



Northern New Brunswick
Airport Authority Inc.



ANNUAL REPORT
2014-2015







L' Autorité aéroportuaire
du nord du **Nouveau-Brunswick** inc.

Northern **New Brunswick**
Airport Authority Inc.

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

As President of the Northern New Brunswick Airport Authority, I would like to report on the status of our Board and the progress we have made on many fronts:

- **1** Capital upgrades – We have successfully completed our apron and taxiway rehabilitation project thanks to federal funding from the Airports Capital Assistance Program (ACAP). This initiative represented a vital piece of our airport's operations. We were fortunate to receive \$642,000, which covered 100% of the capital cost for this project.
- **2** Cooperation with local business – Evasion Air has established its base of operations for its flight school out of Bathurst Airport. We are also working with many business groups such as the Chaleur Economic Leadership Group, the various chambers of commerce, regional service commissions and local politicians who are outspoken advocates of our airport. These groups have identified our airport as a key pillar of economic development for northern New Brunswick. We have also developed close ties with other key infrastructure stakeholders in our area such as the Chaleur Regional Hospital, the Port of Belledune and the CCNB Bathurst campus to advocate the need for continued investment in the North.
- **3** Continued progress towards our key capital project – Expanding our terminal from 5,120 square feet to 11,620 square feet and lengthening our runway by another 900 ft. (bringing our runway length to 5,900 ft.) is at the very top of our priority list. Cost estimates of \$7,200,000 to meet the needs of business and recreational travelers from our region are not extreme. We have accumulated close to \$1.3 million of our own capital funds to contribute to this endeavor. Our Board is extremely focused on this necessary expansion. Over 50,000 passengers passed through our airport last year. Our terminal is designed for not even half of that number. We truly believe that we have a strong business case to obtain provincial and federal support.
- **4** Our valued tenant and client Air Canada celebrated 25 years of service out of the Bathurst Airport last summer. This is a sure sign that while the aerospace

industry can be volatile, the population of our region certainly supports the need for commercial air travel linking our region with the world.

- **5** Our Board of Directors meets quarterly. Our committees include the Business Development Committee, the Finance Committee, the Governance Committee, and the Human Resources Committee. Our Executive Committee meets on an as-needed basis to make decisions on important and urgent matters. Our Board of Directors remains unchanged for the upcoming term.
- **6** Our decision to make capital improvements to our parking facility has resulted in increased revenue from approximately \$20,000/year before the upgrade to \$133,247 last year.

We are all very excited about reaching our goal of completing these necessary improvements. The Board's desire to translate our financial success into strategic capital improvements is our number one priority.

I would personally like to thank each board member for their commitment and perseverance. I also wish to extend thanks to Jennifer Henry, our executive director. Her passion and professionalism in all aspects of our airport's operations is to be congratulated.

In closing, I would especially like to thank all the supporters and users of our facility. Your patience will be rewarded in the near future with a beautiful modern facility that will be a beacon and gateway to our region.



Colin Brewster
President



Photo: Christopher Lovegrove

Executive Director's Report

The Bathurst Regional Airport's growth trend continued during the 2014-2015 fiscal year, with a 6% increase in passengers compared to last year. During this time, 52,673 passengers flew in and out of the Bathurst Regional Airport. Traffic to western Canada remains prominent and continues to show promise despite current markets.

Our commercial airline partners were instrumental in our success and recognized the importance of our region's air travel needs. Air Canada Jazz responded to this demand by increasing seat capacity over the summer months with a larger aircraft and an additional flight. Pascan Aviation continued to provide daily service to Wabush up to the end of February 2015. We wish to thank our airline partners for their continued support.

As mentioned in Mr. Brewster's report, the Airport celebrated its 25th anniversary of air service with Air Canada last July. We marked the occasion by holding a contest for a chance to win a pair of travel tickets to anywhere Air Canada flies in North America (including Hawaii) as well as a celebration at the Airport for the general public. We were very pleased to showcase our partnership in the community and hope for many more years of success.

The Northern New Brunswick Airport Authority (NNBAA) was also successful in completing a number of capital projects this year including: a new storage building, replacement of a hangar door and the installation of an avgas fuel farm. Operations were completely self funded, with the NNBAA showing a surplus of \$109,000.

I would like to take this opportunity to thank our dedicated and hardworking staff. Their level of commitment, professionalism and enthusiasm for their work and the future of the airport give me high hopes for our ongoing success. They continuously face challenging working conditions (record snowfalls over this past winter, to name just one) with determination and innovation. I feel privileged

to be part of this team. I would be remiss if I did not thank the important role the Board of Directors has in the overall success of the airport. Its passion for this region, positive outlook on the future and ongoing commitment to see the expansion of the airport come to fruition provide me with a constant source of motivation. I would also like to send a special thanks to our President, Colin Brewster, for his outstanding leadership and ongoing support over the past year. His leadership skills were an invaluable asset over this past year's challenges and he has kept us on a steady path.



A handwritten signature in black ink, appearing to read 'Jennifer Henry'. The signature is fluid and cursive.

Jennifer Henry
Executive Director

Marketing and Business Development Review

■ Air Service

Air Canada continues to offer two daily flights to Montreal. During the summer months of 2014, it added a third flight from the Bathurst Airport and increased seat capacity by operating its Dash-8 300 series aircraft.

In September 2014, Air Canada awarded its counter service operation at the Bathurst Regional Airport to Evasion Air. Evasion Air's transition went well and we are happy to be working with them to provide continued air service to our region.

We would like to take this opportunity to thank Air Canada Jazz customer service agents for their years of service at the Bathurst Regional Airport. We have enjoyed working with them these past 25 years and we wish them every success in their future endeavours.

Evasion Air began its flight school and charter operation out of the Bathurst Airport on April 1, 2014. Its presence has brought new interest to the airport by offering "pilot for a day" packages and sight-seeing tours to the general public. Its charter service provides another flight option to those seeking alternate destinations and convenience. We welcome Evasion Air to the Bathurst Airport.

Pascan Aviation ceased its daily flight service to Wabush in March 2015 due to lack of activity. Metal prices and mine closures were the main reasons for the discontinuation of service. We wish to thank Pascan Aviation for having been part of the Bathurst Airport family for over 3 years.

There are also a variety of private and commercial charter services that utilize our airport on a regular basis. More frequent users include A.G. Aviation, Maritime Air Charter and Provincial Airlines. We thank them for their continued support.

There was a decline in charter activity to Wabush due to a slowdown in mining activities in this region.

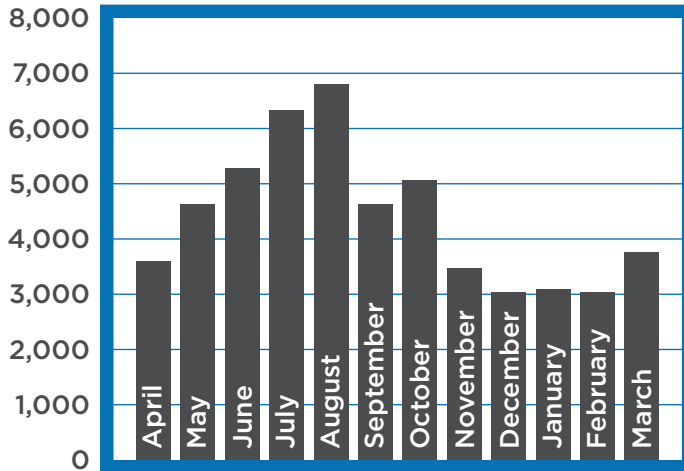
■ Marketing

The Airport Authority worked closely with DPG Communication to ensure its marketing objectives were met. The campaign focused on the importance of air links for a variety of markets.

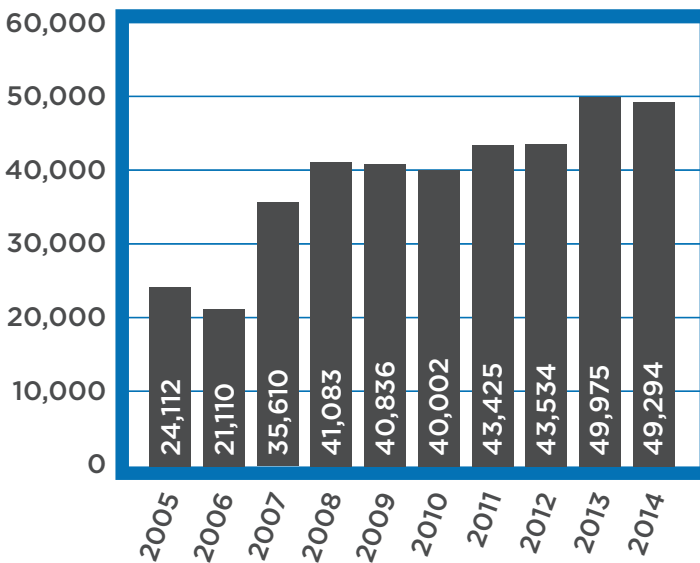


Passenger Statistics

April 2014 to March 2015



Passengers per Calendar Year



25 years of service with Air Canada at the Bathurst Regional Airport

Celebrations were held at the Bathurst Regional Airport to mark 25 years of service with Air Canada Jazz. The Airport was very pleased to welcome the community celebrate this important milestone. Local dignitaries and representatives from the airline joined in the celebrations as well.



From left to right: Mr. Ryan Riordon, MLA Nepisiguit; Mr. Colin Brewster, President, NNBA; Ms. Sandra Froese, Area Manager, Jazz Aviation LP; Ms. Jennifer Henry, Executive Director, NNBA; Mr. David Rheault, Director Government Affairs and Community Relations – Quebec and the Atlantic, Air Canada and Mr. Brian Kenny, MLA Bathurst.



It was a great occasion to thank the community for its unwavering support over the past quarter century and to solidify the ongoing partnership between the airline and the airport.



The Airport, in partnership with Air Canada, held a contest for a chance to win a pair of Economy Class return tickets for travel to any Air Canada scheduled destination in North America (including Hawaii, Mexico and the Carribean). The Airport also gave away gift cards valued at \$200 each to a couple of lucky participants at the celebrations.



Capital Expenditures

The following expenditures were undertaken in the 2014-2015 fiscal year:

- New storage building – \$38,075
- Replacement of hangar door – \$24,600
- Avgas fuel farm – \$39,500



Strategic Priorities (2013-2016)

The Airport Authority has identified the following key strategic priorities for the continued growth and success of the 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 financial viability of services and provide profitable management of the corporation's resources

Objective: To ensure that the corporation is well integrated and represented in the community

Governance

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

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

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 of Director meetings.

Committees

■ Business Development Committee

Members: Francis Frenette (Chairperson)
Stephen Brunet
Carole Caron
René Legacy
Todd Morrison

The Business Development Committee met several times over the year to discuss the following topics: revision of the Airport Expansion Plan, tree obstruction plan development and zoning.

■ Executive Committee

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

The Executive Committee met twice over the course of the fiscal year to discuss urgent business between Board of Directors meetings.

■ Finance and Audit Committee

Members: André Gozzo (Chairperson)
Bernard Cormier
Marc-André Godin

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

■ Governance Committee

Members: André Gozzo (Chairperson)
Carole Caron
Guy Guitard
René Legacy

The Governance Committee addressed and accepted proposed changes to the bylaws at the Airport Authority's last annual meeting. It has not met since that time.



■ Human Resources Committee

Members: Yvon P. Arseneau (Chairperson)
Marc-André Godin
Guy Guitard

The Human Resources Committee convened over several months to discuss and provide guidance and recommendations on the following topics: violence and harassment prevention policy and a new payroll processing/management system.

Board Governance

The NNBA's General Operating Bylaw outlines the nomination process for the appointment of its Board of Directors. The Board of Directors must be representative of the community and comprise of individuals who have experience in different areas. The NNBA Inc. meets this requirement as evidenced by its list of directors nominated by entities set out in this report.

■ Code of Conduct for Directors

All directors of the Authority are required to comply with a code of conduct and rules concerning conflict of interest. These require that directors avoid and refrain from involvement in conflict of interest situations. There were two instances of conflict of interest declarations during the 2014-2015 fiscal year. The affected board members excused themselves from the discussion and abstained from voting on the affected actions.

■ Nominators

The Board of Directors is nominated by various entities that represent the community at large:

- Provincial government
One representative
- Municipalities of the Chaleur region
Three representatives
- Municipalities of the Acadian Peninsula region
One representative
- Greater Bathurst Chamber of Commerce
One representative
- Northern NB Airport Authority Inc.
Five representatives

Representatives from each group are nominated for a 3-year term and may serve a maximum of 9 years on the Board. In addition to regular meetings, Board members actively serve on the following committees:

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

■ Executive Committee

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

■ Senior Management Officers and Board of Directors 2014-2015 Salaries and Remuneration

- The combined salaries of the members of the senior management team (Executive Director, Director of Operations and Operations Supervisor) were \$249,622.
- Board of Directors remuneration consisted of per diems and totaled \$4,406.
- The Authority is required to report on all contracts entered into in excess of \$75,000 which were not awarded on the basis of a public competitive tendering process. No such contracts were entered into during the report period.

■ Corporate Offices

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

■ Legal Counsel

RTRA
Suite 300 – 270 Douglas Ave.
Bathurst, NB E2A 1M9

■ Auditors

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

■ Financial Services & Investments

Caisse populaire Chaleur
1215 St. Peter Avenue
Bathurst, NB E2A 3A2

HollisWealth
276 Marie Street
Beresford, NB E8K 1P8

■ Nominator Representatives

As of June 2015:

- Government of New Brunswick (1)
Yvon P. Arseneau
- Municipalities of the Chaleur Region (3)
Stephen Brunet
Francis Frenette
René Legacy
- Municipalities of the Acadian Peninsula Region (1)
André Gozzo
- Greater Bathurst Chamber of Commerce (1)
Bernard Cormier
- Northern NB Airport Authority Inc. (5)
Colin Brewster
Carole Caron
Marc-André Godin
Guy Guitard
Todd Morrison

Financial Statements

As at March 31, 2015



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BATHURST / PÉNINSULE

COMPTABLES
PROFESSIONNELS AGRÉÉS

CHARTERED PROFESSIONAL
ACCOUNTANTS

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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, 2015, 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 unqualified 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, 2015, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

EPR - Bathurst / Péninsule

EPR - BATHURST / PÉNINSULE
CHARTERED PROFESSIONAL ACCOUNTANTS

Bathurst, New Brunswick
June 16, 2015

Associés - Partners:

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

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

* *Dénote 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, 2015

	2015	2014
ASSETS		
CURRENT ASSETS		
Cash	\$ 7,560	\$ 58,584
Accounts receivable	223,527	213,110
Receivable from government agencies	-	6,462
Inventory	22,067	22,793
Prepaid Expenses	57,719	53,408
	310,873	354,357
INVESTMENTS (Note 3)	2,576	2,576
	\$ 313,449	\$ 356,933
LIABILITIES AND SURPLUS		
CURRENT LIABILITIES		
Bank Indebtedness (Note 5)	\$ 39,855	\$ -
Accounts payable and accrued liabilities	90,602	200,021
Payable to government agencies	12,473	-
Due to Capital fund	35,176	35,176
Due to Operating reserve fund	16,779	16,779
Deferred revenue	-	3,000
	194,885	254,975
SURPLUS		
Balance, beginning of year	101,958	157,262
Excess of revenue over expenditures	109,352	92,095
Transfer of surplus of second previous year	(92,746)	(64,515)
Prior year adjustment (Note 10)	-	(82,884)
	118,564	101,958
	\$ 313,449	\$ 356,933

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 AND SURPLUS
 ADMINISTRATION FUND
 YEAR ENDED MARCH 31, 2015**

	Budget	2015	2014
REVENUES			
Rentals (Page 4)	\$ 89,600	\$ 132,901	\$ 113,454
User Fees (Page 4)	2,256,600	2,603,678	2,581,965
Other	10,360	18,854	10,155
Surplus of second previous year	92,746	92,746	64,515
	2,449,306	2,848,179	2,770,089
EXPENDITURES			
Administration (Page 5)	517,821	580,771	506,488
Fuel system (Page 5)	791,200	817,115	990,616
Hangar (Page 5)	18,240	23,852	20,050
Operations (Page 5)	202,637	209,219	216,276
Ramp services (Page 6)	105,000	123,400	115,709
Runway and grounds (Page 6)	67,000	60,037	45,545
Security (Page 6)	20,395	42,028	45,237
Snow removal (Page 6)	212,535	296,839	199,857
Terminal building (Page 6)	48,000	50,095	50,684
Other (Page 7)	122,666	10,635	35,766
Fiscal services (Page 7)	343,812	524,836	451,766
	2,449,306	2,738,827	2,677,994
EXCESS OF REVENUES OVER EXPENDITURES	\$ -	\$ 109,352	\$ 92,095

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 REVENUES - ADMINISTRATION FUND
 YEAR ENDED MARCH 31, 2015**

	Budget	2015	2014
RENTALS			
Advertising space	\$ 4,500	\$ 7,829	\$ 6,207
Land leases	5,100	10,185	11,501
Office leases	80,000	114,887	95,746
	\$ 89,600	\$ 132,901	\$ 113,454
USER FEES			
Airport operations fees	\$ 960,000	\$ 1,073,923	\$ 994,710
Car parking	84,000	133,247	104,165
Fuel sales	900,000	1,100,764	1,200,756
Landing fees	72,600	74,999	74,580
Terminal fees	240,000	220,745	207,754
	\$ 2,256,600	\$ 2,603,678	\$ 2,581,965

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, 2015

	Budget	2015	2014
ADMINISTRATION			
Advertising	\$ 65,000	\$ 84,833	\$ 66,913
AIF Handling charges	28,800	31,861	27,324
Insurance	25,000	17,619	16,376
Miscellaneous	15,000	20,510	14,383
Office supplies	15,000	21,931	13,780
Perdiems for directors	12,500	4,406	5,000
Professional fees	30,000	73,337	42,248
Taxes and permits	6,000	8,500	7,155
Telecommunications	15,000	13,649	15,671
Travel and meetings	17,000	19,503	10,335
Salaries and fringe benefits	288,521	284,622	287,303
	\$ 517,821	\$ 580,771	\$ 506,488
FUEL SYSTEM			
Aviation bulk fuel	\$ 774,000	\$ 793,837	\$ 971,650
Insurance	7,000	5,912	13,442
Repairs and maintenance	10,200	17,366	5,524
	\$ 791,200	\$ 817,115	\$ 990,616
HANGAR			
Miscellaneous	\$ 3,000	\$ 8,452	\$ 3,151
Repairs and maintenance	7,200	7,587	9,669
Electricity	8,040	7,813	7,230
	\$ 18,240	\$ 23,852	\$ 20,050
OPERATIONS			
Salaries and fringe benefits	\$ 202,637	\$ 209,219	\$ 216,276

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, 2015

	Budget	2015	2014
RAMP SERVICES			
Miscellaneous	\$ 5,000	\$ 2,286	\$ 4,152
Salaries and fringe benefits	100,000	121,114	111,557
	\$ 105,000	\$ 123,400	\$ 115,709
RUNWAY AND GROUNDS			
Repairs and maintenance	\$ 64,000	\$ 50,275	\$ 35,290
Vehicle expenses	3,000	9,762	10,255
	\$ 67,000	\$ 60,037	\$ 45,545
SECURITY			
Salaries and fringe benefits	\$ 20,395	\$ 42,028	\$ 45,237
SNOW REMOVAL			
Repairs and maintenance	\$ 77,976	\$ 158,987	\$ 89,496
Runway anti-ice	43,000	28,442	14,282
Salaries and fringe benefits	91,559	109,410	96,079
	\$ 212,535	\$ 296,839	\$ 199,857
TERMINAL BUILDING			
Electricity	\$ 18,000	\$ 26,288	\$ 25,392
Repairs and maintenance	15,000	2,732	6,939
Supplies	15,000	21,075	18,353
	\$ 48,000	\$ 50,095	\$ 50,684

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, 2015

	Budget	2015	2014
OTHER			
Nav Aid Maintenance	\$ 6,000	\$ -	\$ 15,659
Special projects	116,666	10,635	20,107
	\$ 122,666	\$ 10,635	\$ 35,766
FISCAL SERVICES			
Capital expenditures	\$ -	\$ 89,887	\$ 99,271
Interest and bank charges	9,600	11,533	10,880
Interest on long-term debt	21,600	18,230	21,480
Interest on short-term debt	-	96	-
Principal repayment on long-term debt	42,000	47,131	45,235
Transfer to Capital reserve fund	270,612	357,959	274,900
	\$ 343,812	\$ 524,836	\$ 451,766

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, 2015

	2015	2014
ASSETS		
CURRENT ASSETS		
Due from Administration fund	\$ 35,176	\$ 35,175
PROPERTY, PLANT AND EQUIPMENT (Note 4)		
	1,327,933	1,326,240
	\$ 1,363,109	\$ 1,361,415
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Current portion of the long-term debt	\$ 50,508	\$ 47,263
LONG-TERM DEBT (Note 6)		
	193,039	243,548
	243,547	290,811
EQUITY		
INVESTMENTS IN CAPITAL ASSETS (Page 9)	1,119,562	1,070,604
	\$ 1,363,109	\$ 1,361,415

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 OPERATIONS AND INVESTMENT IN CAPITAL ASSETS
 YEAR ENDED MARCH 31, 2015**

	2015	2014
Expenditures		
Amortization expense	\$ 88,060	\$ 90,125
Excess of expenditures over revenues	\$ 88,060	\$ 90,125
Investment in Capital assets		
Balance, beginning of the year	\$ 1,070,604	\$ 1,016,223
Add:		
Property, plant and equipment financed by Administration fund	89,887	99,271
Principal payment on long-term debt	47,131	45,235
	1,207,622	1,160,729
Less:		
Excess of expenditures over revenues	88,060	90,125
BALANCE, end of year	\$ 1,119,562	\$ 1,070,604

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 CAPITAL FINANCING - CAPITAL FUND
 YEAR ENDED MARCH 31, 2015**

	2015	2014
FUNDS PROVIDED BY		
Transfer from Administration fund		
Property, plant and equipment	\$ 89,887	\$ 99,271
Long-term debt repayment	47,131	45,235
	\$ 137,018	\$ 144,506
FUNDS APPLIED TO		
Purchase of property, plant and equipment	\$ 89,887	\$ 99,271
Long-term debt repayment	47,131	45,235
	\$ 137,018	\$ 144,506

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, 2015

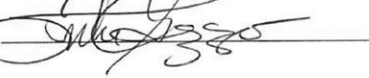
	2015	2014
ASSETS		
Cash	\$ 1,249,651	\$ 880,318
Receivable from Operating fund	16,779	16,779
	\$ 1,266,430	\$ 897,097
RESERVE		
Administration Operating reserve fund (Page 12)	\$ 28,413	\$ 28,413
Capital reserve fund (Page 12)	1,238,017	868,684
	\$ 1,266,430	\$ 897,097

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.
 STATEMENTS OF REVENUES AND EXPENDITURES - TRUST AND RESERVE FUND
 YEAR ENDED MARCH 31, 2015**

	Reserve Fund		2015	2014
	Operating	Capital		
Balance, beginning of the year	\$ 28,413	\$ 868,683	\$ 897,097	\$ 605,010
Revenues:				
Interest earned	-	11,375	11,375	17,187
Transfer from Administration fund	-	357,959	357,959	274,900
	28,413	1,238,017	1,266,431	897,097
Balance, end of the year	\$ 28,413	\$ 1,238,017	\$ 1,266,430	\$ 897,097

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, 2015

	2015	2014
ASSETS		
CURRENT ASSETS		
Cash	\$ 1,257,211	\$ 938,902
Accounts receivable	223,527	213,110
Receivable from government agencies	-	6,462
Inventory	22,067	22,793
Prepaid expenses	57,719	53,408
	1,560,524	1,234,675
INVESTMENTS (Note 3)	2,576	2,576
PROPERTY, PLANT AND EQUIPMENT (Note 4)	1,327,933	1,326,240
	\$ 2,891,033	\$ 2,563,491
LIABILITIES AND SURPLUS		
CURRENT LIABILITIES		
Bank indebtedness (Note 6)	\$ 39,855	\$ -
Accounts payable and accrued liabilities	90,602	200,021
Payable to government agencies	12,473	-
Deferred revenues	-	3,000
Current portion of long term debt	50,508	47,263
	193,438	250,284
LONG TERM DEBT (Note 6)	193,039	243,548
	386,477	493,832
SURPLUS		
Investment in Capital assets (Page 8)	1,119,562	1,070,604
Surplus (Page 2)	118,564	101,958
Trust and Reserve (Page 11)	1,266,430	897,097
	2,504,556	2,069,659
	\$ 2,891,033	\$ 2,563,491

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.
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

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.

Only half the rate is charged on additions for the year.



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) 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.

i) 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

	2015	2014
Ace Aviation Holdings Inc., at fair market value	\$ 2,576	\$ 2,576

The cost at March 31, 2015 was \$4,240.

4. CAPITAL ASSETS

	2015	2014		
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 263,262	\$ -	\$ 263,262	\$ 263,262
Building - Administration	135,458	34,843	100,615	104,807
Building - Air Transport	743,269	351,154	392,115	408,452
Building - Snow maintenance	291,537	144,340	147,197	89,456
Equipment and machinery	455,807	374,577	81,230	51,720
Motor vehicle	51,153	28,148	23,005	32,865
Parking lot	526,364	174,843	351,521	382,088
Runway improvement	1,662,589	519,165	1,143,424	1,242,853
Runway navigation equipment	2,402,155	2,302,042	100,113	125,141
Snow removal equipment	1,098,845	1,016,256	82,589	103,236
	7,630,439	4,945,368	2,685,071	2,803,880
Less Grants:				
Building - Administration	66,035	17,406	48,629	50,655
Building - Air Transport	56,148	11,525	44,623	33,540
Equipment and machinery	38,994	32,552	6,442	8,067
Runway improvement	1,662,589	519,165	1,143,424	1,242,853
Runway navigation equipment	171,300	108,152	63,148	78,935
Snow removal equipment	138,000	87,128	50,872	63,590
	2,133,066	775,928	1,357,138	1,477,640
	\$ 5,497,373	\$ 4,169,440	\$ 1,327,933	\$ 1,326,240



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

5. BANK INDEBTEDNESS

	2015	2014
Bank overdraft	\$ 39,855	\$ -

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.

6. LONG-TERM DEBT

	2015	2014
Caisse Populaire Term loan, 6.75%, payable in monthly instalments of \$5,454, including interest, secured by a blanket collateral mortgage on buildings and a transfer of comprehensive insurance policy on the buildings with the Caisse Populaire Chaleur showing as first mortgage on the building, due in 2021.	243,547	290,812
Current portion of the long-term debt	50,508	47,264
	\$ 193,039	\$ 243,548

Long-term debt principal repayments to be made during the next five years are the following:

2016	\$ 50,508
2017	\$ 54,072
2018	\$ 57,837
2019	\$ 61,864
2020	\$ 19,267

7. COMMITMENT

As at March 31, 2015, the Authority has an outstanding commitment over the next four years of \$5,682 with respect to the lease of equipment.



8. 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.

9. 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.

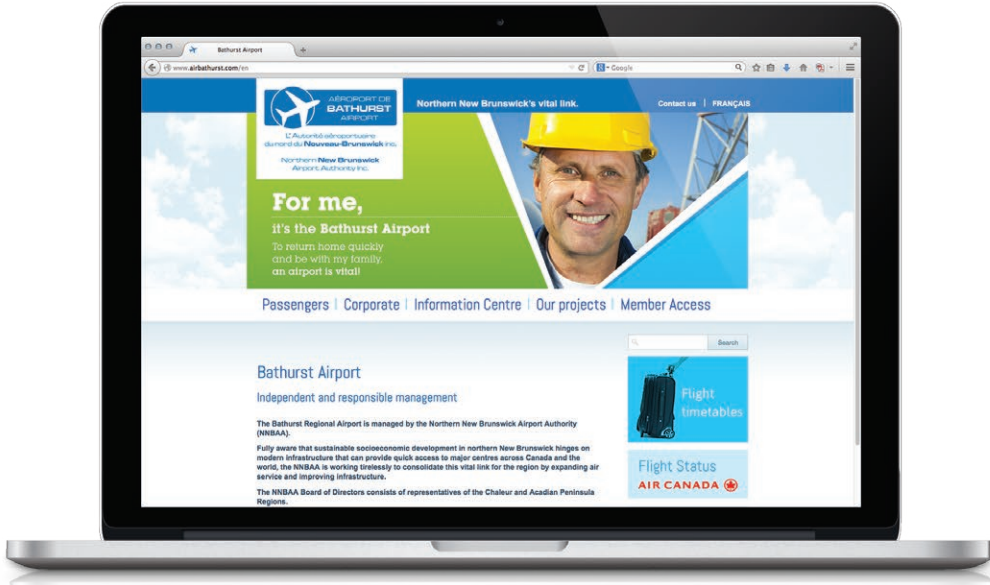
10. PRIOR YEAR ADJUSTMENT

Accounts receivable have been over-stated during previous years. Therefore, the balance of Administration Fund surplus as at March 31, 2014 was reduced by \$82,884.

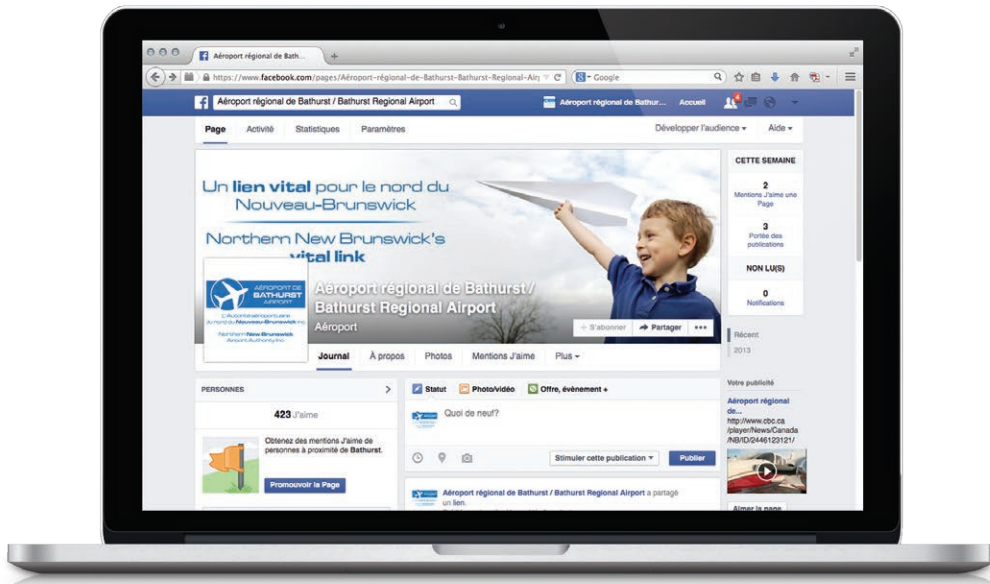


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