTING WITH COMMUNITIES

- Improve identity and visibility in the community
- Strengthen our community connections

STRENGTHENING RESOURCES

- Ensure long-term facility development
- Ensure long-term financial sustainability
- Develop our human resources

ACCOMPLISHMENTS IN 2019

IMPROVING VISITOR EXPERIENCE

1. Develop Our Exhibitions, Programs and Events

In 2019, we planned and executed a week's worth of events for the return of the Hawker Hurricane #5389 and we also created the new corresponding exhibit. We utilized technology to add a digital component to the exhibit with photographs from the restoration and also included a hands-on component with a comic book about Elsie Magill that visitors can flip through!

We celebrated National Aviation Day for the first time in 2019. We intend to make this an annual event and create partnerships to expand the scope of the event.

We evaluated our current school and youth program offerings, and made improvements to our existing programs to better meet the needs of our visitors. Work was begun on a new youth program focusing on the importance of women during the Second World War. This new program, called *We Can Do It!*, is expected to be completed in 2020.

We added new exhibits. Our first new exhibit for 2019 was McCall & McKnight which was launched for the 100th anniversary of Freddie McCall's emergency landing on the Stampede carousel. The Hawker Hurricane #5389 exhibit was unveiled in November and small temporary exhibit was installed honouring WWII veteran Jack Hilton, a long time member who passed away in March, 2019.



2. Be Responsible Stewards of Our Collections

One of our major accomplishments in 2019 was achieving our fundraising goal for the CF-100 Canuck restoration. We have set aside a full page in this Annual Report to tell you more about this exciting project.

In 2019, we continued discussions with the City and Calgary Airport Authority with the goal of creating a new structure to replace the current tent hangar which would increase space to protect and preserve our artifacts. This is a long-term project and discussions will continue into 2020.

Artifacts housed offsite at a storage facility near Springbank Airport were returned to the Museum. Several of these are now on display in the Main Hangar. We have also continued to catalogue our collections, improve storage onsite, and work to reopen the west side of the mezzanine.

CONNECTING WITH COMMUNITIES

1. Improve Identity and Visibility in the Community

We were honoured to have a lot of media coverage in 2019, especially coinciding with the return of the Hawker Hurricane (see our media page within the Annual Report for more details). Our Instagram and Facebook accounts both have significantly more followers in 2019 which shows our increasing visibility.

2. Strengthen Our Community Connections

We began outreach to surrounding businesses, seeing early success with a corporate membership campaign with the goal of leading the charge in rekindling an airport district. We are planning to collaborate with even more businesses in 2020.

Our partnerships with Tourism Calgary, Travel Alberta, Calgary Hotel Association, Calgary Chamber of Commerce, and the Calgary Attractions Committee boost awareness of our museum and provide support and resources for our staff.

STRENGTHENING RESOURCES

1. Long Term Facility Development

There are currently three facets to our long term facility development. We need a new structure to replace the tent hangar, and we are focused on ensuring our Main Hangar is taken care of. It is a piece of history as well as the home of many of our artifacts. We are also planning a long-term Museum expansion. At the moment we are accepting donations toward the replacement of our tent hangar to create space to house the Voodoo, as well as the Canuck and Mosquito Bomber once their restorations are complete.

2. Ensure Long Term Financial Sustainability

2019 saw increased financial stability as we accessed new revenue streams and were successful with our new events. Increasing our revenue compared to the budget has allowed us to go into 2020 in a strong financial situation.

3. Develop Our Human Resources

We added two new staff positions early in 2019, a Collections Manager and an Education Interpreter. We also received a grant to hire three summer students in 2019, two of whom stayed on in part time roles throughout the fall. These positions allowed us to care for our collections better, develop and deliver more educational programs and create more events to engage our visitors.

A YEAR IN REVIEW

JANUARY

Fundraising for the restoration of the **CF-100** is at **75%**.

Seton Library grand opening celebration. Our **Allouette III Helicopter** is on loan to the library and is a main attraction. We helped make the day memorable for guests of the new library by building our Wright Bat Helicopter Crafts.

Interviews to select the Western **Canadian Delegate** for **FISE United Space School** take place. **Cameron Wilson** is chosen to represent Canada in Summer 2019.

Stephen Yuzyk joins The Hangar Flight Museum team full time as an **Education Interpreter**.



Brian Desjardins in front of the featured Allouette III at the open celebrations of the Seton Library.

FEBRUARY

A booth is set up at **Calgary City Teacher's Convention** and **Palliser Teacher's Convention**. We talked to hundreds of teachers over the course of 4 days to promote our **school field trip programs**.

The first **National Aviation Day** celebration takes place! We had over **300 people** through our doors to talk to our docents, make crafts, and enjoy the museum. The event was added to our **regular events** after a successful day!



Our booth set up at Calgary City Teacher's Convention.

MARCH

Cassandra Cummings joins The Hangar Flight Museum team as our **Collections Manager** after several years with the position being vacant.

After a ten year loan to Heritage Park (Gasoline Alley), our **Tiger Moth** returns to its original home, hanging from the rafters above the Avro Anson in the **Main Hangar**.



The Tiger Moth back in its original place above the Avro Anson after a ten year loan to Heritage Park (Gasoline Alley).

APRIL

Our staff, board of directors, and members come together for our **Annual General Meeting**.

MAY

With financial support from Young Canada Works and **Canadian Museum Association**, Seth Claussen, Michael Paramchuk, and Jessica Smallman join the The Hangar Flight Museum team as **Summer Museum Assistants**. Each of them are full time students looking to gain experience in the museum field.

McCall and McKnight exhibit goes up. This **permanent exhibit** tells the story of two legendary Calgary pilots **Freddie McCall** and **Willie McKnight**. The Hangar Flight Museum is located at the intersection of the streets named after each pilot.



Newly installed McCall and McKnight Exhibit.

JUNE

The **gift shop** gets a face lift with a bright **new coat of paint** to match our new branding colours, and we added digital admission and information screens.

The **8th Annual Wings and Wheels** over Father's Day weekend brings out over **1500 visitors**. Throughout the weekend aircraft are open for guests to enter, craft space for families, and **47 car exhibitors**.

The **third** summer of **Now Boarding** begins! Each weekend day (and long weekend days too!) we **open our doors** to one of our aircraft for visitors to enter and see the inside.

Our **Annual Volunteer BBQ Party** takes place as our way to say thanks to our remarkable volunteers for all that they do! There is no way we could offer the successful events and programs that we do without them.



A 1940 Ford Deluxe Coupe parked underneath the wings of the DC-3 at our 8th Annual Wings and Wheels Father's Day event.

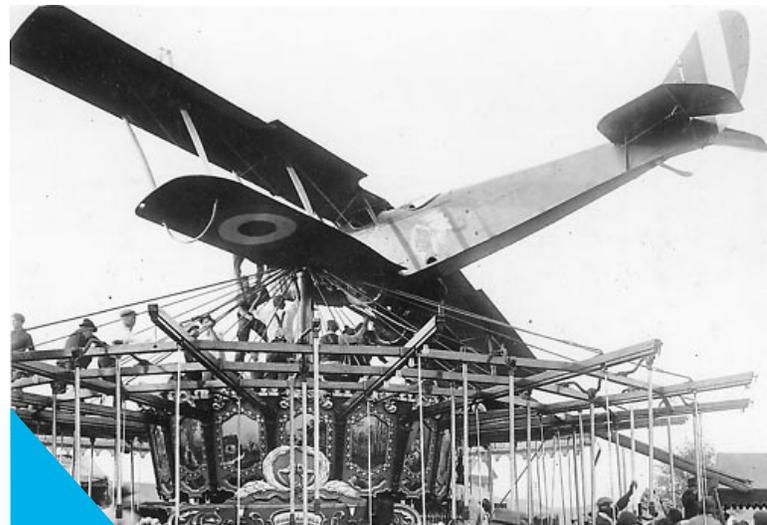
JULY

July 4th marks the **100 year anniversary** of **Freddie McCall** landing on the carousel at the Calgary Stampede. We celebrated by offering **Buy One Get One** admission!

The bi-annual **Spring Bank Airshow** takes place. We spent two days at Springbank Airport with a **mini exhibit** on the Hawker Hurricane, and **souvenirs** to purchase from our gift shop! It was a windy weekend for the books (our booth nearly flew away!), but overall a success.

Cameron Wilson is off to Texas to represent Western Canada at **FISE United Space School**.

Collections Manager **Cassandra Cummings** leads a talk on our collection and a behind the scenes tour for **Historic Calgary Week**.



Freddie McCall's Curtis JN-4 "Jenny" biplane on top of the carousel at the Calgary Stampede after an emergency landing. Glenbow Archives NA-1111-13

AUGUST

Our bi-annual **casino** fundraiser raises **\$68,333** towards museum operations.

New marketing photos and **video assets** are taken of the Museum. Images are featured throughout our annual report.

Seven Engines and the wings from a **Cesna Crane** return to the Museum from storage with help from our volunteers and Rangeland Truck and Crane.

We helped celebrate Heritage Day weekend with Calgarians by taking part in the **2019 Family Heritage Festival** at the new **Central Library**. We spent the day talking about the Museum and making crafts with visitors!



Museum volunteers working along Rangeland Truck and Crane to transport an engine from Springbank storage back to the Museum.

SEPTEMBER

We held a **public magazine sale**, with proceeds from the sale invested into caring for the Museum's collection.

New **laser smoke detectors** are installed in throughout the Museum to ensure care and safety.

OCTOBER

The **CF-100** is **dismantled** so that it can make its way to **Historic Aviation Services** in Westakiwin for **restoration**.

UV film is installed on our **Main Hangar windows** to protect our collection against **harmful UV rays**.

In the early hours of the morning **Hawker Hurricane #5389** returns home to our Main Hangar after **7 years in restoration**.

An **Oculus Rift** system is set up in our Main Hangar and **virtual reality** experiences are added as part of our **regular public programming**.



Hawker Hurricane #5389 arrival to the Museum in the early hours of the morning.

NOVEMBER

We welcome **Hawker Hurricane #5389** home with a 5 day event. We started the celebration off with a **grand unveiling** with speeches from **Flying Officer Gordon Hill**, President Richard de Boer of the **Calgary Mosquito Society**, and **Mayor Naheed Nenshi**. Following the grand unveiling we hosted a **Gala**, and an **opening weekend** to see the aircraft, build crafts, and listen to speakers.

Ahead of Remembrance Day a small **temporary exhibit** was installed honouring WWII veteran **Jack Hilton**, who passed away in March, 2019. He had been a long time member and a guest of honour at our previous Remembrance Day commemoration.

November 2019 marks the **44th anniversary** of the opening of **The Museum**.



Brian Desjardins with MP Jag Sahota, Alberta Minister of Infrastructure Prasad Panda, and MLA Devinder Toor in front of Hawker Hurricane #5389.

Remembrance Day brings over **1600 people** to The Museum. We are honoured that so many people from our community joined us in the act of remembrance of our veterans.

The **CF-100 Canuck** makes it way to **Historic Aviation Services** in Wetaskiwin for **restoration**. The CF-100 restoration project is estimated to take three years and **scheduled to return in 2023**.

DECEMBER

Our annual **Volunteer Christmas Party** takes place to thank our hardworking volunteers!

We participated in **YYC's Festival of Trees** by putting up our "Flight of Fancy" Tree! Our tree that featured handmade paper planes came in **second place**.



Final touches being placed on our Flight of Fancy tree during YYC's Festival of Trees

HAWKER HURRICANE #5389



The highlight of the year was the completed restoration of Hawker Hurricane 5389 and its unveiling at the Museum in November, accompanied by a week of celebratory events, a new commemorative booklet, and accompanying exhibit. 5389 was built in 1942 at CanCar . It was flown across Canada including Calgary, Lethbridge, and Boundary Bay, and used for training, coastal defense, and locating fugo balloons. The plane, owned by the City of Calgary and cared for by the Museum, began restoration in 2012 by the Calgary Mosquito Society and Historic Aviation Services Inc. More than 60 people have dedicated more than an astounding 25,000 hours to restoring this historic aircraft. Thank you to the City of Calgary, Calgary Mosquito Society, and Historic Aviation Services Inc. for your support and dedication!



Box of Hurricane pieces prior to restoration. Photo courtesy of Jason Cameron.



Frame of the Hurricane prior to restoration. Photo courtesy of Jason Cameron.



The Hurricane in restoration.



The Hurricane #5389 in restoration.



The Hurricane en route to the Museum on Highway 2. Photo courtesy of Alex Robinson TV.



The Hurricane being unloaded at the Museum in the early hours of the morning.



Flying Officer Gordon Hill who flew Hawker Hurricane #5389 interviewing prior to the unveiling event.



The Hurricane in its final home in the northwest corner of the Main Hangar.

CF-100 RESTORATION



October 2018 marked the start of our fundraising campaign to restore the CF-100 Canuck. The CF-100 is a very important piece of Canadian aviation history. It is the only Canadian-designed fighter aircraft to go into mass production. It was the first straight-winged jet aircraft in the world to achieve controlled supersonic flight. This aircraft has been in Alberta for the past 65 years being stationed at Cold Lake, Calgary, and Lethbridge. It has been a beloved Calgary

landmark for over 45 years and we are excited to preserve this aircraft for future generations by restoring it to static display. In 2019 we completed fundraising to our goal amount with the help of the City of Calgary. We are very thankful to everyone who donated to this project or spread the word - the support of our community is incredibly important to us!



The CF-100 Canuck being loaded onto a transport truck courtesy of Rangeland Truck and Crane

WE DID IT!

CF-100 CANUCK DONORS

It is clear to us how much our visitors and members care about preserving aviation history through the success of our CF-100 Canuck fundraiser. Restoration projects are made possible only with the financial support of our community. Every dollar and every word of encouragement is meaningful and reignites our passion for preserving history. We would like to acknowledge the donors and supporting businesses and programs that have contributed to ensure Calgary's CF-100 Canuck will be restored to static display.

\$200,000+

City of Calgary

\$25,000 - \$49,999

Alberta Historic Resources Foundation
Meredith Helgeson

\$10,000 - \$24,999

The Lecky Foundation
The Hotchkiss Family Foundation
Maurice McCaig
John Binder

\$5,000 - \$9,999

Shell Canada

\$1,000 - \$2,499

Dwight Allen
Grant E. Allen
H.C. Armstrong
Pat Kelley
Noela and David Moffit
Rangeland Trucks and Crane Ltd.

\$500 - \$999

Alpine Helicopters
Cliff Cassidy
John Galloway
Sherry Irvine
Paul Manson
Ian McClareath
Kenneth McNeill
Trevor McTavish
Clark Seaborn
Bruce Sherley

Milan Voticky

\$250 - \$499

E. Jean Bolger
Paul Linstead
Jim Williams

\$100 - \$249

Richard Abbenbroek
Wes Allen
Denis Baudais
Robert Bartlett
Don Bayly
Grant Bears
Alexander Belyk
Clinton Broughton
Phil Buhr
William Burns
William Clark
Dale Climenhaga
Ian Cook
Doug Cosenzo
Malcom Cromarty
John Cucheran
Stuart Davie
Magellan Dufour
Larimer Dyer
Blain Fowler
David Foy
Don Frederick
Bert Furlong
Beverly Furlong
Brent Garries
Ron Godsman
Mike Hartney
Shelley Harris
Hedrich Chiropractic
James Herbison
David Hobden

Robert Hyndman
Roger Jarvis
Liz Kirke
William Kauffman
Malcom Logan
Catharine Masterson
Alexander McCracken
Barry McDonald
Rene McKinnon
Merle Miller
Nora Molina
Mortgage Doctors
Doug Murray
Stuart Mugford
Parex Resources
SE Parker

Donald Pearson
Georgina A. Pierce
William Pollock
Blair Powell
Bernie Pregler
Michael Rudderham
Chuck Sawyer
Robert Schwartzberger
Greg Stevens
Betty Thompson
William Walker
Scott Wetmore
Hunter Wight
Les Vestre
Dino Zuzic



The CF-100 beginning its journey to Historic Aviation Services in Wetaskiwin for restoration.

IN THE MEDIA



Reading through the media coverage of the Museum provides the highlights reel of accomplishments in 2019. Even as marketing trends change, having coverage from a local news outlet is very important in creating awareness of the Museum and of our events and projects. We continue to see many Albertans come to the Museum for the first time and we recognize that these news stories contribute to higher attendance numbers. Executive Director, Brian Desjardins, has done a great job of telling the Museum's story this year and we hope you have had a chance to see him and other staff in the news!

Global News Calgary, January 17, 2019: Executive Director Brian Desjardins gave an update on where our fundraising efforts have reached.

Calgary Sun, January 23, 2019: City of Calgary contributed to restore the CF-100 Canuck.

Global News, February 23, 2019: We celebrated the 110th anniversary of powered flight in Canada, Global News reported about the event.

CBC Calgary, June 13, 2019: CBC featured our event in a summary of Father's Day events happening in Calgary.

CTV New Calgary, June 16, 2019: CTV Calgary joined us on Father's Day to see how we celebrate dads!

Calgary Herald, July 2, 2019: The Calgary Herald reports on the 100th anniversary of Freddie

McCall landing on top of the Stampede Carousel and our event celebrating the date.

Calgary Sun, July 2, 2019: The Calgary Herald reports on the 100th anniversary of Freddie McCall landing on top of the Stampede Carousel and our event celebrating the date.

Global News, July 3, 2019: Brian Desjardins is interviewed on the McCall landing on top of the Stampede Carousel and how the Museum is celebrating the iconic day.

CTV News Calgary, July 30, 2019: CTV News Calgary reported on the local places participating in Historic Calgary Week.

CTV News Calgary, September 7, 2019: CTV Calgary reported on retired engineer Barry Halliwell who toiled in the workshop of The Hangar Flight Museum, meticulously recreating the tail section of an Oxford aircraft.

CTV News Calgary, October 23, 2019: CTV Calgary announced the addition of virtual reality to the Museum.

CTV News Calgary, October 25, 2019: Coverage on the CF-100 being dismantled to be transported to Wetaskiwin for restoration to begin.

Global News, October 31, 2019: The restored Hawker Hurricane has arrived at The Hangar Flight Museum with unveiling scheduled for Wednesday November 6.

Calgary Herald, November 2, 2019: The Herald also reported on the Hurricane's arrival in Calgary.

CBC, November 4, 2019: CBC reported on the Hurricane restoration completion.

CTV Calgary, November 5, 2019: CTV spoke with local pilot Flying Officer Gordon Hill who flew Hurricane 5389.



Brian Desjardins with Tom Reynolds of Global News while filming on site at the Museum.

Calgary Herald, November 6, 2019: The Herald attended the Unveiling Ceremony and spoke with Flying Officer Gordon Hill.

Global News, November 6, 2019: Global also reported on the unveiling of the Hurricane.

City News, November 9, 2019: Tom Ross from City News also reported on the Hurricane's return to Calgary.

Global News, November 11, 2019: Second World War typhoon fighter pilot Jack Hilton was remembered at our 2019 Remembrance Day service.

660 City News, November 11, 2019: The speakers and dignitaries at our 2019 Remembrance Day service were reported.

ATTENDANCE HIGHLIGHTS



Attendance continues to be one of the main metrics to measure the success of a museum. Visitor service and providing the ultimate experience on a trip to the Museum are also two of our main goals. It is a joy to talk with a visitor who is coming into the Museum for the first time and is wowed by our airplanes and it's equally invigorating to hear from a visitor who hasn't visited for years but comments on the positive changes that they've noticed since their last visit. We hope that if you haven't come to the Museum yourself in a few years that the arrival of the restored Hawker Hurricane will be just one more reason to put a trip to The Hangar on your to-do list!

2019 saw a 10% increase in visitors!

	2019	2018	2017
Number of Visitors	33,195	30,098	30,086
Members	191	192	191
Corporate Members	8	4	N/A
Canoo Pass (New Canadians)	1,225	978	570
School Programs	243	249	199
Youth Programs	63	45	9
Sleepovers	23	12	N/A

VOLUNTEERS



We thank all our volunteers who generously give their time and expertise to ensure continued operation of the Museum. In 2019 we had 58 volunteers donate over 5000 hours. The Museum could not offer the programs and services that it does without these volunteers and we would like to acknowledge the below volunteers and organizations for their continued support throughout 2019.

“

I also love meeting so many different people, young and old, from all over our planet who visit The Hangar Flight Museum. Which for me is a very joyful experience. For I am a natural story teller who loves to share. For I like People and of course, Aircraft.

Richard Abbenbroek
Volunteer

Richard Abbenbroek
Bob Alexander
Dwight Allen
Bill Baker
Don Bayly
Grant Bears
Mike Brandon
Leo Chen
Ray Courtman
Ross Cunningham
Jim Dennis
Phil Duby
Tom Elliott
Gord Gieck
Colette Gieck
Mike Gocal
Barry Halliwell
Mike Hartney

Louise Ingram
Gordon Kelso
Paul Keough
Helal Kharroubi
Jeanne Lefebvre
Gord Lowe
Dave Mapplebeck
Brian Mcfayden
Peter McInnis
Geoff Meek
John Melbourne
Nora Molina
Gina Nenniger
Harvey Olsen
Gordon Orr
Barry Packard
Terry Pearce
Vern Rehbein

Lesley Rigg
Michael Roloff
Don Ross
Lee Scalia
Mary Schmitz
Brent Schorn
Bob Schwarzenberger
Lorne Smith
Matt Smith
Bain Spielman
Hal Tetz
Betty Thompson
Michael Veeder
Hermina Vond
Doug White
Bill Whytock
Jim Williams
Mike Wilton

Lyle Wikowicz
Wade Wostradowski
Owen Wright
Bill Zuck

Organizations

88 Lynx Airdrie Royal
Canadian Air Cadets
Squadron
Developmental
Disabilities Resources
Centre of Calgary
Rangeland Truck and
Crane Ltd
Vecova

ANNUAL SUPPORTERS

The Hangar Flight Museum is an independent registered non-profit and a member-based organization. Over 40 percent of The Hangar's operating revenue in 2019 was generated by fundraising, museum and special event admissions, educational programs, memberships and sales in our gift shop. We rely on the financial support we receive from our members and visitors to ensure that The Hangar Flight Museum can inspire dreams of flight and preserve artifacts telling the story of western Canada's aviation heritage. Thank you for helping us reach higher altitude and pursue our mission and vision as part of Calgary's thriving art and culture landscape.



\$100,000+

City of Calgary

\$50,000 - \$99,999

Alberta Lottery Fund

\$25,000 - \$49,999

Margrit Ursulak

\$10,000 - \$24,999

Canadian Museum Association

\$5,000 - \$9,999

Calgary Foundation
Rangeland Trucks and Crane Ltd.

\$2,500 - \$4,999

Fortune Industries

RGO Flooring Ltd.
Travel Alberta

\$1,000 - \$2,499

Alberta Museums Association
John Anderson
Dwight Allen
Eagle Copters
Enbridge Pipelines
Sherry Irvine
Norther Dispatch 2012 and Pilot Trucks
Shell Canada Ltd.

\$500 - \$999

Douglas Hill
Spectra Light Window Films Ltd.

Strategic Charitable Giving Foundation
Anne E. Waddell
William Woods

\$250 - \$499

Brad Ponto

\$100 - \$249

William and Eleanor Bailey
Don Bayly
Grant Bears
Richard Colvin
Chris Fralic
Todd Lemieux
Malcom Logan
Daniel McDougall
Nora Molina

Regina Nenniger
Robert Robinson
Clark Seaborn
Robert Tedford
Hal Tetz
Glenn Traub
Jim Williams



AUDITED FINANCIALS

Independent Auditor's Report

To the Members of Aero Space Museum Association of Calgary (o/a The Hangar Flight Museum):

Opinion

We have audited the consolidated financial statements of Aero Space Museum Association of Calgary (o/a The Hangar Flight Museum) (the "Association"), which comprise the consolidated statement of financial position as at December 31, 2019, and the consolidated statements of operations, changes in net assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Association as at December 31, 2019, and the results of its consolidated operations and its consolidated cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Calgary, Alberta

March 25, 2020

MNP LLP

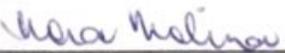
Chartered Professional Accountants

Aero Space Museum Association of Calgary
(o/a The Hangar Flight Museum)
Consolidated Statement of Financial Position

As at December 31, 2019

	2019	2018
Assets		
Current		
Cash	296,154	139,370
Restricted cash	61,414	49,560
Accounts receivable	19,261	10,684
Inventory	22,225	17,425
Prepaid expenses and deposits	26,508	20,970
	425,562	238,009
Property and equipment (Note 4)	1,476,597	1,599,422
Collections (Note 5)	1	-
	1,902,160	1,837,431
Liabilities		
Current		
Accounts payable and accrued liabilities (Note 6)	68,387	33,743
Deposits and unearned revenue	15,628	18,442
Deferred contributions related to operations (Note 7)	220,937	118,679
Current portion of capital lease obligations (Note 8)	7,588	7,197
	312,540	178,061
Capital lease obligations (Note 8)	17,882	25,470
Deferred contributions related to property and equipment (Note 9)	1,186,935	1,328,423
	1,517,357	1,531,954
Commitments (Note 10)		
Net Assets		
Unrestricted	120,612	67,145
Invested in property and equipment	264,191	238,332
	384,803	305,477
	1,902,160	1,837,431

Approved on behalf of the Board


 Director


 Director

The accompanying notes are an integral part of these consolidated financial statements

Aero Space Museum Association of Calgary
(o/a The Hangar Flight Museum)
Consolidated Statement of Operations

For the year ended December 31, 2019

	2019	2018
Revenue		
Grant revenue	497,290	278,059
Amortization of deferred contributions related to property and equipment (Note 9)	141,488	211,020
Admissions	140,596	118,895
Gift shop sales	85,789	54,874
Education tours	76,910	61,816
Donations	76,228	33,255
Facility rentals	59,611	55,930
Casino	56,479	23,342
Events/projects	24,541	20,700
Hurricane revenue	15,380	-
Memberships	10,366	5,602
Rental income	10,103	10,320
Interest and miscellaneous	1,594	1,974
Fundraising	-	50
	1,196,375	875,837
Expenses		
Salaries and benefits	464,430	330,810
Amortization	152,536	172,499
Building operations	115,302	89,125
Marketing and promotions	97,791	39,953
Collection, restoration and exhibit costs (Note 5)	55,647	7,696
Gift shop cost of sales	46,532	27,715
Events	38,604	29,991
Insurance	32,518	32,575
Office and administration	25,317	28,717
Staff and volunteer recognition	20,623	7,138
Professional fees	18,952	50,256
Programming	18,231	12,790
Bank charges and interest	14,030	10,810
Other costs	3,930	4,113
Membership fees	2,770	2,253
Professional development	1,887	3,141
Travel	1,675	70
Interest on capital lease	1,557	1,412
Conferences	1,038	860
Fund development	-	25,000
	1,113,370	876,924
Excess (deficiency) of revenue over expenses from operations	83,005	(1,087)
Impairment of building expansion costs	-	48,009
Excess (deficiency) of revenue over expenses before income taxes	83,005	(49,096)
Provision for income taxes (Note 14)	(3,679)	(4,357)
Excess (deficiency) of revenue over expenses	79,326	(53,453)

The accompanying notes are an integral part of these consolidated financial statements

Aero Space Museum Association of Calgary
(o/a The Hangar Flight Museum)
Consolidated Statement of Changes in Net Assets

For the year ended December 31, 2019

	<i>Unrestricted</i>	<i>Invested in property and equipment</i>	2019	<i>2018</i>
Net assets, beginning of year	67,145	238,332	305,477	358,930
Excess (deficiency) of revenue over expenses	90,374	(11,048)	79,326	(53,453)
Additions to property and equipment	(29,710)	29,710	-	-
Payment of capital lease	(7,197)	7,197	-	-
Net assets, end of year	120,612	264,191	384,803	305,477

The accompanying notes are an integral part of these consolidated financial statements

Aero Space Museum Association of Calgary
(o/a The Hangar Flight Museum)
Consolidated Statement of Cash Flows
For the year ended December 31, 2019

	2019	2018
Cash provided by (used for) the following activities		
Operating		
Excess (deficiency) of revenue over expenses	79,326	(53,453)
Amortization	152,536	172,499
Impairment of building expansion costs	-	48,009
Amortization of deferred contributions - operations	(131,794)	(25,584)
Amortization of deferred contributions related to property and equipment	(141,488)	(211,020)
	(41,420)	(69,549)
Changes in working capital accounts		
Accounts receivable	(8,577)	3,120
Inventory	(4,800)	(3,066)
Prepaid expenses and deposits	(5,540)	(2,240)
Accounts payable and accrued liabilities	34,644	6,686
Deposits and unearned revenue	(2,814)	(877)
	(28,507)	(65,926)
Financing		
Repayments of capital lease obligations	(7,197)	(5,883)
Deferred contributions related to operations received	234,052	134,372
	226,855	128,489
Investing		
Proceeds on disposal of temporary investments	-	28,924
Purchase of property and equipment	(29,710)	(43,052)
Proceeds on disposal of property and equipment	-	20,239
	(29,710)	6,111
Increase in cash resources	168,638	68,674
Cash resources, beginning of year	188,930	120,256
Cash resources, end of year	357,568	188,930
Cash resources are composed of:		
Unrestricted cash	296,154	139,370
Restricted cash	61,414	49,560
	357,568	188,930

Aero Space Museum Association of Calgary (o/a The Hangar Flight Museum) Notes to the Consolidated Financial Statements

For the year ended December 31, 2019

1. Incorporation and nature of the organization

Aero Space Museum Association of Calgary (the "Association") is a not-for-profit organization established in the Province of Alberta in 1975 and became a registered charity on January 1, 1979.

The Association promotes understanding and appreciation of Western Canadian aviation history and technology through the collection, acquisition, preservation, restoration and management of related artifacts and archives. The Association operates under the brand "The Hangar Flight Museum."

The Association cares for the City of Calgary collection of aircraft and engines which have been excluded from these financial statements.

2. Change in accounting policy

Collections Held by Not-for-Profit Organizations

Effective January 1, 2019, the Association adopted the Accounting Standard Board's (AcSB) new accounting standards improvements for not-for-profit organizations related to collections under Section 4441 *Collections Held by Not-for-Profit Organization*. Applying this new Section results in the recognition of collections, the determination of impairment and write-down of collections, and allows for the recognition of partial impairment of these assets.

There was no material impact on the financial statements from the application of the new accounting recommendations.

3. Significant accounting policies

The consolidated financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada, and include the following significant accounting policies:

Basis of presentation

The Association holds an investment in 534921 Alberta Ltd., a wholly owned profit-oriented subsidiary, which is accounted for using the consolidation method.

The Association's consolidated financial statements include the accounts of its wholly-owned subsidiary, 534921 Alberta Ltd. Consolidated financial statements are prepared by aggregating the accounts of 534921 Alberta Ltd. with those of the Association. Transactions between the organizations and inter-organization balances have been eliminated in the consolidated financial statements.

Cash

Cash is comprised of funds held in Canadian financial institutions. Cash subject to restrictions imposed by the Alberta Gaming, Liquor, and Cannabis Commission is included in restricted cash. Restricted cash is classified as a current asset as it is probable it will be utilized in the next fiscal year.

Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the weighted average method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling costs.

Aero Space Museum Association of Calgary
(o/a The Hangar Flight Museum)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2019

3. Significant accounting policies *(Continued from previous page)*

Property and equipment

Purchased property and equipment are recorded at cost. Contributed property and equipment are recorded at fair value at the date of contribution plus all costs directly attributable to the acquisition.

Amortization is provided using the following method and rates intended to amortize the cost of assets over their estimated useful lives.

	Method	Rate
Leasehold improvements	straight-line	20 years
Temporary building	straight-line	20 years
Equipment	declining balance	20 %
Signs	declining balance	20 %
Computer equipment	declining balance	55 %
Small tools	declining balance	20 %

Capital leases

A lease that transfers substantially all of the benefits and risks of ownership is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the property's fair market value. Assets under capital leases are amortized on a declining balance basis, over their estimated useful lives lease term. All other leases are accounted for as operating leases and rental payments are expensed as incurred.

An arrangement contains a lease where the arrangement conveys a right to use the underlying tangible asset, and whereby its fulfillment is dependent on the use of the specific tangible asset. After the inception of the arrangement, a reassessment of whether the arrangement contains a lease is made only in the event that:

- there is a change in contractual terms;
- a renewal option is exercised or an extension is agreed upon by the parties to the arrangement;
- there is a change in the determination of whether the fulfillment of the arrangement is dependent on the use of the specific tangible asset; or
- there is a substantial physical change to the specified tangible asset.

Collections

Collections owned by the Association are recognized in the statement of financial position at a nominal value. Collections owned by the City of Calgary are not recognized as an asset of the Association. Purchases, including expenses for the City of Calgary's collection, are recorded as expenses in the year incurred.

Deferred contributions related to property and equipment

Deferred contributions related to property and equipment represent the unamortized portion of contributed property and equipment and restricted contributions that were used to complete building improvements. Recognition of these amounts as revenue is deferred to periods when the related property and equipment are amortized.

Contributed services

Volunteers contribute many hours per year to assist the Association in carrying out its activities. Due to the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

Aero Space Museum Association of Calgary
(o/a The Hangar Flight Museum)
Notes to the Consolidated Financial Statements

For the year ended December 31, 2019

2. Significant accounting policies *(Continued from previous page)*

Revenue recognition

The Association follows the deferral method of accounting for contributions. Restricted contributions including grants and other externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Unrestricted contributions including donations, fundraising, membership and other revenues are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Admissions, education tours and gift shop sales revenue is recognized at the time of purchase.

Rental revenue is recognized when rental services have been provided.

Financial instruments

The Association recognizes its financial instruments when the Association becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are initially measured at their carrying or exchange amount in accordance with Section 3840 *Related Party Transactions*.

At initial recognition, the Association may irrevocably elect to subsequently measure any financial instrument at fair value. The Association has not made such an election during the year.

The Association subsequently measures all financial assets at amortized cost. The fair value of the financial instruments approximate their carrying value due to the short term nature of these investments. Gains and losses arising from changes in fair value are recognized immediately in the statement of revenue and expenses and net assets.

Financial asset impairment

The Association assesses impairment of all of its financial assets measured at cost or amortized cost. When there is an indication of impairment, the Association determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year. If so, the Association reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets; and the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment, which is not considered temporary, is included in current year excess of revenues over expenses.

The Association reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in the excess of revenues and expenses in the year the reversal occurs.

Measurement uncertainty

The preparation of consolidated financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Provisions are made for slow moving and obsolete inventory. Amortization is based on the estimated useful lives of property and equipment.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues and expenses in the periods in which they become known.

Aero Space Museum Association of Calgary
(o/a The Hangar Flight Museum)
Notes to the Consolidated Financial Statements

For the year ended December 31, 2019

4. Property and equipment

	<i>Cost</i>	<i>Accumulated amortization</i>	<i>2019 Net book value</i>	<i>2018 Net book value</i>
Leasehold improvements	2,771,506	1,375,309	1,396,197	1,511,087
Temporary building	605,946	572,627	33,319	37,091
Equipment	157,279	140,980	16,299	15,068
Signs	21,260	17,871	3,389	3,838
Computer equipment	2,254	413	1,841	-
Small tools	16,587	16,416	171	213
	3,574,832	2,123,616	1,451,216	1,567,297
Signs under capital lease	38,550	13,169	25,381	32,125
	3,613,382	2,136,785	1,476,597	1,599,422

5. Collections

At December 31, 2019, the Association's collection consists of artifacts, archived materials, photographs, and other items related to Western Canadian aviation history.

6. Accounts payable and accrued liabilities

	<i>2019</i>	<i>2018</i>
Trade accounts payable and accruals	64,317	28,870
Income taxes payable	3,679	4,357
Goods and Services Tax payable	391	516
	68,387	33,743

7. Deferred contributions related to operations

Deferred contributions consist of unspent contributions externally restricted for programming expenses and specific purposes. Recognition of these amounts as revenue is deferred to periods when the specified expenditures are made and is included in education tours and casino revenue. Changes in the deferred contribution balance are as follows:

	<i>2019</i>	<i>2018</i>
Balance, beginning of year	118,679	9,891
Amount received during the year	234,052	134,372
Less: Amounts recognized as revenue during the year	(131,794)	(25,584)
Balance, end of year	220,937	118,679

During the year, the Association received funds in the amount of \$67,935 (2018 - \$60,700) in order to restore the CF-100. These amounts will be recognized as revenue as restoration costs are incurred.

Aero Space Museum Association of Calgary
(o/a The Hangar Flight Museum)
Notes to the Consolidated Financial Statements

For the year ended December 31, 2019

8. Capital lease obligations

	2019	2018
Outdoor signs lease payable in equal monthly instalments of \$730 including interest at 5.30%, due on February 1, 2023, secured by property and equipment with carrying value of \$25,381 (2018 - \$32,125).	25,470	32,667
Less: Current portion	7,588	7,197
	17,882	25,470

Future minimum lease payments related to the obligation under capital lease are as follows:

2020	8,754
2021	8,754
2022	8,754
2023	1,459
	<u>27,721</u>
Less: imputed interest	(2,251)
	<u>25,470</u>
Less: current portion	(7,588)
	<u>17,882</u>

9. Deferred contributions related to property and equipment

Deferred capital contributions consist of the unamortized amount of contributions received for the purchase of property and equipment. Recognition of these amounts as revenue is deferred to periods when the related property and equipment are amortized. Changes in deferred contributions related to property and equipment are as follows:

	2019	2018
Balance, beginning of year	1,328,423	1,539,443
Less: Amounts recognized as revenue during the year	(141,488)	(211,020)
Balance, end of year	1,186,935	1,328,423

Aero Space Museum Association of Calgary
(o/a The Hangar Flight Museum)
Notes to the Consolidated Financial Statements

For the year ended December 31, 2019

10. Commitments

The Association leases its land and building premises from the Calgary Airport Authority. Rent is charged at a nominal amount. The lease expires October 31, 2044.

11. City of Calgary Agreements

The Association and the City have a ground lease for its parking lot which renews annually on April 1. There is a nominal lease cost of \$200 per year.

The Association and the City also have an operating agreement effective until December 31, 2022. This agreement covers City funding to the Association as well as the operations of the Association's facility and the terms of the aircraft and engine loans from the City to the Association.

12. Bank indebtedness

The Association has access to a demand revolving credit facility in 2019 ("Facility A"), to provide for ongoing operating and working capital requirements, authorized to a maximum of \$100,000 (2018 - \$100,000), of which \$Nil (2018 - \$Nil) has been drawn. The Facility A bears interest at RBC's prime rate plus 1.25% per annum. As at December 31, 2019, the RBC prime rate was 3.95% (2018 - 3.95%).

13. Economic dependence

The Association's primary source of revenue is the operating grant from the City of Calgary under the Investing in Partnership Program (One Calgary budget). While there are no specific conditions related to the grant, the Association must continue to operate The Hangar Flight Museum. The operating grant funding could be withdrawn or adjusted by the City of Calgary without notice. The Association's ability to continue viable operations is dependent on the operating grant.

14. Income taxes

The Association is registered as a charitable organization under the *Income Tax Act* (the "Act") and, as such, is exempt from income taxes and is able to issue donation receipts for income tax purposes. In order to maintain its status as a registered charity under the Act, the Association must meet certain requirements within the Act. In the opinion of management, these requirements have been met.

The Association's controlled entity, 534921 Alberta Ltd., is a profit-oriented entity and uses the taxes payable method.

15. Calgary Foundation Fund

The Association has a fund held and managed by the Calgary Foundation. The fund generates investment income which is used to provide a grant to the Association each year. The income received from the Calgary Foundation during 2019 was \$6,891 (2018 - \$7,190).

16. Financial instruments

The Association, as part of its operations, carries a number of financial instruments. It is management's opinion that the Association is not exposed to significant interest rate, currency, credit, liquidity or other price risks arising from these financial instruments.



4629 McCall Way NE, Calgary, Alberta, T2E 8A5

(403) 250-3752

info@thehangarmuseum.ca