

# ANNUAL REPORT 2018 – 2019

Northern New Brunswick  
Airport Authority Inc.



Aéroport régional de  
**Bathurst**  
Regional Airport





# ANNUAL REPORT 2018 – 2019

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 AND THE EXECUTIVE DIRECTOR

PRESIDENT OF THE BOARD OF DIRECTORS  
**RENÉ LEGACY**

EXECUTIVE DIRECTOR  
**JENNIFER HENRY**



Growth and transition were two key influences for the Bathurst Regional Airport during the 2018-2019 fiscal year. Key highlights included the substantial completion of the Airport Expansion Project and the realignment of our operations to meet the regulatory requirements and reality of our new environment.

The Airport Expansion Project consisted of two major upgrades. First, the extension of our runway by 202 m, for a total length of 1711 m. Our runway can now accommodate larger aircraft such as the Q-400 while continuing to provide the essential infrastructure for our users. Further, our upgraded runway lighting system incorporates modern, efficient technology used by pilots during approach. Secondly, we carried out upgrades to the Airport Terminal Building (ATB), which were the most visible ones. Originally built in 1987 to accommodate about 20,000 passengers per year, the old ATB served the travelling public through a variety of challenges including enhanced passenger security measures and increased passengers' numbers. In fact, average passenger numbers have hovered around 40,000 for the past 10 years. The newly expanded ATB totals 1087 m<sup>2</sup> and houses the Airport's administrative and operational departments. It boasts of an expanded secured passenger area, an open-concept lobby and future growth opportunities. We would be remiss if we did not underline the important financial support we received to achieve this

milestone. The Airport was provided with grants from the federal and provincial governments. Both parties respectively contributed to a third of the funding for this project. The Northern New Brunswick Airport Authority (NNBAA) partnered with UNI Financial Corporation to finance the remaining third. We would like to thank them for their valuable contribution and for believing in this project. We would also like to acknowledge the vision and hard work of CLAD Inc., the architect firm responsible for designing such a beautiful facility and express our thanks to our general contractor, Genibuilt Ltd., for making that vision a reality.

As with any construction project, the Airport family (staff, tenants and the public) kept a positive outlook during the many phases of the project. From the noise and dust to the relocation of computers and offices, everyone exercised a great deal of patience and cooperation that contributed to the success of this project. Thank you for support!

Passenger numbers increased by 8% compared to the same period the previous year. Between April 2018 and March 2019, a total of 41,418 passengers used our facilities for their travelling needs. Air Canada continued to operate its Dash-8 100 and 300 series aircraft to service its clientele. The occasional Q-400 even made appearances over the course of the year. The NNBAA continues to work closely with its valued airline partner to ensure reliable air travel for our clients.

In May 2018, the City of Bathurst hosted the 58th ministerial session of the Conférence des ministres de l'Éducation des États et gouvernements de la Francophonie (conference of ministers of education of states and governments that are members of La Francophonie) (CONFEMEN). As the

gateway to northern New Brunswick, the Airport was a key piece of infrastructure in the hosting of such an event. We played a vital role in welcoming the CONFEMEN's delegation of 44 states and government members from across the Francophonie to our region. Airport management worked closely with CATSA, Securitas, the Department of Education and Early Childhood Development as well as Intergovernmental Affairs to provide appropriate accommodations inside the ATB for the conference delegates during their arrivals and departures. Air Canada also assisted in the success of this event by providing additional flights to accommodate the influx of delegates using the Bathurst Regional Airport. The NNBAA was very proud to have been involved in this prestigious event.

The NNBAA values its relationship with its community. From our passengers and tenants to the public at large, we are proud to give back when we can. With events such as Touch-A-Plane as well as participation in various expos and festivals, the Bathurst Regional Airport was able to connect with the folks of our region beyond our usual customer base. As a key economic facilitator for the region, we are deeply entrenched in our community and are thankful for its continued support.

Airports across the country operate in a very regulated environment. They are responsible for ensuring regulatory compliance and safety oversight of its operations at all times. The NNBAA invested in key software, professional development initiatives and expertise to see that it continues to provide a safe, reliable and compliant environment for its users and equip our staff with the tools and knowledge they require to effectively and expertly meet these standards. The Board of Directors took a strong leadership role in making sure these initiatives were efficient and added value to our operations.

The Board of Directors provided leadership and oversight of the NNBAA's operations. It played a vital role in ensuring the stability of the Airport's infrastructure and operations while supporting Airport management and staff in attaining valuable resources and knowledge of this complex environment. Each member brought invaluable insight and a broad range of competencies that positively impacted our operations. Thank you for your dedication and support!

To the Airport team – your ongoing support, dedication, adaptation to a continually changing environment and tenacity to take on challenges were instrumental in running our operations. Thank you for your hard work and focus during this transitional year.

As we look to the future, we believe the Bathurst Regional Airport will continue to be a key component of the region's economy, investment opportunities and trade facilitation.

Sincerely,

René Legacy  
President

Jennifer Henry  
Executive Director





## AIR SERVICE

Air Canada continues to offer two flights daily from Bathurst Regional Airport to Montreal. 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.

## COMMUNITY ACTIVITIES

### AIRPORT VISITS

In 2018, three groups from the Chaleur region and the Acadian Peninsula visited our airport to learn more about its operations and various trades. Here is the list of the groups that came to visit:

June 7  
11 students from CCNB, Building engineering

June 8  
14 students from La Passerelle, Saint-Isidore

June 15  
12 children from Kids Korner Daycare



## COMMUNITY PRESENTATIONS AND EVENTS

Once again this year, the Bathurst Regional Airport was involved in several community events such as the Festival des Rameurs and the Bathurst Hospitality Days. Zulu proudly participated in these parades aboard our 12 m (40 ft) long and 8.5 m (28 ft) wide float. Our staff also took part in the Beresford Regional, Commercial and Industrial Exposition to promote the airport and talk with the community.

An event that brought together our community in the spring of 2018 was the Memorial Cup victory of the Acadie-Bathurst Titan. After the victory, the community was invited to welcome our champions at the Bathurst Regional Airport. Hundreds of people, wearing the colours of our local team, answered our call.

For a third year, the Bathurst Regional Airport hosted the Touch-A-Plane event. Two helicopters and several planes were on display as well as numerous pieces of equipment used at the airport. This day allowed the community to see the airport from another angle and discuss with our employees. In total, 1482 people participated in the event.



# TERMINAL CONSTRUCTION



**BEFORE**



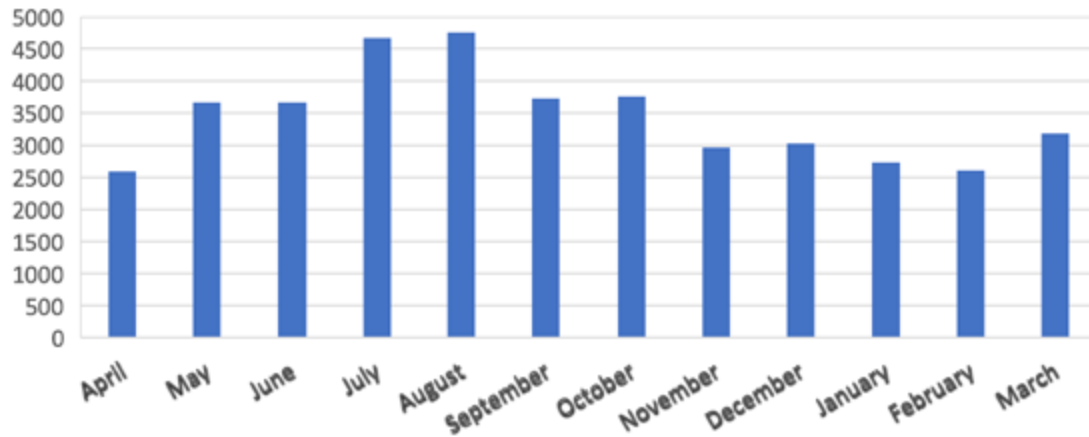
**AFTER**



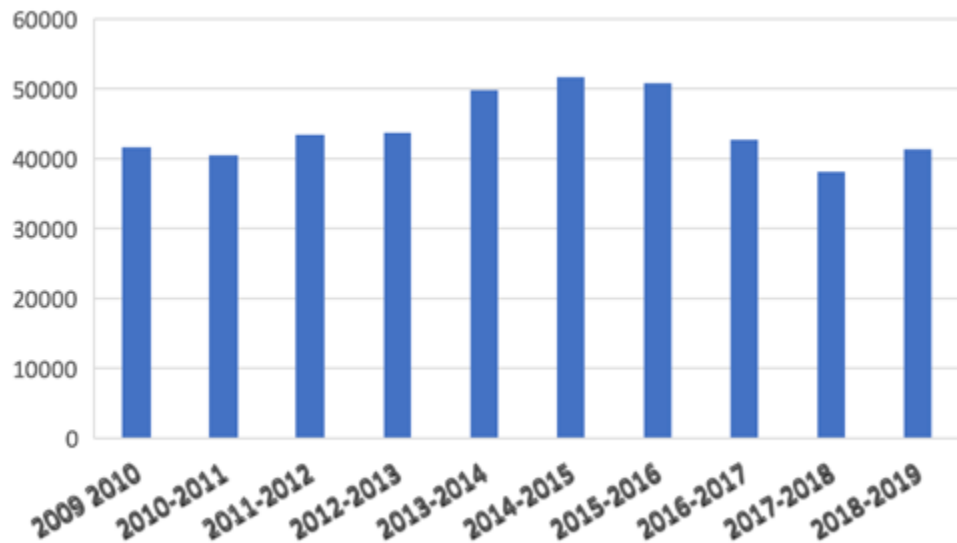
# PASSENGER STATISTICS



## PASSENGER STATISTICS APRIL 2018 TO MARCH 2019



## PASSENGERS PER FISCAL YEAR



# CAPITAL EXPENDITURES 2018-2019

Capital expenditures for the 2018-2019 fiscal year totalled \$1,303,286. This amount was divided among the following:

- Phase 3 of terminal construction
- New server and office Equipment
- Fuel Cabinet replacement
- UNICOM Radio system

# 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:** René Legacy, President  
Todd Pettigrew, Vice-president  
Nadine LeBlanc, 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  
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:** Nadine LeBlanc, Chair  
René Legacy  
Todd Pettigrew

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:** Carole Caron, Chair  
René Legacy  
Vincent Poirier

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.

## HUMAN RESOURCES COMMITTEE

**Members:** Yannick Mainville, Chair  
Vincent Poirier  
René Legacy

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
- Organizational chart

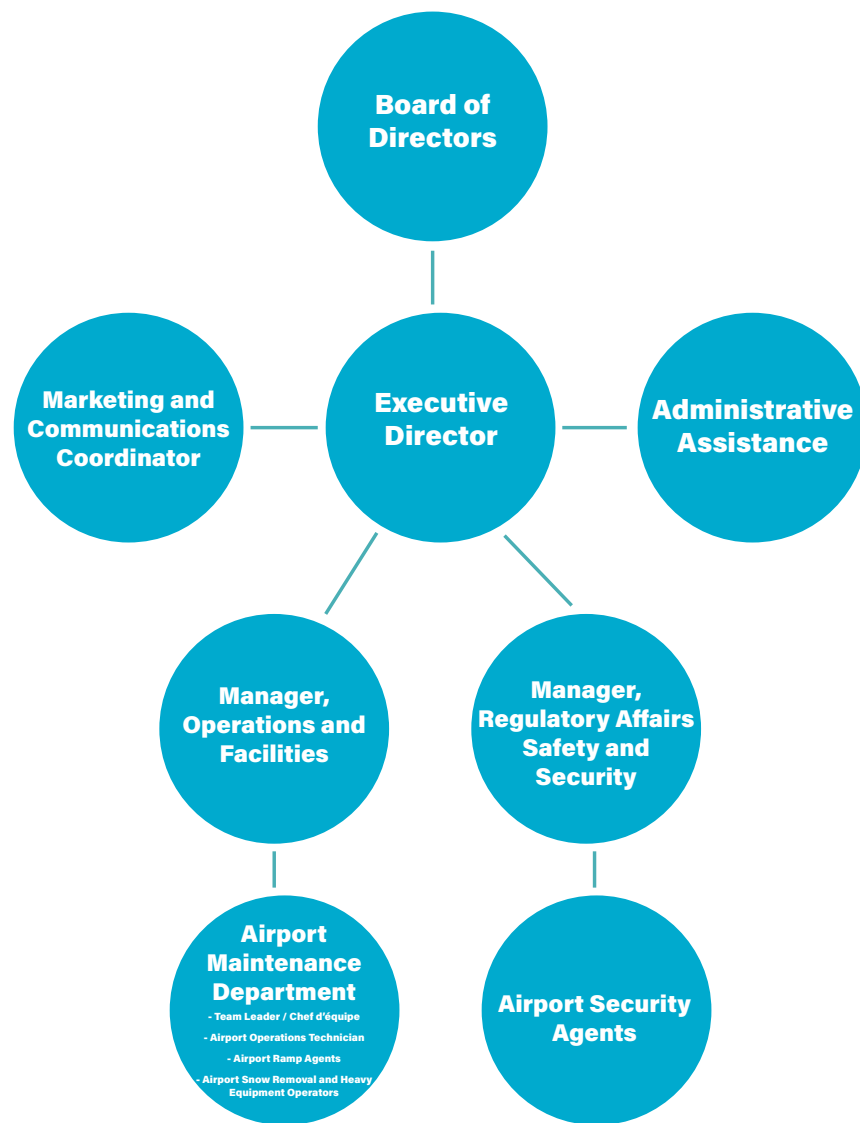


# BOARD OF DIRECTORS

## 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. No conflict of interest was declared during the 2018-2019 fiscal year.

## NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY ORGANIZATIONAL CHART



## SALARIES AND REMUNERATION OF SENIOR MANAGEMENT AND BOARD MEMBERS 2018-2019

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 \$363,491.

Remuneration to Board members consisting of per diems totalled \$2,399

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](http://www.airbathurst.com)



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





## CORPORATE OFFICES

### Northern New Brunswick Airport Authority

2929 Route 180  
South Tetagouche, NB  
E2A 7B9

## LEGAL COUNSEL

### Droit JURIS Law

678 Champlain Street  
Dieppe, NB  
E1A 1P5

### Cox & Palmer

Blue Cross Centre  
Suite 500, 644 Main Street  
Moncton, NB E1C 1E2

## AUDITORS

### EPR - Bathurst

1935 St. Peter Avenue  
Bathurst, NB  
E2A 7J5

## FINANCIAL SERVICES & INVESTMENTS

### UNI Financial Cooperation

1215 St. Peter Avenue  
Bathurst, NB  
E2A 3A2

### Assante Financial Management Ltd.

276 Marie Street  
Beresford, NB  
E8K 1P8



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BATHURST / PÉNINSULE

COMPTABLES  
PROFESIONNELS AGRÉÉS  
CHARTERED PROFESSIONAL  
ACCOUNTANTS

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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, 2019, 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, 2019, 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  
May 16, 2019

Associés - Partners:  
\* André J. Desrosiers, CPA, CGA  
\* David St-Pierre, FCPA, FCCA  
\* Gilbert Desrosiers, CPA, CA

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

\* Diverse corporation professionnelle / Diverse 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, 2019**

	2019	2018
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 372,099	\$ 68,755
Accounts receivable	279,166	237,437
Receivable from government agencies	-	189,544
Inventory	28,080	22,419
Prepaid expenses	80,324	52,332
	759,669	570,487
INVESTMENTS (Note 3)	2,576	2,576
	<b>\$ 762,245</b>	<b>\$ 573,063</b>
<b>LIABILITIES AND SURPLUS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 137,999	\$ 73,813
Payable to government agencies	130,165	-
Due to Capital fund	359,053	179,813
Due to Operating reserve fund	14,783	14,796
	642,000	268,423
<b>SURPLUS</b>		
Balance, beginning of year	304,640	371,632
Excess of revenues over expenditures (expenditures over revenues)	162,106	(15,348)
Transfer of surplus of second previous year	(346,501)	(51,644)
	120,245	304,640
	<b>\$ 762,245</b>	<b>\$ 573,063</b>

**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, 2019

	Budget	2019	2018
<b>REVENUES</b>			
Rentals (Page 4)	\$ 130,260	\$ 107,339	\$ 88,433
User Fees (Page 4)	2,110,000	2,387,038	2,007,243
Other	36,250	4,219	82,307
Grants	-	9,804	9,412
Surplus of second previous year	346,501	346,501	51,644
	<b>2,623,011</b>	<b>2,854,901</b>	<b>2,239,039</b>
<b>EXPENDITURES</b>			
Administration (Page 5)	636,275	766,505	695,720
Fuel system (Page 5)	569,000	771,185	593,010
Hangar (Page 5)	40,500	24,886	19,199
Operations (Page 5)	279,407	299,291	263,492
Ramp services (Page 6)	100,696	140,295	112,651
Runway and grounds (Page 6)	85,200	247,912	167,175
Security (Page 6)	32,467	47,913	40,084
Snow removal (Page 6)	246,010	300,900	290,308
Terminal building (Page 6)	65,000	74,119	50,955
Other (Page 7)	55,000	1,604	9,185
Fiscal services (Page 7)	513,456	18,185	12,608
	<b>2,623,011</b>	<b>2,692,795</b>	<b>2,254,387</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES (EXPENDITURES OVER REVENUES)</b>	<b>\$ -</b>	<b>\$ 162,106</b>	<b>\$ (15,348)</b>

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, 2019

	Budget	2019	2018
<b>RENTALS</b>			
Advertising space	\$ 12,000	\$ -	\$ -
Land leases	9,300	4,336	5,330
Office leases	108,960	103,003	83,103
	<b>\$ 130,260</b>	<b>\$ 107,339</b>	<b>\$ 88,433</b>
<b>USER FEES</b>			
Airport operations fees	\$ 830,000	\$ 827,399	\$ 779,800
Car parking	95,000	34,316	52,024
Fuel sales	950,000	1,265,644	949,538
Landing fees	55,000	65,105	52,354
Terminal fees	180,000	194,574	173,527
	<b>\$ 2,110,000</b>	<b>\$ 2,387,038</b>	<b>\$ 2,007,243</b>

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, 2019

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	Budget	2019	2018
<b>ADMINISTRATION</b>			
Advertising	\$ 60,000	\$ 43,233	\$ 63,386
AIF Handling charges	24,900	24,770	23,394
Bad debts	-	238	-
Insurance	35,000	24,493	23,985
Miscellaneous	25,000	15,069	23,959
Office supplies	20,000	55,904	27,022
Perdiems for directors	4,000	2,406	1,140
Professional fees	50,000	136,383	89,189
Taxes and permits	15,000	17,591	17,737
Telecommunications	25,000	20,844	20,974
Travel and meetings	14,422	15,921	15,014
Salaries and fringe benefits	362,953	409,653	389,920
	<b>\$ 636,275</b>	<b>\$ 766,505</b>	<b>\$ 695,720</b>
<b>FUEL SYSTEM</b>			
Aviation bulk fuel	\$ 560,000	\$ 759,883	\$ 587,447
Repairs and maintenance	9,000	11,302	5,563
	<b>\$ 569,000</b>	<b>\$ 771,185</b>	<b>\$ 593,010</b>
<b>HANGAR</b>			
Miscellaneous	\$ 11,500	\$ 8,451	\$ 5,796
Repairs and maintenance	4,000	7,640	3,256
Electricity	25,000	8,795	10,147
	<b>\$ 40,500</b>	<b>\$ 24,886</b>	<b>\$ 19,199</b>
<b>OPERATIONS</b>			
Salaries and fringe benefits	\$ 279,407	\$ 299,291	\$ 263,492

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, 2019

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	Budget	2019	2018
<b>RAMP SERVICES</b>			
Miscellaneous	\$ 3,000	\$ 16,573	\$ 1,142
Salaries and fringe benefits	97,696	123,722	111,509
	<b>\$ 100,696</b>	<b>\$ 140,295</b>	<b>\$ 112,651</b>
<b>RUNWAY AND GROUNDS</b>			
Repairs and maintenance	\$ 85,200	\$ 233,094	\$ 157,642
Vehicle expenses	-	14,818	9,533
	<b>\$ 85,200</b>	<b>\$ 247,912</b>	<b>\$ 167,175</b>
<b>SECURITY</b>			
Salaries and fringe benefits	\$ 32,467	\$ 47,913	\$ 40,084
<b>SNOW REMOVAL</b>			
Repairs and maintenance	\$ 100,000	\$ 134,278	\$ 120,565
Runway anti-ice	45,000	28,152	52,925
Salaries and fringe benefits	101,010	138,470	116,818
	<b>\$ 246,010</b>	<b>\$ 300,900</b>	<b>\$ 290,308</b>
<b>TERMINAL BUILDING</b>			
Electricity	\$ 30,000	\$ 58,356	\$ 30,174
Repairs and maintenance	5,000	2,367	4,582
Supplies	30,000	13,396	16,199
	<b>\$ 65,000</b>	<b>\$ 74,119</b>	<b>\$ 50,955</b>

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, 2019

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	Budget	2019	2018
<b>OTHER</b>			
Nav Aid Maintenance	\$ -	\$ 1,604	\$ 9,185
Special projects	55,000	-	-
	<b>\$ 55,000</b>	<b>\$ 1,604</b>	<b>\$ 9,185</b>
<b>FISCAL SERVICES</b>			
Capital expenditures	\$ 402,000	\$ -	\$ -
Interest and bank charges	10,000	18,185	12,608
Interest on short-term debt	41,829	-	-
Principal repayment on long-term debt	59,627	-	-
	<b>\$ 513,456</b>	<b>\$ 18,185</b>	<b>\$ 12,608</b>

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

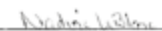


L'AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC.  
 NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.  
 BALANCE SHEET - CAPITAL FUND  
 AS AT MARCH 31, 2019

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	2019	2018
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 686,487	\$ 241,680
Accounts receivable	280	-
Due from Administration fund	359,053	179,813
	<b>1,045,820</b>	<b>421,493</b>
<b>PROPERTY, PLANT AND EQUIPMENT (Note 4)</b>	<b>2,813,878</b>	<b>3,238,176</b>
	<b>\$ 3,859,698</b>	<b>\$ 3,659,669</b>
<b>LIABILITIES AND EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Line of credit (Note 5)	\$ 1,990,151	\$ 1,427,378
Accounts payable and accrued liabilities	5,971	2,111
Due to Trust & reserve fund	700,000	900,000
	<b>2,696,122</b>	<b>2,329,489</b>
<b>EQUITY</b>		
<b>INVESTMENTS IN CAPITAL ASSETS (Page 9)</b>	<b>1,163,576</b>	<b>1,330,180</b>
	<b>\$ 3,859,698</b>	<b>\$ 3,659,669</b>

APPROVED BY:

Director: 

Director: 

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



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, 2019

	2019	2018
<b>Expenditures</b>		
Amortization expense	\$ 89,873	\$ 105,018
Bank charges	56,824	10,625
Loss on capital assets	19,907	-
<b>Excess of expenditures over revenues</b>	<b>\$ (166,604)</b>	<b>\$ (115,643)</b>
<b>Investments in Capital assets</b>		
Balance, beginning of the year	\$ 1,330,180	\$ 1,445,823
Add:		
Property, plant and equipment financed by Administration fund	-	-
Excess of expenditures over revenues	(166,604)	(115,643)
<b>BALANCE, end of year</b>	<b>\$ 1,163,576</b>	<b>\$ 1,330,180</b>

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, 2019

	2019	2018
<b>FUNDS PROVIDED BY</b>		
Transfer from Administration fund and Reserve fund		
Property, plant and equipment	\$ 61,646	\$ -
	<b>\$ 61,646</b>	<b>\$ -</b>
<b>FUNDS APPLIED TO</b>		
Purchase of property, plant and equipment	\$ 61,646	\$ -
	<b>\$ 61,646</b>	<b>\$ -</b>

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.  
 BALANCE SHEET - TRUST AND RESERVE FUND  
 AS AT MARCH 31, 2019

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	2019	2018
<b>ASSETS</b>		
Cash	\$ 481,481	\$ 273,569
Receivable from Operating fund	14,783	14,796
Receivable from Capital fund	700,000	900,000
	<b>\$ 1,196,264</b>	<b>\$ 1,188,365</b>
<b>RESERVE</b>		
Administration Operating reserve fund (Page 12)	\$ 28,413	\$ 28,413
Capital reserve fund (Page 12)	1,167,851	1,159,952
	<b>\$ 1,196,264</b>	<b>\$ 1,188,365</b>

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.  
 STATEMENT OF REVENUES AND EXPENDITURES - TRUST AND RESERVE FUND  
 YEAR ENDED MARCH 31, 2019

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	Reserve Fund		2019	2018
	Operating	Capital		
Balance, beginning of the year	\$ 28,413	\$ 1,159,952	\$ 1,188,365	\$ 1,186,872
Revenues:				
Interest earned	-	7,899	7,899	1,493
Balance, end of the year	<b>\$ 28,413</b>	<b>\$ 1,167,851</b>	<b>\$ 1,196,264</b>	<b>\$ 1,188,365</b>

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, 2019

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	2019	2018
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 1,540,068	\$ 584,004
Accounts receivable	279,446	237,437
Receivable from government agencies	-	189,544
Inventory	28,080	22,419
Prepaid expenses	80,324	52,332
	1,927,918	1,085,736
INVESTMENTS (Note 3)	2,576	2,576
PROPERTY, PLANT AND EQUIPMENT (Note 4)	2,813,878	3,238,176
	<b>\$ 4,744,372</b>	<b>\$ 4,326,488</b>
<b>LIABILITIES AND SURPLUS</b>		
<b>CURRENT LIABILITIES</b>		
Line of credit (Note 5)	\$ 1,990,151	\$ 1,427,378
Accounts payable and accrued liabilities	143,970	75,925
Payable to government agencies	130,165	-
	2,264,286	1,503,303
<b>SURPLUS</b>		
Investment in Capital assets (Page 8)	1,163,576	1,330,180
Surplus (Page 2)	120,245	304,640
Trust and Reserve (Page 11)	1,196,265	1,188,365
	2,480,086	2,823,185
	<b>\$ 4,744,372</b>	<b>\$ 4,326,488</b>

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 financial 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.





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.

3. INVESTMENT

	2019	2018
Ace Aviation Holdings Inc., at fair market value	\$ 2,576	\$ 2,576

The cost at March 31, 2019 was \$4,240.

4. CAPITAL ASSETS

	2019		2018	
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 294,832	\$ -	\$ 294,832	\$ 294,832
Building - Administration	-	-	-	89,018
Building - Air Transport	5,200,219	437,817	4,762,402	684,751
Building - Snow maintenance	291,537	170,447	121,090	127,062
Equipment and machinery	677,245	420,069	257,176	105,145
Motor vehicle	81,053	45,629	35,424	7,891
Parking lot	527,732	274,839	252,893	274,883
Runway improvement	2,256,482	974,883	1,281,599	1,393,041
Runway navigation equipment	2,402,155	2,361,148	41,007	51,258
Snow removal equipment	1,297,124	1,154,823	142,301	160,065
Building under construction	-	-	-	1,784,671
	13,028,379	5,839,655	7,188,724	4,972,617
Less Grants:				
Building - Administration	-	-	-	43,023
Building - Air Transport	3,078,266	34,354	3,043,912	236,707
Equipment and machinery	38,994	36,361	2,633	3,291
Runway improvement	2,256,482	974,883	1,281,599	1,393,041
Runway navigation equipment	171,300	145,435	25,865	32,332
Snow removal equipment	138,000	117,163	20,837	26,047
	5,683,042	1,308,196	4,374,846	1,734,441
	\$ 7,345,337	\$ 4,531,459	\$ 2,813,878	\$ 3,238,176

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

**5. LINE OF CREDIT**

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, 2019, 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, 2019, an amount of \$359,663 was unused.

**6. 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.

**7. 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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