

ANNUAL REPORT 2016 2017





Mission

To offer a range of airport services that are accessible, safe, reliable and profitable.

Vision

To be a leading airport authority in northern New Brunswick.





Photo : Christopher Lovegrove

GREETINGS FROM THE PRESIDENT AND THE EXECUTIVE DIRECTOR

PRESIDENT OF THE BOARD OF DIRECTORS
COLIN BREWSTER

EXECUTIVE DIRECTOR
JENNIFER HENRY



Air travel today is fast, safe and convenient. As President of the Northern New Brunswick Airport Authority, it is an honour to be part of a team striving to make travel through Bathurst Regional Airport even faster, safer and more convenient. As a regional airport, we're an integral part of the community, and we continue to support worthy community initiatives such as the local food banks through our Touch-A-Plane event or by committing to donate more than \$25,000 over a five-year period to the Chaleur Regional Hospital Foundation.

On August 16th, 2016, both the federal and provincial governments announced their respective contributions of one-third of the cost of a project to renovate and expand the Airport terminal and extend our runway. Scheduled to start in Spring 2017, the Bathurst Regional Airport expansion project aims to double the size of the current terminal and lengthen the runway by 202 metres. This project is expected to cost \$6.3 million and will be spread over a period of 12 to 18 months. In particular, we would like to highlight our partnership with the Government of Canada and the Government of New Brunswick in making this project a reality. The expansion of our terminal and runway will allow for a safer, more comfortable experience for all Airport users. We will also be able to improve services and, we hope, add more flights in the coming years.

In January 2017, the Canada Border Services Agency (CBSA) designated Bathurst Regional Airport to receive private and commercial aircraft coming from the US and seeking to land on Canadian soil. This designation allows the CBSA to provide screening services and process aircraft with 15 passengers or less (including the crew) and CANPASS passengers.

The Airport plays a vital role in developing the economy of northern New Brunswick, as it is key to attracting investment and facilitating trade. We are happy to be able to offer service to the community and surrounding areas, and we are thankful for the support we have received, and continue to receive, year after year.

The year 2017 marks the 50th anniversary of Bathurst Regional Airport. To mark the occasion, we have planned activities this year including the distribution of a special newspaper and an official celebration inviting former Airport employees, Board members and major contributors to our success. We are indeed thankful to all who have contributed to the Airport, for you have made it possible for future generations to enjoy air service to and from our region for another 50 years and beyond.

Sincerely,

Colin Brewster
President

Bathurst Regional Airport continues to function strongly as an economic pillar for our region and northern New Brunswick. From a financial standpoint, the Airport Authority continues to show growth. As a non-profit entity, all surplus dollars are re-invested into the Airport. Although we have seen a slight decline in passenger numbers in 2016, it was a busy year for Bathurst Regional Airport with a total of 44,501 passengers (calendar year). This number is also due to a decrease in aircraft movements last year, with a total of 2,637 aircraft movements in 2016, down 8.6% from the previous year.

Looking ahead to the 2017-2018 year, we are anticipating a slight decrease in overall seat capacity compared to 2016-2017. Air Canada will be making certain adjustments to the extra flights that were added in summer 2015 and 2016, but we are excited about the lengthening of our runway. Increasing its length will expand our possibilities by positioning us to accommodate larger aircraft and lifting the weight restrictions on current aircraft.

The Airport is supported by outstanding volunteers who serve on our Board of Directors. A dedicated team, they persevere in advancing the strategic priorities of the Airport Authority. The Board meets on a quarterly basis and serves on a number of committees. These committees meet as often as necessary to discuss and provide guidance on the various aspects of the Airport's safe operation and responsible management.

We want to thank our valued tenants – CATSA, Budget/AVIS, Evasion Air and ATS Services – as well as our partners, subcontractors, suppliers and clients for their continued diligence and dedication. In particular, we wish to acknowledge the efforts and continued support of our commercial airline partner, Air Canada, who is instrumental to our success and recognizes the importance of our region's air travel needs. Each partner plays a vital role in the success and ongoing operation of the Airport, and we look forward to strengthening these partnerships in the future.

Once again, we would like to acknowledge the support of the Chaleur region, the Acadian Peninsula and the Restigouche region as well as the province of New Brunswick; together, they recognize the importance of Bathurst Regional Airport as an integral part of our province's economic engine, and we would not be where we are today without the support of all concerned.

Best regards,

Jennifer Henry
Executive Director

AIR SERVICE

Air Canada continues to offer two flights daily from Bathurst Regional Airport to Montreal. During the months of July and August 2016, it added a third flight and increased seat capacity by operating its Dash-8-300 series aircraft. Air Canada continues to be a strong partner of the Airport, with over 25 years of service in our region.

Evasion Air has been managing the airline counter on behalf of Air Canada since September 2014. We are pleased to continue working with them to provide air service to our region.

MARKETING AND COMMUNICATIONS

AIRPORT TOURS

We reached out to the Francophone and Anglophone school districts to inform them of our intention to offer tours to interested classrooms. We received expressions of interest from schools in the Chaleur region and the Acadian Peninsula. Between April 2016 and March 2017 we hosted four groups:

Bathurst Public Library's summer camp, ESN's leadership class, a home-schooled group and a CCNB class. Several other groups were also interested in arranging visits toward the end of the school year.



PARADE FLOAT

In 2016, we had a float designed to use in parades and events. This float is 40 feet long and reaches 28 feet in width when the wings are in place. Needless to say, this plane attracts attention wherever it goes! The following is a list of events in which we participated in 2016.

July 10 – Rowing Festival parade (Petit-Rocher)

July 22 – Sponsored hole at Titan Foundation golf tournament (Gowan Brae Golf Club, Bathurst)

July 24 – Hospitality Days parade (Bathurst)

November 25 – Santa Claus parade (Bathurst)

We would like to thank the staff who helped us move and decorate the float as well as those who came to lend a helping hand at the parades. Our thanks also to Joey St-Amand for kindly offering to transport our Airport float at these four outings.

OUR MASCOT ZULU

We are very pleased to welcome our newest addition to the Airport family: Zulu! Zulu joined our team last August and has been representing us at public events such as festivals, parades and the Acadie-Bathurst Titan's home games every Sunday. Zulu is already making a lot of little friends everywhere he goes.



MARKETING ET COMMUNICATIONS



AIRPORT'S 50TH ANNIVERSARY

2017 marks an important year for our airport! You have probably already noticed that we have a full year's worth of activities planned to celebrate this milestone for our airport and the region!



BOOTHS AND PRESENTATIONS

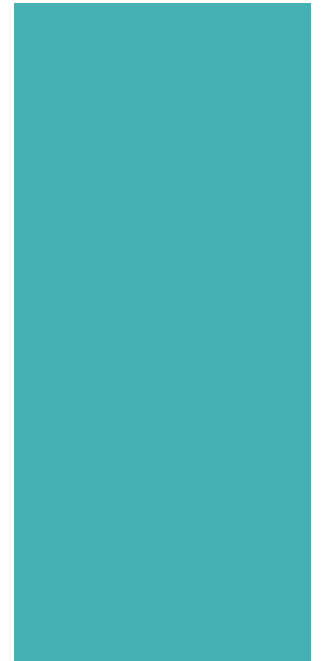
We are always looking to participate in fairs or make presentations to promote our beautiful Airport. The goal behind these activities is to promote the Airport and interact with people in the community. We always offer an exciting contest for people who come to visit our booth, and while they fill out a ballot, we take the opportunity to ask them questions and inform them about goings-on at the Airport. Fairs and presentations in which the Airport took part this past year include:

- January 23 – Presentation to Bathurst Rotary Club
- March 27 – Presentation to “Retraite Action Chaleur” group
- April 20 – CCNB career fair
- April 29 – Booth and networking with participants at CHALEUR: My Home, My Future!
- April 29-30, May 1 – Beresford Industrial Expo



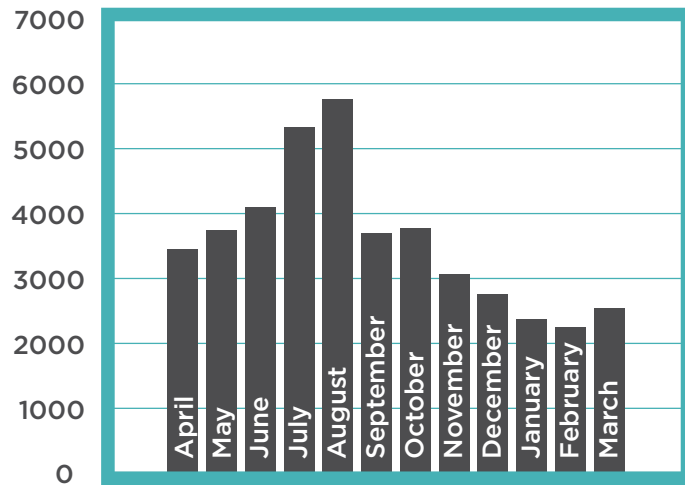
WINTER FUN AT THE AIRPORT

The Airport organized its very first Winter Fun Event on February 25, 2016. A total of 679 people passed through our gates to take part in this day jam-packed with family activities. Thank you to all the employees and volunteers who contributed to the success of the event, from clearing fields, building slides and cutting firewood to those who came to lend a hand on the day of the event!

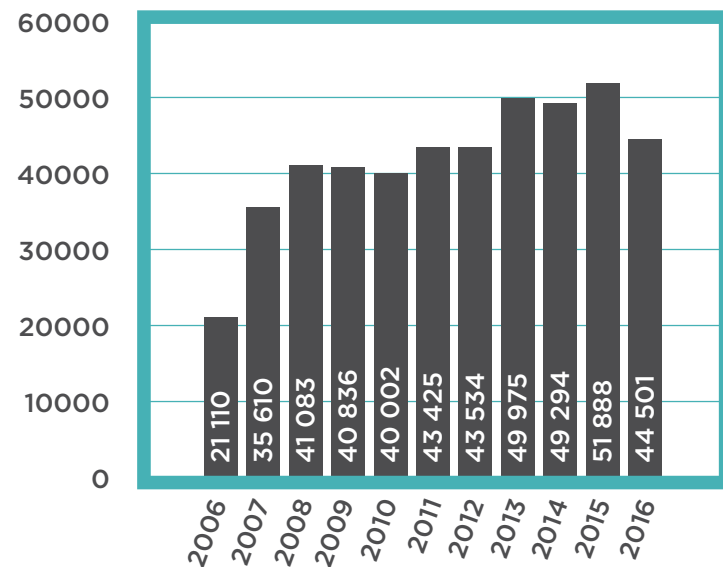


PASSENGER STATISTICS

APRIL 2016 TO MARCH 2017



PASSENGERS PER CALENDAR YEAR



CAPITAL EXPENDITURES

Bathurst Regional Airport purchased a new Jet A1 fuel tank at the cost of \$57,440 to replace its aging tank.

STRATEGIC PRIORITIES (2013-2016)

The Airport Authority identified the following key strategic priorities for the continued growth and success of Bathurst Regional Airport:

1 BUSINESS DEVELOPMENT

Objective: to identify and foster business opportunities, marketing strategies and land development options

2 HUMAN RESOURCES

Objective: to recruit and retain the right people to ensure the corporation's development

3 OPERATIONS AND EQUIPMENT

Objective: to offer safe and reliable airport services

4 FINANCE AND COMMUNITY PARTNERSHIPS

Objective: to sustain the financial viability of services and the profitable management of the corporation's resources

Objective: to ensure the corporation is effectively integrated and represented in the community

GOVERNANCE

The Board of Directors meets five times a year, while committee meetings take place on an ongoing basis. The current Board committees are:

- Business Development Committee
- Executive Committee
- Finance and Audit Committee
- Governance Committee
- Human Resources Committee

All committees take an active role in airport activities; however, the Executive Committee is convened only when decisions are required on an urgent basis between regularly scheduled Board meetings.

COMMITTEES

BUSINESS DEVELOPMENT COMMITTEE

Members: Francis Frenette, Chair
Carole Caron
Guy Guitard
René Legacy
Todd Morrison

The Business Development Committee met twice this past year to discuss the following topics:

- Runway expansion options
- Zoning

EXECUTIVE COMMITTEE

Members: Colin Brewster, President
Marc-André Godin, Vice-President
André Gozzo, Treasurer
Carole Caron, Secretary

The Executive Committee met three times during the fiscal year to discuss urgent business between Board meetings.

FINANCE AND AUDIT COMMITTEE

Members: André Gozzo, Chair
Marc-André Godin
Yvon P. Arseneau

The Finance and Audit Committee met over the course of the fiscal year to provide recommendations on the annual budget, the draft audited financial statements, investment strategies for the Airport Authority and financing options for the Airport expansion project.

GOVERNANCE COMMITTEE

Members: André Gozzo, Chair
Carole Caron
Guy Guitard
René Legacy

The Governance Committee met to review the existing by-laws and provide recommendations concerning the Board structure. It proceeded with the removal of nominators to allow the Northern New Brunswick Airport Authority to consider applicants who meet existing and future needs.

HUMAN RESOURCES COMMITTEE

Members: Yvon P. Arseneau, Chair
Guy Guitard
Marc-André Godin
Normand Plourde

The Human Resources Committee met over several months to discuss and provide guidance and recommendations on the following topics: human resources manual and current job descriptions.

CODE OF CONDUCT FOR DIRECTORS

All directors of the Authority are required to comply with a Code of Conduct and rules concerning conflicts of interest. These require that directors refrain from involvement in conflict of interest situations. Two potential conflicts of interest were declared during the 2016-2017 fiscal year. The Board members in question excused themselves from the discussion and abstained from voting on related actions.

Board members are nominated for three-year terms and may serve a maximum of nine years on the Board.



SALARIES AND REMUNERATION OF SENIOR MANAGEMENT AND BOARD MEMBERS 2016-2017

The combined salaries of the senior management team, composed of the Executive Director, Director of Operations, Marketing and Communications Coordinator and Administrative Assistant, were \$211,786.

Remuneration to board members consisting of per diems totalled \$3,700.

The Authority is required to report all contracts made in excess of \$75,000 which were not awarded on the basis of a public competitive tendering process.

CORPORATE OFFICES

Northern New Brunswick
Airport Authority
2929 Route 180
South Tetagouche, NB E2A 7B9

LEGAL COUNSEL

RTRA
Suite 300 - 270 Douglas Avenue
Bathurst, NB E2A 1M9

Droit JURIS Law
678 Champlain Street
Dieppe, NB E1A 1P5

AUDITORS

EPR – Bathurst
1935 St. Peter Avenue
Bathurst, NB E2A 7J5

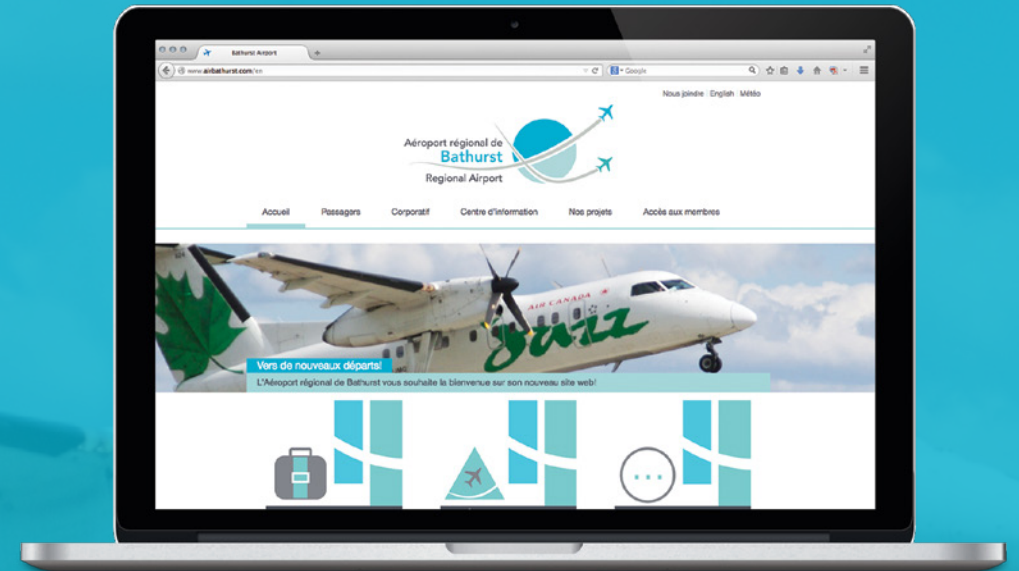
FINANCIAL SERVICES & INVESTMENTS

UNI Coopération financière
1215 St. Peter Avenue
Bathurst, NB E2A 3A2

HollisWealth
276 Marie Street
Beresford, NB E8K 1P8

FIND US ONLINE

On our Website



or on Facebook



FINANCIAL STATEMENTS

As at March 31, 2017



TABLE OF CONTENT

Independant auditor's report	18
Administration fund	
Balance sheet	19
Statement of revenues and expenditures	20
Schedule related to revenues	21
Schedules related to expenditures	22-23-24
Capital fund	
Balance sheet	25
Statement of operations and investments in capital assets	26
Statement of capital financing	27
Trust and reserve fund	
Balance sheet	28
Statement of revenues and expenditures	29
Combined balance sheet	30
Notes to financial statements	31-32-33-34



BATHURST / PÉNINSULE

COMPTABLES
PROFESSIONNELS AGRÉÉS
CHARTERED PROFESSIONAL
ACCOUNTANTS

BATHURST

1935, ave St. Peter Avenue
Suite 100
Bathurst, NB E2A 7J5

Tel./Tel.: (506) 548-1984
Télé./Fax: (506) 548-0904

epbath@epbathurst.ca
www.epr.ca

PÉNINSULE

41, boul. St-Pierre Ouest
Caraquet, NB E1W 1B6

Tel./Tel.: (506) 727-2010
Télé./Fax: (506) 727-2088

eppeninsule@epbathurst.ca
www.epr.ca

INDEPENDANT AUDITOR'S REPORT

To the members of Autorité Aéroportuaire du Nord du Nouveau-Brunswick Inc. / Northern New Brunswick Airport Authority Inc.,

We have audited the accompanying financial statements of Autorité Aéroportuaire du Nord du Nouveau-Brunswick Inc. / Northern New Brunswick Airport Authority Inc., which comprise the balance sheet of the administration, capital and trust and reserve funds as at March 31, 2017, and the statements of revenues, expenditures and surplus of the administration and trust and reserve funds, the statements of operations, investment in capital assets and capital financing of the capital fund for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles prescribed for New Brunswick municipalities by the Department of Local Government, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Autorité Aéroportuaire du Nord du Nouveau-Brunswick Inc. / Northern New Brunswick Airport Authority Inc. as at March 31, 2017, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles prescribed for New Brunswick municipalities by the Department of Local Government.

EPR - Bathurst / Péninsule

EPR - BATHURST / PÉNINSULE
CHARTERED PROFESSIONAL ACCOUNTANTS

Bathurst, New Brunswick
September 6, 2017

L'AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC.
NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.
BALANCE SHEET - ADMINISTRATION FUND
AS AT MARCH 31, 2017

	2017	2016
ASSETS		
CURRENT ASSETS		
Cash	\$ 259,721	\$ 5,700
Accounts receivable	170,057	243,534
Receivable from government agencies	7,116	1,864
Inventory	22,972	13,426
Prepaid expenses	52,332	54,017
	512,198	318,541
INVESTMENTS (Note 3)	2,576	2,576
	\$ 514,774	\$ 321,117
LIABILITIES AND SURPLUS		
CURRENT LIABILITIES		
Bank indebtedness (Note 5)	\$ -	\$ 34,619
Demand loan (Note 5)	-	45,000
Accounts payable and accrued liabilities	84,098	55,058
Due to Capital fund	42,262	35,176
Due to Operating reserve fund	16,779	16,779
	143,139	186,632
SURPLUS		
Balance, beginning of year	134,485	174,933
Excess of revenue over expenditures	346,501	51,644
Transfer of surplus of second previous year	(109,351)	(92,092)
	371,635	134,485
	\$ 514,774	\$ 321,117

APPROVED BY:

Director:

Director:

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



Associés - Partners:
*André J. Doucet, CPA, CGA
*Denis St-Pierre, FCPA, FCGA
*Gilles Deveau, CPA, CA

Un cabinet indépendant membre de AGN International / An Independent Member Firm of AGN International

* D'note corporation professionnelle / Denotes Professional Corporation

L'AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC.
 NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.
 STATEMENT OF REVENUES AND EXPENDITURES
 ADMINISTRATION FUND
 YEAR ENDED MARCH 31, 2017

3

	Budget	2017	2016
REVENUES			
Rentals (Page 4)	\$ 111,947	\$ 114,954	\$ 113,459
User Fees (Page 4)	2,478,000	2,033,251	2,294,439
Other	11,590	24,262	52,778
Grants	-	-	37,950
Surplus of second previous year	109,352	109,352	92,095
	2,710,889	2,281,819	2,590,721
EXPENDITURES			
Administration (Page 5)	675,186	466,899	491,179
Fuel system (Page 5)	692,300	519,275	596,631
Hangar (Page 5)	23,500	25,076	16,070
Operations (Page 5)	316,200	329,957	301,357
Ramp services (Page 6)	165,500	136,949	167,628
Runway and grounds (Page 6)	80,000	66,147	87,674
Security (Page 6)	48,500	42,201	47,629
Snow removal (Page 6)	259,400	227,495	223,654
Terminal building (Page 6)	48,500	53,543	60,234
Other (Page 7)	-	1,622	163,897
Fiscal services (Page 7)	401,803	66,154	383,124
	2,710,889	1,935,318	2,539,077
EXCESS OF REVENUES OVER EXPENDITURES	\$ -	\$ 346,501	\$ 51,644

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

ED

L'AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC.
 NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.
 SCHEDULE RELATED TO REVENUES - ADMINISTRATION FUND
 YEAR ENDED MARCH 31, 2017

4

	Budget	2017	2016
RENTALS			
Advertising space	\$ 5,727	\$ 5,363	\$ 8,842
Land leases	11,220	5,226	5,675
Office leases	95,000	104,365	98,942
	\$ 111,947	\$ 114,954	\$ 113,459
USER FEES			
Airport operations fees	\$ 1,129,832	\$ 850,360	\$ 1,020,560
Car parking	140,917	94,516	131,263
Fuel sales	916,667	836,238	858,136
Landing fees	73,334	57,793	69,584
Terminal fees	217,250	194,344	214,896
	\$ 2,478,000	\$ 2,033,251	\$ 2,294,439

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

ED

L'AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC.
 NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.
 SCHEDULE RELATED TO EXPENDITURES - ADMINISTRATION FUND
 YEAR ENDED MARCH 31, 2017

5

	Budget	2017	2016
ADMINISTRATION			
Advertising	\$ 50,000	\$ 52,265	\$ 63,844
AIF Handling charges	33,895	25,511	36,221
Bad debts	-	-	16,166
Insurance	26,265	25,975	19,252
Miscellaneous	15,000	21,243	17,079
Office supplies	20,000	16,384	21,338
Perdiems for directors	10,000	3,700	4,313
Professional fees	170,870	32,785	36,292
Taxes and permits	6,120	10,852	10,494
Telecommunications	18,300	18,252	15,998
Travel and meetings	15,000	14,554	12,188
Salaries and fringe benefits	309,736	245,378	237,994
	\$ 675,186	\$ 466,899	\$ 491,179
FUEL SYSTEM			
Aviation bulk fuel	\$ 676,000	\$ 508,436	\$ 584,649
Insurance	7,300	-	7,730
Repairs and maintenance	9,000	10,839	4,252
	\$ 692,300	\$ 519,275	\$ 596,631
HANGAR			
Miscellaneous	\$ 5,000	\$ 8,417	\$ 5,223
Repairs and maintenance	5,000	10,920	2,749
Electricity	13,500	5,739	8,098
	\$ 23,500	\$ 25,076	\$ 16,070
OPERATIONS			
Salaries and fringe benefits	\$ 316,200	\$ 329,957	\$ 301,357

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

ED

L'AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC.
 NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.
 SCHEDULE RELATED TO EXPENDITURES - ADMINISTRATION FUND
 YEAR ENDED MARCH 31, 2017

6

	Budget	2017	2016
RAMP SERVICES			
Miscellaneous	\$ 6,200	\$ 1,093	\$ 5,245
Salaries and fringe benefits	159,300	135,856	162,383
	\$ 165,500	\$ 136,949	\$ 167,628
RUNWAY AND GROUNDS			
Repairs and maintenance	\$ 70,000	\$ 63,232	\$ 76,975
Vehicle expenses	10,000	2,915	10,699
	\$ 80,000	\$ 66,147	\$ 87,674
SECURITY			
Salaries and fringe benefits	\$ 48,500	\$ 42,201	\$ 47,629
SNOW REMOVAL			
Repairs and maintenance	\$ 100,000	\$ 95,957	\$ 75,479
Runway anti-ice	50,000	21,313	27,848
Salaries and fringe benefits	109,400	110,225	120,327
	\$ 259,400	\$ 227,495	\$ 223,654
TERMINAL BUILDING			
Electricity	\$ 23,000	\$ 28,190	\$ 23,978
Repairs and maintenance	7,500	5,636	11,566
Supplies	18,000	19,717	24,690
	\$ 48,500	\$ 53,543	\$ 60,234

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

ED

L'AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC. 7
 NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.
 SCHEDULE RELATED TO EXPENDITURES - ADMINISTRATION FUND
 YEAR ENDED MARCH 31, 2017

	Budget	2017	2016
OTHER			
Special projects	\$ -	\$ 1,622	\$ 163,897
	\$ -	\$ 1,622	\$ 163,897
FISCAL SERVICES			
Capital expenditures	\$ -	\$ 56,309	\$ 117,228
Interest and bank charges	24,000	9,211	9,510
Interest on long-term debt	39,517	-	12,317
Interest on short-term debt	-	634	522
Principal repayment on long-term debt	338,286	-	243,547
	\$ 401,803	\$ 66,154	\$ 383,124

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

ED

L'AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC. 8
 NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.
 BALANCE SHEET - CAPITAL FUND
 AS AT MARCH 31, 2017

	2017	2016
ASSETS		
CURRENT ASSETS		
Cash	\$ 736,614	\$ -
Accounts receivable	12,819	-
Due from Administration fund	42,262	35,176
	1,558,520	1,463,386
PROPERTY, PLANT AND EQUIPMENT (Note 4)		
	\$ 2,350,215	\$ 1,498,562
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 4,381	\$ -
Due to Trust & reserve fund	900,000	-
	904,381	-
EQUITY		
INVESTMENTS IN CAPITAL ASSETS (Page 9)	1,445,834	1,498,562
	\$ 2,350,215	\$ 1,498,562

APPROVED BY:

Director: _____

Director: _____

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

ED

L'AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC. 9
 NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.
 STATEMENT OF OPERATIONS AND INVESTMENTS IN CAPITAL ASSETS
 YEAR ENDED MARCH 31, 2017

	2017	2016
Revenues		
Transfer from capital reserve fund	\$ -	\$ 100,000
Expenditures		
Amortization expense	108,783	81,775
Bank charges	254	-
Excess of revenues over expenditures (expenditures over revenues)	\$ (109,037)	\$ 18,225
Investments in Capital assets		
Balance, beginning of the year	\$ 1,498,562	\$ 1,119,562
Add:		
Property, plant and equipment financed by Administration fund	56,309	117,228
Principal payment on long-term debt	-	243,547
Excess of revenues over expenditures (expenditures over revenues)	(109,037)	18,225
BALANCE, end of year	\$ 1,445,834	\$ 1,498,562

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



L'AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC. 10
 NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.
 STATEMENT OF CAPITAL FINANCING - CAPITAL FUND
 YEAR ENDED MARCH 31, 2017

	2017	2016
FUNDS PROVIDED BY		
Transfer from Administration fund and Reserve fund		
Property, plant and equipment	\$ 56,309	\$ 117,228
Long-term debt repayment	-	243,547
Reserve fund	-	100,000
	\$ 56,309	\$ 460,775
FUNDS APPLIED TO		
Purchase of property, plant and equipment	\$ 56,309	\$ 217,228
Long-term debt repayment	-	243,547
	\$ 56,309	\$ 460,775

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



L'AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC. 11
 NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.
 BALANCE SHEET - TRUST AND RESERVE FUND
 AS AT MARCH 31, 2017

	2017	2016
ASSETS		
Cash	\$ 270,094	\$ 1,162,219
Receivable from Operating fund	16,779	16,779
Receivable from Capital fund	900,000	-
	\$ 1,186,873	\$ 1,178,998
RESERVE		
Administration Operating reserve fund (Page 12)	\$ 28,413	\$ 28,413
Capital reserve fund (Page 12)	1,158,460	1,150,585
	\$ 1,186,873	\$ 1,178,998

APPROVED BY:

Director: 
 Director: 

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



L'AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC. 12
 NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.
 STATEMENT OF REVENUES AND EXPENDITURES - TRUST AND RESERVE FUND
 YEAR ENDED MARCH 31, 2017

	Reserve Fund		2017	2016
	Operating	Capital		
Balance, beginning of the year	\$ 28,413	\$ 1,150,585	\$ 1,178,998	\$ 1,266,430
Revenues:				
Interest earned	-	7,875	7,875	12,568
	28,413	1,158,460	1,186,873	1,278,998
Expenditures:				
Transfer to Capital fund	-	-	-	100,000
Balance, end of the year	\$ 28,413	\$ 1,158,460	\$ 1,186,873	\$ 1,178,998

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



L'AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC.
 NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.
 COMBINED BALANCE SHEET
 AS AT MARCH 31, 2017

13

	2017	2016
ASSETS		
CURRENT ASSETS		
Cash	\$ 1,266,429	\$ 1,167,919
Accounts receivable	182,876	243,534
Receivable from government agencies	7,116	1,864
Inventory	22,972	13,426
Prepaid expenses	52,332	54,017
	1,531,725	1,480,760
INVESTMENTS (Note 3)	2,576	2,576
PROPERTY, PLANT AND EQUIPMENT (Note 4)	1,558,520	1,463,386
	\$ 3,092,821	\$ 2,946,722
LIABILITIES AND SURPLUS		
CURRENT LIABILITIES		
Bank indebtedness (Note 5)	\$ -	\$ 34,619
Demand loan (Note 5)	-	45,000
Accounts payable and accrued liabilities	88,479	55,058
	88,479	134,677
SURPLUS		
Investment in Capital assets (Page 8)	1,445,834	1,498,562
Surplus (Page 2)	371,635	134,485
Trust and Reserve (Page 11)	1,186,873	1,178,998
	3,004,342	2,812,045
	\$ 3,092,821	\$ 2,946,722

APPROVED BY:

Director:

Director:

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



L'AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC.
 NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.
 NOTES TO FINANCIAL STATEMENTS

1. NATURE OF OPERATIONS

The Authority co-ordinates operations of an airport in Bathurst, New Brunswick. The Authority is a not for profit organization and, therefore, is exempt from tax under the *Income Tax Act*.

2. SIGNIFICANT ACCOUNTING POLICIES

These financials statements are the representations of management prepared in accordance with accounting principles prescribed for New Brunswick municipalities by the Department of Local Government.

The Autorité Aéroportuaire du Nord du Nouveau-Brunswick Inc. / Northern New Brunswick Airport Authority Inc. follows the deferral method of accounting for contributions.

a) Revenue Recognition

Operating revenues are recorded based on the accrual method of accounting and are recognized when they are earned, specifically when:

- Services are provided or products are delivered to customers.
- There is a clear proof that an arrangement exists.
- Amounts are fixed or can be determined.
- Our ability to collect is reasonably assured.

b) Inventory

Inventory is valued at the lower of cost and net realizable value. The cost is determined using the first-in-first-out method.

c) Capital Assets

Purchases of capital assets are recorded in the Capital fund at cost. Amortization is calculated using the methods which reduce the original cost of capital assets to estimated residual values over the useful life of each asset using the following rates:

Buildings	4 - 10%	Diminishing balance
Equipment and Machinery	10 - 55%	Diminishing balance
Motor vehicle	30%	Diminishing balance
Parking lot	8%	Diminishing balance
Runway improvements	8%	Diminishing balance
Runway Navigation equipment	20%	Diminishing balance
Snow removal equipment	20 - 30%	Diminishing balance

Amortization expense is recorded in the Capital asset fund. Grants received are amortized at the same rate as the asset they relate to.

No amortization is taken on additions for the year of acquisition.



L'AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC.
NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.
NOTES TO FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d) Surplus / Deficit

The Authority has adopted the policy of budgeting in the current year operations any surplus or deficit of the second preceding year.

e) Cash and cash equivalents

The policy of the association is to disclose bank balances under cash and cash equivalents, including bank overdrafts and temporary investments with a maturity of three months or less from the date of acquisition. Also, bank borrowings are considered as financing activities.

f) Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles 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 financial statements and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from those estimates.

g) Pension Plan

The employees are members of a defined contribution plan for which the Authority contribution to this plan are limited to 4% of the members' pensionable earnings.

h) Impairment of long-lived assets

A long-lived asset is tested for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

i) Financial Instruments

Financial instruments are comprised of cash and cash equivalents, accounts receivable, prepaid expenses, accounts payable and accrued liabilities. Due to their short-term nature, all financial instruments are carried at amounts which are considered to approximate their fair value.

j) Financial Risk Management Objectives and Policies

Consistent with similar not-for-profit organizations, risk management policies are part of the overall management of the entity's operations. The Authority's direct involvement in day-to-day operations identifies risks and variations from expectations leading to changes in risk management activities, requirements and actions. The Authority has not entered into hedging transactions to manage risk. As a part of the overall management of the Authority's operations, management considers avoidance of undue concentrations of risk, and employs appropriate investment and credit management policies to manage the organization's exposure.



L'AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC.
NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.
NOTES TO FINANCIAL STATEMENTS

3. INVESTMENT

	2017	2016
Ace Aviation Holdings Inc., at fair market value	\$ 2,576	\$ 2,576

The cost at March 31, 2017 was \$4,240.

4. CAPITAL ASSETS

	2017		2016	
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 294,832	\$ -	\$ 294,832	\$ 294,832
Building - Administration	135,458	42,732	92,726	96,590
Building - Air Transport	1,095,178	381,896	713,282	376,431
Building - Snow maintenance	291,537	158,151	133,386	140,088
Equipment and machinery	513,523	394,965	118,558	70,267
Motor vehicle	51,153	39,880	11,273	16,104
Parking lot	527,732	228,946	298,786	324,767
Runway improvement	2,256,482	742,306	1,514,176	1,645,843
Runway navigation equipment	2,402,155	2,338,082	64,073	80,090
Snow removal equipment	1,282,874	1,082,794	200,080	250,101
	8,850,924	5,409,752	3,441,172	3,295,113
Less Grants:				
Building - Administration	66,035	21,218	44,817	46,683
Building - Air Transport	261,593	15,023	246,570	42,838
Equipment and machinery	38,994	34,878	4,116	5,147
Runway improvement	2,256,482	742,306	1,514,176	1,645,843
Runway navigation equipment	171,300	130,885	40,415	50,518
Snow removal equipment	138,000	105,442	32,558	40,698
	2,932,404	1,049,752	1,882,652	1,831,727
	\$ 5,918,520	\$ 4,360,000	\$ 1,558,520	\$ 1,463,386



L'AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC.
 NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.
 NOTES TO FINANCIAL STATEMENTS

5. BANK INDEBTEDNESS

	2017	2016
Bank overdraft	\$ -	\$ 34,619
Demand loan	-	45,000
	\$ -	\$ 79,619

The Authority has an operating line of credit of \$150,000 with an interest rate of prime plus 0.75%. As security, the Authority has provided a general security agreement against the assets of the airport. At March 31, 2017, an amount of \$150,000 was unused.

6. COMMITMENT

As at March 31, 2017, the Authority has an outstanding commitment over the next three years of \$3,788 with respect to the lease of equipment.

7. ECONOMIC DEPENDANCE

The majority of the revenue earned by the Authority is from Air Canada and the continued operation of the airport by the Authority at its present capacity is dependent on these revenues continuing.

8. MANAGEMENT OF NET ASSETS

The objective of Autorité Aéroportuaire du Nord du Nouveau-Brunswick Inc. / Northern New Brunswick Airport Authority Inc. in managing its net assets is to remain a sustainable operation while fulfilling its overall mandate. It achieves its objective by strong day-to-day management of its cash flows and by regularly monitoring revenues and expenditures against its annual operating and capital budgets. When necessary, Autorité Aéroportuaire du Nord du Nouveau-Brunswick Inc. / Northern New Brunswick Airport Authority Inc., takes prompt action to raise additional revenues when actual revenues do not meet its budget and to reduce expenditures or curtail programs when alternate sources of revenue can not be found.





Photos : Karine Wade Image
Concept : DPG Communication

Aéroport régional de
Bathurst
Regional Airport



Northern New Brunswick Airport Authority
2929 Route 180, South Tetagouche, NB E2A 7B9

Tél. : 506 549-5050

Fax : 506 549-5051

www.airbathurst.com