

ANNUAL REPORT 2017 – 2018

Northern New Brunswick
Airport Authority Inc.



Aéroport régional de
Bathurst
Regional Airport





ANNUAL REPORT 2017 – 2018

Northern New Brunswick Airport Authority Inc.

Aéroport régional de
Bathurst

Regional Airport



Mission

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

Vision

To become the foremost airport authority in northern New Brunswick.



GREETINGS FROM THE PRESIDENT

**PRESIDENT OF THE BOARD OF DIRECTORS
COLIN BREWSTER**



is not an easy task and requires knowledge and attention to detail, all while upholding Transport Canada's stringent standards and striving to minimize wherever possible any disruption or impact in relation to daily operations.

Highlights of our renovations included extending our runway by 202 meters to a new total length of 1,711 meters. We then expanded the terminal by 632 square meters to reach a total of 1087 square meters, thereby more than doubling its original floor area. Detailed upgrades included the addition of restrooms in the terminal's secure area as well as more space to accommodate passengers and their families in both the departures and arrivals areas of the terminal. The terminal is taking on a highly modernized look as a result, adopting an open-concept style to promote more streamlined traffic flow indoors. Being the only air gateway to Northern New Brunswick, it is essential for us to offer the best possible facilities to airlines and charter carriers so that they, in turn, can offer the best possible service to their 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 pleased to be able to offer services to our community and surrounding areas, and we are thankful for the support we have received, and continue to receive, year after year.

Sincerely,

Colin Brewster
President

The year 2017 was marked by two major milestones at Bathurst Regional Airport: first, we celebrated the Airport's 50th anniversary, and second, we started the long-awaited renovation of the terminal as well as the extension of our runway. We celebrated 50 rewarding years of serving our community on May 16, 2017, by holding an event to which we invited individuals who have helped shape the Airport and the various people who have worked tirelessly for many years to make Bathurst Regional Airport all that it is today.

As President of the Northern New Brunswick Airport Authority, I could not be more honoured to be part of such a dynamic Board of Directors, and I am grateful that my mandate occurred in the midst of the action of these exciting renovations for the Airport. In addition to changing the face of our Airport, these renovations will help us to more effectively support our tenants in delivering their services. I would like to take this opportunity to acknowledge the efforts and hard work of the past and current Board members, all of whom have been deeply involved in making this vision a reality! Many politicians and important influencers in our community have laboured tirelessly and contributed significantly to the progress of this file. Our Executive Director, Jennifer Henry, has demonstrated outstanding leadership in preparing and guiding her entire team through this successful process, and we are very proud of all the hard work she has put into this complex project. Renovating an airport

GREETINGS FROM THE EXECUTIVE DIRECTOR

**EXECUTIVE DIRECTOR
JENNIFER HENRY**



It has been a very exciting year full of change and growth at Bathurst Regional Airport. We undertook a major expansion project that resulted in extending our runway and doubling the size of our terminal building. With a price tag of just over \$6 million, this expansion project will allow us to better serve our existing clientele while also providing for additional potential air service opportunities in the future.

The expansion project would not have been possible without financial support from the provincial and federal governments, UNI Financial Cooperation and the Northern New Brunswick Airport Authority's Board of Directors, nor without the expertise of the following companies: CLAD Inc., Genibuild Construction, Roy Consultants and St. Isidore Asphalte Ltée. Thank you all for believing in this project and helping the NNBA realize its objective.

Over the past several years, airports across the country have been tasked with implementing a safety management system (SMS) that would put the onus of safety oversight into the hands of the airport authorities. In response to this change, the NNBA restructured its organizational chart to create a new position with the responsibility of implementing and monitoring the SMS. The position of Manager, Safety, Security and Regulatory Affairs was created and filled in November 2017.

Passenger numbers, as predicted, were lower this year than in the previous year. A total of 38,058 passengers used our facilities over the past calendar year, and we are pleased with this figure. Several factors contributed to the slight decrease from the previous year: runway closure due to construction, several freezing rain events in Montréal and Bathurst, and the absence of a third flight during the summer months of 2017. The NNBA continues to work closely with its valued partner, Air Canada, to offer reliable and safe air access for the citizens of Northern New Brunswick.

In closing, I would like to thank my outstanding staff for their ongoing support and enthusiasm as we undertook the many challenges brought on by the construction project and the organizational changes. Their focus and dedication to maintaining a seamless operation during major changes was much appreciated. I also count myself fortunate to be supported by a Board of Directors that shares a vision of growth and stability for Bathurst Regional Airport. Without their continuous oversight and perseverance, we would not have achieved so many of our goals. To our valued tenants who have kept an upbeat attitude during the various phases of our construction project, I want to thank you for your patience and encouragement. I appreciate that you also share our vision for the Airport.

As we face these situations, the community's ongoing support helps carry us through the more challenging times. We value your business and look forward to serving you for many more years to come.

Best regards,

Jennifer Henry
Executive Director





AIR SERVICE

Air Canada continues to offer two flights daily from Bathurst Regional Airport to Montreal. From April through October 2017, it increased seat capacity by deploying 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.

The extension of the runway and expansion of our terminal will provide us with opportunities to explore potential relationships in the future.

MARKETING AND COMMUNICATIONS



AIRPORT TOURS

In 2017, we hosted visitors from various schools throughout the Chaleur region and the Acadian Peninsula. These organized tours offered students a chance to learn more about our operations and the different tasks we perform at the Airport. The following is a list of the schools that participated in tours of the Airport:

May 11 – 51 students from École Terre des Jeunes in Paquetville

June 1 – 40 students from École La Source in Tracadie

June 8 – 16 students from École La Passerelle in St-Isidore

June 15 – 15 students from Terry Fox School in Bathurst



PARADE FLOAT AND ZULU

For a second consecutive year, our wooden plane was a centre of attention at parades. Measuring more than 40 feet long and 28 feet wide, our plane created excellent visibility for us at these events. This year we also added a new crew member, our mascot Zulu, who accompanied us to special events and was a big hit among the crowds. Zulu even had the opportunity to meet New Brunswick premier Brian Gallant at the Acadian Festival in Caraquet. The festivals we took part in were:

July 9 – Dory Boat Festival Parade (Petit-Rocher)

July 24 – Hospitality Days Parade (Bathurst)

August 15 – Acadian Festival (Caraquet)

December 8 – Santa Claus Parade (Bathurst)

We would like to thank the staff who helped us move, prepare and decorate our float as well as those who came to lend a helping hand at the parades. Special thanks also to RH Frenette for kindly agreeing to transport this gigantic Airport float.



WINTER FUN AT THE AIRPORT

For a second year, the Airport organized the Winter Fun Event. In total, more than 915 participants came to our Airport to enjoy this day full of family activities, including a snow sculpture, a maze for the kids, maple taffy and sliding to amuse both the young and the young at heart. Thank you to all the employees and volunteers who contributed to the success of this activity, whether by moving snow, building slides, chopping firewood or providing security the day of the event.



AIRPORT'S 50TH ANNIVERSARY

This year was an important year for the entire Airport community, as we celebrated the Airport's 50th anniversary. On May 16, 2017, the Airport officially celebrated its 50th birthday by hosting an "after-hours" reception. Airport employees, tenants and board members as well as members of the community and individuals who helped shaped our Airport were invited to celebrate with us at the Atlantic Host! During the evening, distinguished guests including Jessica Ryan, Ian Oliver, Stephen Brunet, Colin Brewster and Jennifer Henry spoke about the history and development of the Airport. It was a highly memorable event.



TOUCH-A-PLANE

This past June 17, everyone on the Bathurst Regional Airport team lent a hand as the Airport hosted its 2nd annual Touch-A-Plane event. A total of 1148 people attended this year's event. One of the goals of this event is to bring the community onto the Airport property to showcase our equipment, familiarize them with our environment and offer them the opportunity to see planes from all over. People were very curious and took advantage of the chance to meet our staff and ask them questions about their work.

Thanks to the tremendous generosity of the event participants, we were pleased to divide among three organizations – Coup d'Pouce food bank in Petit-Rocher, Bathurst Volunteer Centre and Comité d'entraide d'Allardville – a total of \$418 in cash donations collected from the community along with non-perishable food items. Not only was this a fun family event, we were also able to help families in need in our area.

Representatives from the Canadian Armed Forces, Evasion Air, the Air Cadets and other groups also took part.



BOOTHS AND PRESENTATIONS

Again this year, the Airport participated in several events and fairs to promote its offerings. The purpose of these activities is to both showcase the Airport and interact with people in various communities. In addition, we attended several career fairs at high schools to educate students about the different occupations involved in operating an airport. At each fair, we give away a number of door prizes; all that attendees have to do to enter the prize draw is fill out a ballot. The following is a list of the events and fairs we participated in:

April 20 – BHS Career Fair

April 29 – Kiosk and networking event at CHALEUR: My Home, My Future!

April 28, 29 and 30 – Beresford Regional, Commercial & Industrial Expo

November 9 – OrientAction day at École Secondaire Népisiguit

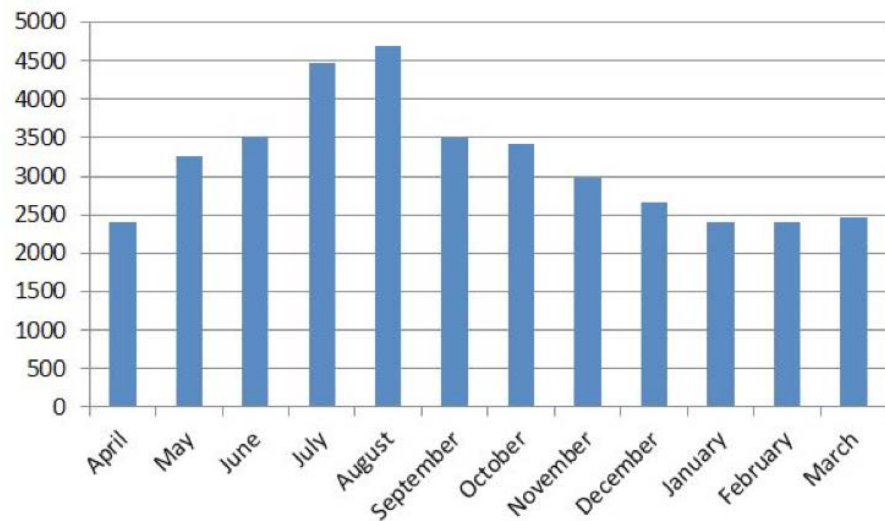
November 10 – Career fair at Polyvalente Louis Mailloux in Caraquet



PASSENGER STATISTICS



PASSENGER STATISTICS APRIL 2017 TO MARCH 2018



PASSENGERS PER FISCAL YEAR



CAPITAL EXPENDITURES 2017-2018

Capital expenditures for the 2017-2018 fiscal year totalled \$3,000,101. This amount was divided among the following:

- Runway extension
- Runway lights upgrade
- Phase 1 of terminal construction

STRATEGIC PRIORITIES

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

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

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

GOVERNANCE



Members of the Board of Directors are appointed for three-year terms and may serve a maximum of nine years on the Board. They meet five times a year and actively serve on various committees. These committees meet as often as necessary and are made up of the following:

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



COMMITTEES



EXECUTIVE COMMITTEE

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

All committees play 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. The Executive Committee met once during the fiscal year to discuss urgent business between Board meetings.

BUSINESS DEVELOPMENT COMMITTEE

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

The Business Development Committee met once during the past year to discuss the following topics:

- Service and facility fees
- Zoning

FINANCE AND AUDIT COMMITTEE

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

The Finance and Audit Committee met during 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: René Legacy, Chair
Mireille Saulnier
Carole Caron
Guy Guitard

The Governance Committee's main purpose is to determine the composition of the Board and to gauge the quality of performance of the Board overall and of the individual Board members. The Governance Committee did not meet during the 2017-2018 fiscal year.

HUMAN RESOURCES COMMITTEE

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

The Human Resources Committee met several times over a period of months to discuss and provide guidance and recommendations on the following topics:

- Human resources policies
- Wage grid for employees
- Organizational chart



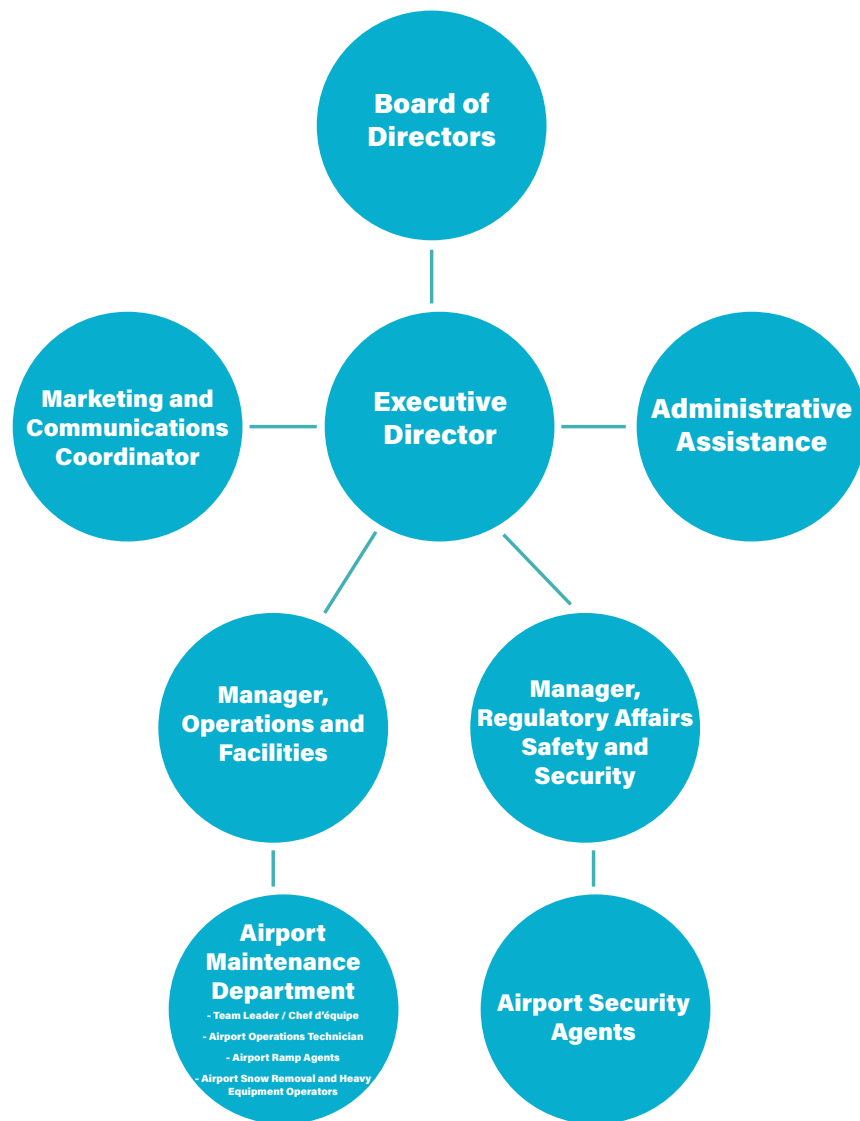
BOARD OF DIRECTORS



CODE OF CONDUCT FOR MEMBERS OF THE BOARD OF 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 2017-2018 fiscal year. The Board members in question excused themselves from the discussion and abstained from voting on related issues.

NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY ORGANIZATIONAL CHART



SALARIES AND REMUNERATION OF SENIOR MANAGEMENT AND BOARD MEMBERS 2017-2018

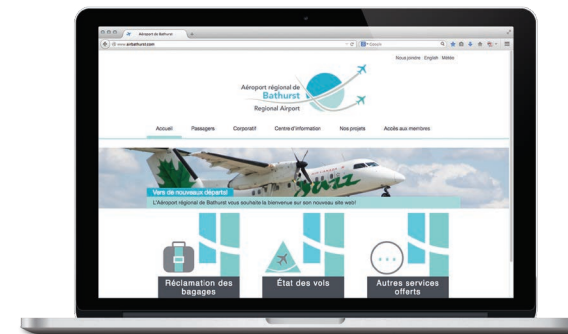
The combined salaries of the senior management team (Executive Director; Manager, Operations and Facilities; Manager, Regulatory Affairs, Safety and Security; Marketing and Communications Coordinator; and Administrative Assistant) were \$389,920

Remuneration to Board members consisting of per diems totalled \$1140

The Authority is required to report all contracts valued at greater than \$75,000 that were not awarded through a public competitive tendering process. No such contracts were awarded during the fiscal year.



FIND US ONLINE



On our Website
www.airbathurst.com



On Facebook
[@Bathurstairport](https://www.facebook.com/Bathurstairport)



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BATHURST / PÉNINSULE

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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, 2018, 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, 2018, 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 17, 2018

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

Un cabinet indépendant membre du Groupe EPR Canada Inc / An Independent Member Firm of EPR Canada Group Inc.

* Denote corporation professionnelle / Denotes Professional Corporation

**L'AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC.
NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.
BALANCE SHEET - ADMINISTRATION FUND
AS AT MARCH 31, 2018**

	2018	2017
ASSETS		
CURRENT ASSETS		
Cash	\$ 68,755	\$ 259,718
Accounts receivable	237,437	170,057
Receivable from government agencies	189,544	7,116
Inventory	22,419	22,972
Prepaid expenses	52,332	52,332
	570,487	512,195
INVESTMENTS (Note 3)	2,576	2,576
	\$ 573,063	\$ 514,771
LIABILITIES AND SURPLUS		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 73,813	\$ 84,098
Due to Capital fund	179,813	42,262
Due to Operating reserve fund	14,796	16,779
	268,422	143,139
SURPLUS		
Balance, beginning of year	371,632	134,481
Excess of revenues over expenditures (expenditures over revenues)	(15,347)	346,502
Transfer of surplus of second previous year	(51,644)	(109,351)
	304,641	371,632
	\$ 573,063	\$ 514,771

APPROVED BY:

Director:

Director:

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



L'AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC. 3
 NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.
 STATEMENT OF REVENUES AND EXPENDITURES
 ADMINISTRATION FUND
 YEAR ENDED MARCH 31, 2018

	Budget	2018	2017
REVENUES			
Rentals (Page 4)	\$ 114,200	\$ 88,433	\$ 114,954
User Fees (Page 4)	1,940,000	2,007,243	2,033,251
Other	63,800	82,307	24,262
Grants	-	9,412	-
Surplus of second previous year	51,644	51,644	109,352
	2,169,644	2,239,039	2,281,819
EXPENDITURES			
Administration (Page 5)	724,826	695,720	466,898
Fuel system (Page 5)	484,800	593,010	519,275
Hangar (Page 5)	41,000	19,199	25,076
Operations (Page 5)	222,054	263,492	329,957
Ramp services (Page 6)	129,365	112,651	136,949
Runway and grounds (Page 6)	50,000	167,175	66,147
Security (Page 6)	53,077	40,084	42,201
Snow removal (Page 6)	252,072	290,308	227,495
Terminal building (Page 6)	59,000	50,955	53,543
Other (Page 7)	3,000	9,185	1,622
Fiscal services (Page 7)	150,450	12,607	66,154
	2,169,644	2,254,386	1,935,317
EXCESS OF REVENUES OVER EXPENDITURES (EXPENDITURES OVER REVENUES)	\$ -	\$ (15,347)	\$ 346,502

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



L'AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC. 4
 NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.
 SCHEDULE RELATED TO REVENUES - ADMINISTRATION FUND
 YEAR ENDED MARCH 31, 2018

	Budget	2018	2017
RENTALS			
Advertising space	\$ 12,000	\$ -	\$ 5,363
Land leases	5,300	5,330	5,226
Office leases	96,900	83,103	104,365
	\$ 114,200	\$ 88,433	\$ 114,954
USER FEES			
Airport operations fees	\$ 820,000	\$ 779,800	\$ 850,360
Car parking	95,000	52,024	94,516
Fuel sales	780,000	949,538	836,238
Landing fees	60,000	52,354	57,793
Terminal fees	185,000	173,527	194,344
	\$ 1,940,000	\$ 2,007,243	\$ 2,033,251

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.
 SCHEDULE RELATED TO EXPENDITURES - ADMINISTRATION FUND
 YEAR ENDED MARCH 31, 2018

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	Budget	2018	2017
ADMINISTRATION			
Advertising	\$ 65,000	\$ 63,386	\$ 52,265
AIF Handling charges	24,600	23,394	25,511
Insurance	32,000	23,985	25,975
Miscellaneous	28,500	23,959	21,242
Office supplies	21,000	27,022	16,384
Perdiems for directors	6,000	1,140	3,700
Professional fees	150,000	89,189	32,785
Taxes and permits	12,000	17,737	10,852
Telecommunications	20,000	20,974	18,252
Travel and meetings	15,000	15,014	14,554
Salaries and fringe benefits	350,726	389,920	245,378
	\$ 724,826	\$ 695,720	\$ 466,898
FUEL SYSTEM			
Aviation bulk fuel	\$ 475,800	\$ 587,447	\$ 508,436
Repairs and maintenance	9,000	5,563	10,839
	\$ 484,800	\$ 593,010	\$ 519,275
HANGAR			
Miscellaneous	\$ 8,500	\$ 5,796	\$ 8,417
Repairs and maintenance	5,000	3,256	10,920
Electricity	27,500	10,147	5,739
	\$ 41,000	\$ 19,199	\$ 25,076
OPERATIONS			
Salaries and fringe benefits	\$ 222,054	\$ 263,492	\$ 329,957

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

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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, 2018

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	Budget	2018	2017
RAMP SERVICES			
Miscellaneous	\$ 3,000	\$ 1,142	\$ 1,093
Salaries and fringe benefits	126,365	111,509	135,856
	\$ 129,365	\$ 112,651	\$ 136,949
RUNWAY AND GROUNDS			
Repairs and maintenance	\$ 45,000	\$ 157,642	\$ 63,232
Vehicle expenses	5,000	9,533	2,915
	\$ 50,000	\$ 167,175	\$ 66,147
SECURITY			
Salaries and fringe benefits	\$ 53,077	\$ 40,084	\$ 42,201
SNOW REMOVAL			
Repairs and maintenance	\$ 100,000	\$ 120,565	\$ 95,957
Runway anti-ice	45,000	52,925	21,313
Salaries and fringe benefits	107,072	116,818	110,225
	\$ 252,072	\$ 290,308	\$ 227,495
TERMINAL BUILDING			
Electricity	\$ 31,000	\$ 30,174	\$ 28,190
Repairs and maintenance	3,000	4,582	5,636
Supplies	25,000	16,199	19,717
	\$ 59,000	\$ 50,955	\$ 53,543

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

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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, 2018

	Budget	2018	2017
OTHER			
Nav Aid Maintenance	\$ 3,000	\$ 9,185	\$ -
Special projects	-	-	1,622
	\$ 3,000	\$ 9,185	\$ 1,622
FISCAL SERVICES			
Capital expenditures	\$ 50,000	\$ -	\$ 56,309
Interest and bank charges	10,000	12,607	9,211
Interest on short-term debt	26,269	-	634
Principal repayment on long-term debt	64,181	-	-
	\$ 150,450	\$ 12,607	\$ 66,154

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

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L'AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC. 8
 NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.
 BALANCE SHEET - CAPITAL FUND
 AS AT MARCH 31, 2018

	2018	2017
ASSETS		
CURRENT ASSETS		
Cash	\$ 241,684	\$ 736,600
Accounts receivable	-	12,819
Due from Administration fund	179,813	42,262
	421,497	791,681
PROPERTY, PLANT AND EQUIPMENT (Note 4)		
	3,238,172	1,558,523
	\$ 3,659,669	\$ 2,350,204
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Line of credit (Note 5)	\$ 1,427,378	\$ -
Accounts payable and accrued liabilities	2,111	4,381
Due to Trust & reserve fund	900,000	900,000
	2,329,489	904,381
EQUITY		
INVESTMENTS IN CAPITAL ASSETS (Page 9)	1,330,180	1,445,823
	\$ 3,659,669	\$ 2,350,204

APPROVED BY:

Director:

Director:

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

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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, 2018

	2018	2017
Expenditures		
Amortization expense	\$ 105,018	\$ 108,783
Bank charges	10,625	254
Excess of expenditures over revenues	\$ (115,643)	\$ (109,037)
Investments in Capital assets		
Balance, beginning of the year	\$ 1,445,823	\$ 1,498,551
Add:		
Property, plant and equipment financed by Administration fund	-	56,309
Excess of expenditures over revenues	(115,643)	(109,037)
BALANCE, end of year	\$ 1,330,180	\$ 1,445,823

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, 2018

	2018	2017
FUNDS PROVIDED BY		
Transfer from Administration fund and Reserve fund		
Property, plant and equipment	\$ -	\$ 56,309
	\$ -	\$ 56,309
FUNDS APPLIED TO		
Purchase of property, plant and equipment	\$ -	\$ 56,309
	\$ -	\$ 56,309

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, 2018

	2018	2017
ASSETS		
Cash	\$ 273,570	\$ 270,093
Receivable from Operating fund	14,796	16,779
Receivable from Capital fund	900,000	900,000
	\$ 1,188,366	\$ 1,186,872
RESERVE		
Administration Operating reserve fund (Page 12)	\$ 28,413	\$ 28,413
Capital reserve fund (Page 12)	1,159,953	1,158,459
	\$ 1,188,366	\$ 1,186,872

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, 2018

	Reserve Fund		2018	2017
	Operating	Capital		
Balance, beginning of the year	\$ 28,413	\$ 1,158,460	\$ 1,186,873	\$ 1,178,998
Revenues:				
Interest earned	-	1,493	1,493	7,875
Balance, end of the year	\$ 28,413	\$ 1,159,953	\$ 1,188,366	\$ 1,186,873

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

L'AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC. 13
 NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.
 COMBINED BALANCE SHEET
 AS AT MARCH 31, 2018

	2018	2017
ASSETS		
CURRENT ASSETS		
Cash	\$ 584,009	\$ 1,266,411
Accounts receivable	237,437	182,876
Receivable from government agencies	189,544	7,116
Inventory	22,419	22,972
Prepaid expenses	52,332	52,332
	1,085,741	1,531,707
INVESTMENTS (Note 3)	2,576	2,576
PROPERTY, PLANT AND EQUIPMENT (Note 4)	3,238,172	1,558,523
	\$ 4,326,489	\$ 3,092,806
LIABILITIES AND SURPLUS		
CURRENT LIABILITIES		
Line of credit (Note 5)	\$ 1,427,378	\$ -
Accounts payable and accrued liabilities	75,924	88,479
	1,503,302	88,479
SURPLUS		
Investment in Capital assets (Page 8)	1,330,180	1,445,823
Surplus (Page 2)	304,641	371,632
Trust and Reserve (Page 11)	1,188,366	1,186,872
	2,823,187	3,004,327
	\$ 4,326,489	\$ 3,092,806

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 authority 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

	2018	2017
Ace Aviation Holdings Inc., at fair market value	\$ 2,576	\$ 2,576

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

4. CAPITAL ASSETS

	2018		2017	
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 294,832	\$ -	\$ 294,832	\$ 294,832
Building - Administration	135,458	46,441	89,017	92,727
Building - Air Transport	1,095,178	410,427	684,751	713,282
Building - Snow maintenance	291,537	164,475	127,062	133,386
Equipment and machinery	513,523	408,378	105,145	118,558
Motor vehicle	51,153	43,262	7,891	11,273
Parking lot	527,732	252,849	274,883	298,786
Runway improvement	2,256,482	863,440	1,393,042	1,514,175
Runway navigation equipment	2,402,155	2,350,897	51,258	64,072
Snow removal equipment	1,282,874	1,122,810	160,064	200,081
Building under construction	1,784,671	-	1,784,671	-
	10,635,595	5,662,979	4,972,616	3,441,172
Less Grants:				
Building - Administration	66,035	23,011	43,024	44,816
Building - Air Transport	261,593	24,886	236,707	246,570
Equipment and machinery	38,994	35,702	3,292	4,115
Runway improvement	2,256,482	863,440	1,393,042	1,514,175
Runway navigation equipment	171,300	138,968	32,332	40,415
Snow removal equipment	138,000	111,953	26,047	32,558
	2,932,404	1,197,960	1,734,444	1,882,649
	\$ 7,703,191	\$ 4,465,019	\$ 3,238,172	\$ 1,558,523



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

5. LINE OF CREDIT

	2018	2017
Line of credit	\$ 1,427,378	\$ -
	\$ 1,427,378	\$ -

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, 2018, an amount of \$150,000 was unused.

The Authority has an operating line of credit of \$2,349,814 with an interest rate of prime plus 3.45%. As security, the Authority has provided a general security agreement against the assets of the airport. At March 31, 2018, an amount of \$922,436 was unused.

6. COMMITMENT

As at March 31, 2018, the Authority has an outstanding commitment over the next two 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.





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