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## Report of the Independent Auditor on the Summary Consolidated Financial Statements

To the Board of Directors  
of the Royal Aviation Museum of Western Canada Inc.

### Opinion

The summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at December 31, 2018, and the summary consolidated statement of operations for the year then ended, and notes to the financial statements, are derived from the audited financial statements of Royal Aviation Museum of Western Canada Inc. (the "Organization") for the year ended December 31, 2018. We expressed a qualified opinion on those financial statements in our report dated May 8, 2019.

In our opinion, the accompanying financial statements are a fair summary of the audited consolidated financial statements, in accordance with the criteria discussed in Note 1 to the summary consolidated financial statements.

### Summary Consolidated Financial Statements

The summary consolidated financial statements do not contain all the disclosures required by Canadian accounting standards for not-for-profit organizations. Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the Organization's audited consolidated financial statements and the auditor's report thereon.

### The Audited Consolidated Financial Statements and Our Report Thereon

We expressed a qualified opinion on the audited consolidated financial statements in our report dated May 8, 2019. The basis for our qualified audit opinion was that the Organization derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of Royal Aviation Museum of Western Canada Inc. Therefore, we were not able to determine whether any adjustments might be necessary to donation revenue, excess of revenue over expenses and cash flows from operations for the year ended December 31, 2018 and current assets and net assets as at December 31, 2018. Our qualified audit opinion states that, except for the possible effects of the described matter, the consolidated financial statements present fairly, in all material respects, the financial position of Royal Aviation Museum of Western Canada Inc. as at December 31, 2018 and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### Management's Responsibility for the Summary Consolidated Financial Statements

Management is responsible for the preparation of the summary consolidated financial statements in accordance with the criteria disclosed in Note 1 to the summary consolidated financial statements.

### Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary consolidated financial statements are a fair summary of the audited consolidated financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard 810, Engagements to Report on Summary Financial Statements.

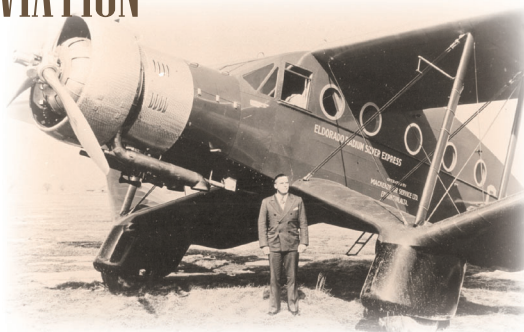
Chartered Professional Accountants

Winnipeg, Manitoba  
May 8, 2019

**ROYAL AVIATION MUSEUM OF WESTERN CANADA**  
**Summary Consolidated Statement of Operations**  
**Year Ended December 31, 2018**

	Operating Fund 2018	Capital Fund 2018	Total Both Funds 2018	Operating Fund 2017	Capital Fund 2017	Total Both Funds 2017
<b>REVENUE</b>						
Admission, memberships and programs	\$ 190,220	\$ -	\$ 190,220	\$ 230,566	\$ -	\$ 230,566
Museum shop and rentals	123,524	-	123,524	202,957	-	202,957
Fundraising events	128,567	-	128,567	145,510	-	145,510
Donations and contributions	67,890	709,592	777,482	15,707	1,419,590	1,435,297
Grants						
Province of Manitoba	56,700	-	56,700	56,700	-	56,700
City of Winnipeg	55,000	-	55,000	55,000	-	55,000
Investment income	56,257	44,867	101,124	52,368	21,831	74,199
Special projects	395,403	-	395,403	47,503	-	47,503
Maintenance income	5,950	-	5,950	14,559	-	14,559
Interest and other	11,570	-	11,570	6,428	-	6,428
	<b>1,091,081</b>	<b>754,459</b>	<b>1,845,540</b>	<b>827,298</b>	<b>1,441,421</b>	<b>2,268,719</b>
<b>EXPENSES</b>						
Exhibits, collections & research	379,091	-	379,091	419,336	-	419,336
Management and administration	185,900	110,933	296,833	214,119	12,132	226,251
Education and programs	154,645	-	154,645	206,010	-	206,010
Museum shop and rentals	121,668	-	121,668	167,342	-	167,342
Fund development	212,522	195,218	407,740	151,776	221,420	373,196
Donation to the Winnipeg Foundation for the museum's endowment	-	-	-	-	-	-
Project management	-	102,508	102,508	-	96,748	96,748
Depreciation	-	17,700	17,700	-	23,607	23,607
	<b>1,053,826</b>	<b>426,359</b>	<b>1,480,185</b>	<b>1,158,583</b>	<b>353,907</b>	<b>1,512,490</b>
Excess (deficiency) of Revenue over Expenses	\$ 37,255	\$ 328,100	\$ 365,355	\$(331,285)	\$ 1,087,514	\$ 756,229

**Legends  
OF AVIATION**



LEIGH BRINTNELL, owner of the Mackenzie Air Service, stands in front of Bellanca Aircruiser, CF-AWR, (known as the Eldorado Radium Silver Express), at Cooking Lake Airport, Near Edmonton, Alberta, c.1930s. (F. Ward Collection)

**ROYAL AVIATION MUSEUM OF WESTERN CANADA INC.**  
**Summary Consolidated Statement of Financial Position**  
**December 31, 2018**

	Operating Fund	Capital Fund	Total Both Funds 2018	Total Both Funds 2017
<b>ASSETS</b>				
<b>CURRENT</b>				
Cash	\$ 238,724	\$ 206,314	\$ 445,038	\$ 949,858
Cash - restricted	202,266	-	202,266	405,216
Investments	-	2,974,228	2,974,228	2,517,521
Accounts receivable	47,681	-	47,681	36,555
Inventory	15,654	-	15,654	36,418
Prepaid expenses	8,991	-	8,991	101,863
	<b>513,316</b>	<b>3,180,542</b>	<b>3,693,858</b>	<b>4,047,431</b>
INVESTMENTS	-	-	-	1,215,437
PROPERTIES AND CAPITAL ASSETS	-	4,645,492	4,645,492	3,040,484
	<b>\$ 513,316</b>	<b>\$ 7,826,034</b>	<b>\$ 8,339,350</b>	<b>\$ 8,303,352</b>
<b>LIABILITIES</b>				
<b>CURRENT</b>				
Accounts payable	\$ 92,044	\$ 387,848	\$ 479,892	\$ 452,669
Deferred revenue	3,323	-	3,323	20,168
Current portion of long-term debt	-	1,280	1,280	1,280
	<b>95,367</b>	<b>389,128</b>	<b>484,495</b>	<b>474,117</b>
LONG-TERM DEBT	-	10,330	10,330	11,610
DEFERRED CONTRIBUTIONS	70,072	-	70,072	408,527
	<b>165,439</b>	<b>399,458</b>	<b>564,897</b>	<b>894,254</b>
<b>FUND BALANCES</b>				
Operating	347,877	-	347,877	415,970
Capital	-	7,426,576	7,426,576	6,993,128
	<b>347,877</b>	<b>7,426,576</b>	<b>7,774,453</b>	<b>7,409,098</b>
	<b>\$ 513,316</b>	<b>\$ 7,826,034</b>	<b>\$ 8,339,350</b>	<b>\$ 8,303,352</b>

**ROYAL AVIATION MUSEUM OF WESTERN CANADA**  
**Summary Consolidated Schedule of Expenses**  
**Year Ended December 31, 2018**

	2018	2017
Personnel costs and benefits	720,724	830,360
Building operations	218,165	280,434
Administration and general	255,330	146,109
Fundraising	92,391	67,751
Special projects	77,692	56,087
Museum shop	35,688	49,221
Children's programs	21,744	25,395
Depreciation	17,700	23,607
Altitude magazine	4,375	17,915
Facility rentals	5,472	7,856
Museum collections	30,904	7,755
<b>TOTAL EXPENSE</b>	<b>1,480,185</b>	<b>1,512,490</b>

**ROYAL AVIATION MUSEUM OF WESTERN CANADA INC.**  
**Notes to the Summary Consolidated Financial Statements**  
**December 31, 2018**

**1. SUMMARY CONSOLIDATED FINANCIAL STATEMENTS**

The summary consolidated financial statements are derived from the complete audited consolidated financial statements, prepared in accordance with Canadian accounting standards for not-for-profit organizations, as at and for the year ended December 31, 2018.

The preparation of these summary consolidated financial statements require management to determine the information that needs to be reflected in the summary consolidated financial statements so that they are consistent, in all material respects, with or represent a fair summary of the audited consolidated financial statements.

**Legends  
 OF AVIATION**



*Pilot C.H. "PUNCH" DICKINS stands in the cockpit of Fokker Super Universal G-CASM while moored at a dock on the Snye River in Fort McMurray, Alberta, c. 1929. (R. Thew Collection)*