

ANNUAL REPORT 2019 – 2020

Northern New Brunswick
Airport Authority Inc.



Aéroport régional de
Bathurst
Regional Airport

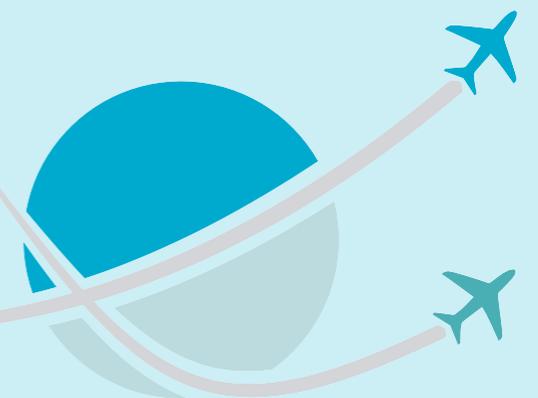




ANNUAL REPORT 2019 – 2020

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 CEO



**PRESIDENT OF THE BOARD OF DIRECTORS
SHAWN PATTERSON**



**CHIEF EXECUTIVE OFFICER
Jamie DeGrace**



The Bathurst Regional Airport is one of only four major airports in New Brunswick that hosts commercial passenger traffic (Bathurst, Moncton, Fredericton, and Saint John). This vital link in the north of our Province is an important pillar in the economic viability and sustainability of our region.

At the close of 2019, the airport had just completed a modernized expansion of its terminal, hired a new CEO, and concluded a significant runway extension. These upgrades were intended to allow for larger aircraft and to provide an efficient facility to service the resultant increase in passenger volumes. With the challenges of construction and expansion soundly behind us, the focus was on enhanced future growth enabled by these infrastructure upgrades.

However, the fiscal year 2019-2020 resulted in an unprecedented challenge for the aviation sector as a whole. Although business at large has been adversely affected by the pandemic, travel restrictions and quarantines have completely decimated air passenger traffic. In consequence, last March, Air Canada cancelled all regularly scheduled

flights at our station and we remain without an air carrier to date. As a not-for-profit entity, funded solely by passenger revenues, this has placed an inordinate strain on our financial resources. The fourteen-day quarantine in Atlantic Canada, in particular, gave rise to our region being more severely impacted by air service losses than elsewhere in the country.

Despite not having regularly scheduled flights to generate revenue, the Bathurst Regional Airport has continued to operate, primarily to ensure continuity for essential Air Ambulance flights. Our site also provided service to charter flights for rotational workers, training flights from Moncton Flight College and the Canadian military, forest fire protection services, and mineral exploration. Every operating expense has been examined with a critical eye toward efficiency and with the help of the Covid-19 Wage Subsidy program, in conjunction with efforts of our team, we have worked to ensure we can sustain our operations into 2021.

The Bathurst Regional Airport has initiated discussions with alternate air carriers in order to provide service as soon market and health conditions safely allow and talks are ongoing. Significant effort has also been spent developing alternate future revenue streams and potential cargo operations. The vaccine, which is now in distribution, has provided a welcome signal that gradual recovery is forthcoming.

Our organization wishes to express our sincere gratitude to our clients, partners, team members and supporters. We would like to extend a special mention to our Past President, Rene Legacy for his years of dedication and wish him fulfillment in his new endeavors. We are very grateful for ongoing discussions with the provincial and federal governments, the guidance provided by our local MLAs and our Member of Parliament, and the support of the surrounding municipalities and local service districts. It is important to acknowledge our airport neighbors who collaborate with us to ensure a safe and unobstructed landing path for aircraft by sanctioning tree removal operations on their properties. The Board of Directors has played a

pivotal role throughout the pandemic with their broad range of competencies and insights. We wish to thank them for their ongoing dedication. Finally, thank you to all the employees of the Bathurst Regional Airport, for both their commitment and extraordinary efforts to maintain safe operations amidst the challenges posed by the pandemic.

Recovery in the air sector will take time, but we are confident that the Bathurst Regional Airport will continue to be an asset to the local business community and will provide an essential link to bringing families together who have been long separated by the restrictions of Covid-19.

Sincerely,

Shawn Patterson
President

Jamie DeGrace
CEO



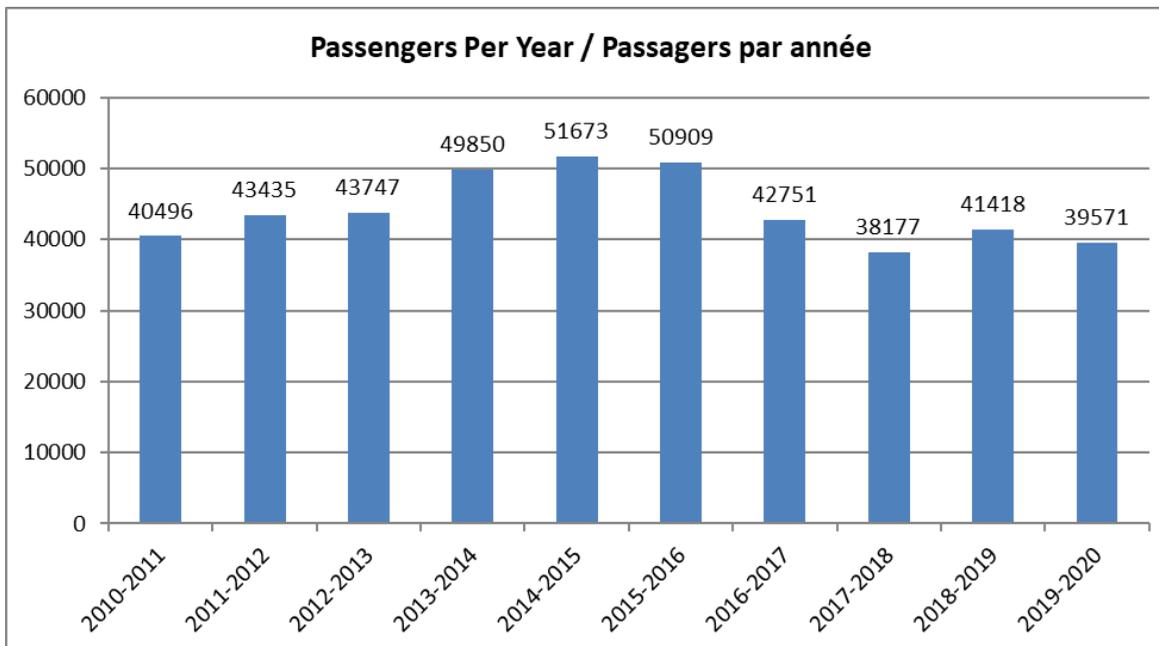
PASSENGER STATISTICS



PASSENGER STATISTICS APRIL 2019 TO MARCH 2020



PASSENGERS PER FISCAL YEAR



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: Shawn Patterson
Todd Pettigrew
Marie Larivière
Nadine LeBlanc

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: Shawn Patterson
Todd Pettigrew
Marie Larivière
Yannick Mainville

Mandate: The Business Development committee would identify new business opportunities for the Northern New Brunswick Airport Authority that are complementary to the Authority's role as an airport operator and property developer. This responsibility can include strategic planning and advising the Board or senior management on various business opportunities in airport operations, land development, provision of services to scheduled passenger providers, or general aviation.

FINANCE AND AUDIT COMMITTEE

Members: Shawn Patterson
Nadine LeBlanc
Vincent Poirier
Alain Guitard

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: Shawn Patterson
Jeff David
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: Shawn Patterson
Marie Larivière
Alain Guitard
Jeff David
Yannick Mainville

- **Mandate:** The primary function of the Human Resources Committee shall be to provide leadership and direction to the Board and senior management on any matters relating to staffing, working conditions, safety and security of employees, and employee/director relations.
- Organizational chart





NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY TEAM

Board of Directors

Shawn Patterson: President
Todd Pettigrew: Vice President
Nadine LeBlanc: Treasurer
Marie Larivière: Secretary
Jeffrey David: Board Member
Alain Guitard: Board Member
Vincent Poirier: Board Member
Yannick Mainville: Board Member

Administration

Selena Vienneau: Manager of
Regulatory Affairs
Nathalie Vienneau: Manager of
Operations and Facilities
Normand Pitre: Team Leader
Roxanne McRae: Administrative
Accountant
Jamie DeGrace: CEO

Operations

Kenneth Luce
Denis Duguay
Eric Martel

Ramp Agents

Denis Lanteigne
Mark White
Zachary Saulnier

Snow Operations

Kyle Ward
Claude Duguay
Evan Arseneau



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 2019-2020 fiscal year.

NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY ORGANIZATIONAL CHART



SALARIES AND REMUNERATION OF SENIOR MANAGEMENT AND BOARD

MEMBERS 2019-2020

The combined salaries of the senior management team (Executive Director; Manager, Operations and Facilities; Manager, Regulatory Affairs; and Administrative Accountant) were \$376,703.

As the magnitude of the pandemic became evident, the Board, though meeting on a greatly increased schedule, elected to forgo all remuneration for their services.

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)



CORPORATE OFFICES

Northern New Brunswick Airport Authority

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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
PROFESSIONNELS AGRÉÉS
CHARTERED PROFESSIONAL
ACCOUNTANTS

BATHURST

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INDEPENDANT AUDITOR'S REPORT

To the members of L'Autorité Aéroportuaire du Nord du NB Inc. / Northern New Brunswick Airport Authority Inc.

Opinion

We have audited the accompanying non-consolidated financial statements of L'Autorité Aéroportuaire du Nord du NB Inc. / Northern New Brunswick Airport Authority Inc. ("the Entity"), which comprise the non-consolidated balance sheet of the administration, capital and trust and reserve funds as at March 31, 2020, and the non-consolidated statements of revenues and expenditures of the administration and trust and reserve funds, the statements of operations and investments in capital assets and the statement of capital financing of the capital fund, for the year then ended, including a summary of significant accounting policies and other informations.

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the non-consolidated financial position of the Entity as at March 31, 2020, and the results of its non-consolidated operations and its non-consolidated cash flows for the year then ended in accordance with Public Sector accounting principles.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements" section of our report. We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the non-consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management and Those Charged with Governance for the Non-consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these non-consolidated financial statements in accordance with Public Sector accounting principles, and for such internal control as management determines is necessary to enable the preparation of non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with the governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the non-consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these non-consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the non-consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

Associés - Partners
*André J. Desautels, CPA, CGA
*Denis St-Pierre, FCPA, FCGA
*Gilles Desautels, CPA, C.A.
*Yves Hache, St-Pierre, CPA, CGA

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

*Dénote une corporation professionnelle / Denotes Professional Corporation

- Obtain an understanding of internal control relevant to the audit 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;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the non-consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

EPR - Bathurst / Péninsule

**EPR - BATHURST / PÉNINSULE
CHARTERED PROFESSIONAL ACCOUNTANTS**

Bathurst, Nouveau-Brunswick
September 2, 2020

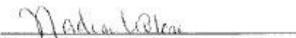
L'AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC. 2
 NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.
 NON-CONSOLIDATED BALANCE SHEET - ADMINISTRATION FUND
 AS AT MARCH 31, 2020

	2020	2019
ASSETS		
CURRENT ASSETS		
Cash	\$ 5,260	\$ 372,099
Accounts receivable	104,964	279,166
Due from Operating reserve fund	135,217	-
Inventory	58,507	28,080
Prepaid expenses	83,458	80,324
	387,406	759,669
INVESTMENTS (Note 3)	2,576	2,576
	\$ 389,982	\$ 762,245
LIABILITIES AND SURPLUS		
CURRENT LIABILITIES		
Bank indebtedness	\$ 110,472	\$ -
Demand loan (Note 5)	30,000	-
Accounts payable and accrued liabilities	68,440	137,999
Payable to government agencies	69,377	130,165
Due to Capital fund	435,760	359,053
Due to Operating reserve fund	-	14,783
	714,049	642,000
SURPLUS		
Balance, beginning of year	120,245	304,640
Excess (deficiency) of revenues over expenditures	(459,660)	162,106
Transfer of surplus (deficit) of second previous year	15,348	(346,501)
	(324,067)	120,245
	\$ 389,982	\$ 762,245

Subsequent event (Note 9)

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.
 NON-CONSOLIDATED STATEMENT OF REVENUES AND EXPENDITURES
 ADMINISTRATION FUND
 YEAR ENDED MARCH 31, 2020

	Budget	2020	2019
REVENUES			
Rentals (Page 4)	\$ 114,600	\$ 95,931	\$ 107,339
User Fees (Page 4)	2,250,000	2,296,068	2,387,038
Other	500	3,170	4,219
Grants	-	-	9,804
Surplus (deficit) of second previous year	-	(15,348)	346,501
	2,365,100	2,379,821	2,854,901
EXPENDITURES			
Administration (Page 5)	870,106	965,883	766,505
Fuel system (Page 5)	740,000	615,498	771,185
Hangar (Page 5)	44,000	20,359	24,886
Operations (Page 5)	310,926	228,407	299,291
Ramp services (Page 6)	94,737	139,260	140,295
Runway and grounds (Page 6)	312,500	257,549	247,912
Security (Page 6)	43,824	19,876	47,913
Snow removal (Page 6)	236,461	324,869	300,900
Terminal building (Page 6)	50,000	110,736	74,119
Other (Page 7)	57,000	14,675	1,604
Fiscal services (Page 7)	62,782	142,369	18,185
	2,822,336	2,839,481	2,692,795
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (457,236)	\$ (459,660)	\$ 162,106

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, 2020

	Budget	2020	2019
RENTALS			
Advertising space	\$ 18,000	\$ -	\$ -
Land leases	4,000	6,489	4,336
Office leases	92,600	89,442	103,003
	\$ 114,600	\$ 95,931	\$ 107,339
USER FEES			
Airport operations fees	\$ 855,000	\$ 733,880	\$ 827,399
Car parking	95,000	78,635	34,316
Fuel sales	1,000,000	1,218,733	1,265,644
Landing fees	80,000	64,300	65,105
Terminal fees	220,000	200,520	194,574
	\$ 2,250,000	\$ 2,296,068	\$ 2,387,038

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



L'AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC. 5
 NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.
 SCHEDULE RELATED TO EXPENDITURES - ADMINISTRATION FUND
 YEAR ENDED MARCH 31, 2020

	Budget	2020	2019
ADMINISTRATION			
Advertising	\$ 31,750	\$ 27,183	\$ 43,233
AIF Handling charges	25,650	14,642	24,770
Bad debts	19,000	38,374	238
Insurance	29,994	34,479	24,493
Miscellaneous	-	1,427	15,069
Office supplies	25,000	29,396	55,904
Perdiems for directors	37,950	29,506	2,406
Professional fees	136,700	158,572	136,383
Taxes and permits	19,250	18,410	17,591
Telecommunications	18,000	24,959	20,844
Travel and meetings	15,000	18,503	15,921
Salaries and fringe benefits	466,812	471,689	409,653
Subcontracts	45,000	98,743	-
	\$ 870,106	\$ 965,883	\$ 766,505
FUEL SYSTEM			
Aviation bulk fuel	\$ 740,000	\$ 607,035	\$ 759,883
Repairs and maintenance	-	8,463	11,302
	\$ 740,000	\$ 615,498	\$ 771,185
HANGAR			
Miscellaneous	\$ -	\$ -	\$ 8,451
Repairs and maintenance	44,000	20,359	7,640
Electricity	-	-	8,795
	\$ 44,000	\$ 20,359	\$ 24,886
OPERATIONS			
Salaries and fringe benefits	\$ 310,926	\$ 228,407	\$ 299,291

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, 2020

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	Budget	2020	2019
RAMP SERVICES			
Miscellaneous	\$ -	\$ -	\$ 16,573
Salaries and fringe benefits	94,737	139,260	123,722
	\$ 94,737	\$ 139,260	\$ 140,295
RUNWAY AND GROUNDS			
Repairs and maintenance	\$ 312,500	\$ 254,175	\$ 233,094
Vehicle expenses	-	3,374	14,818
	\$ 312,500	\$ 257,549	\$ 247,912
SECURITY			
Salaries and fringe benefits	\$ 43,824	\$ 19,876	\$ 47,913
SNOW REMOVAL			
Repairs and maintenance	\$ -	\$ 144,385	\$ 134,278
Runway anti-ice	120,000	50,658	28,152
Salaries and fringe benefits	116,461	129,826	138,470
	\$ 236,461	\$ 324,869	\$ 300,900
TERMINAL BUILDING			
Electricity	\$ 50,000	\$ 74,386	\$ 58,356
Repairs and maintenance	-	23,486	2,367
Supplies	-	12,864	13,396
	\$ 50,000	\$ 110,736	\$ 74,119

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, 2020

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	Budget	2020	2019
OTHERS			
Nav Aid Maintenance	\$ -	\$ -	\$ 1,604
Special projects	57,000	14,675	-
	\$ 57,000	\$ 14,675	\$ 1,604
FISCAL SERVICES			
Interest and bank charges	\$ 12,000	\$ 21,480	\$ 18,185
Interest on long-term debt	50,782	53,485	-
Interest on short-term debt	-	23,821	-
Principal repayment on long-term debt	-	43,583	-
	\$ 62,782	\$ 142,369	\$ 18,185

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

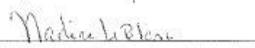


L'AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC. 8
 NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.
 NON-CONSOLIDATED BALANCE SHEET - CAPITAL FUND
 AS AT MARCH 31, 2020

	2020	2019
ASSETS		
CURRENT ASSETS		
Cash	\$ 59,012	\$ 686,487
Accounts receivable	140,611	280
Due from Administration fund	435,760	359,053
	635,383	1,045,820
PROPERTY, PLANT AND EQUIPMENT (Note 4)		
	2,544,805	2,813,878
	\$ 3,180,188	\$ 3,859,698
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Line of credit	\$ -	\$ 1,990,151
Accounts payable and accrued liabilities	-	5,971
Due to Trust & reserve fund	200,000	700,000
Current portion of long-term debt (note 6)	67,629	-
	267,629	2,696,122
LONG-TERM DEBT (Note 6)		
	1,878,939	-
	2,146,568	2,696,122
EQUITY		
INVESTMENTS IN CAPITAL ASSETS (Page 9)	1,033,620	1,163,576
	\$ 3,180,188	\$ 3,859,698

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.
 NON-CONSOLIDATED STATEMENT OF OPERATIONS AND INVESTMENTS IN CAPITAL ASSETS
 YEAR ENDED MARCH 31, 2020

	2020	2019
REVENUES		
Principal payment on long-term debt	\$ 43,583	\$ -
	43,583	-
EXPENDITURES		
Amortization expense	173,539	89,873
Bank charges	-	56,824
Loss on capital assets	-	19,907
Deficiency of revenues over expenditures	\$ (129,956)	\$ (166,604)
INVESTMENTS IN CAPITAL ASSETS		
Balance, beginning of the year	\$ 1,163,576	\$ 1,330,180
Add:		
Excess of expenditures over revenues	(129,956)	(166,604)
BALANCE, end of year	\$ 1,033,620	\$ 1,163,576

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.
 NON-CONSOLIDATED STATEMENT OF CAPITAL FINANCING - CAPITAL FUND
 YEAR ENDED MARCH 31, 2020

	2020	2019
FUNDS PROVIDED BY		
Government assistance	\$ 449,059	\$ -
Proceeds from bank loans	1,990,151	-
Long-term debt repayment	43,583	-
Temporary financing, end of previous year		
Due from Administration fund	359,053	61,646
Cash	686,487	-
Accounts receivable	280	-
	\$ 3,528,613	\$ 61,646
FUNDS APPLIED TO		
Purchase of property, plant and equipment	\$ 353,525	\$ 61,646
Long-term debt repayment	43,583	-
Due to Trust & reserve funds	500,000	-
Temporary financing, end of year		
Due from Administration fund	435,760	-
Cash	59,012	-
Accounts receivable	140,611	-
Temporary financing, end of previous year		
Line of credit	1,990,151	-
Accounts payable and accrued liabilities	5,971	-
	\$ 3,528,613	\$ 61,646

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

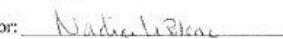


L'AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC. 11
 NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.
 NON-CONSOLIDATED BALANCE SHEET - TRUST AND RESERVE FUND
 AS AT MARCH 31, 2020

	2020	2019
ASSETS		
Cash	\$ 1,147,736	\$ 481,481
Receivable from Operating fund	-	14,783
Receivable from Capital fund	200,000	700,000
	\$ 1,347,736	\$ 1,196,264
LIABILITIES AND RESERVE		
CURRENT LIABILITIES		
Payable to Operating fund	\$ 135,217	\$ -
RESERVE		
Administration Operating reserve fund (Page 12)	28,413	28,413
Capital reserve fund (Page 12)	1,184,106	1,167,851
	1,212,519	1,196,264
	\$ 1,347,736	\$ 1,196,264

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.
 NON-CONSOLIDATED STATEMENT OF REVENUES AND EXPENDITURES - TRUST AND RESERVE FUND
 YEAR ENDED MARCH 31, 2020

	Reserve Fund		2020	2019
	Operating	Capital		
TRUST AND RESERVE FUNDS				
Balance, beginning of the year	\$ 28,413	\$ 1,167,852	\$ 1,196,265	\$ 1,188,366
Revenues:				
Interest earned	-	16,254	16,254	7,899
BALANCE, end of the year	\$ 28,413	\$ 1,184,106	\$ 1,212,519	\$ 1,196,265

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

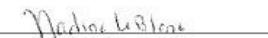


L'AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC. 13
 NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.
 NON-CONSOLIDATED COMBINED BALANCE SHEET
 AS AT MARCH 31, 2020

	2020	2019
ASSETS		
CURRENT ASSETS		
Cash	\$ 1,212,008	\$ 1,540,068
Accounts receivable	245,575	279,446
Inventory	58,507	28,080
Prepaid expenses	83,458	80,324
	1,599,548	1,927,918
INVESTMENTS (Note 3)	2,576	2,576
PROPERTY, PLANT AND EQUIPMENT (Note 4)	2,544,805	2,813,878
	\$ 4,146,929	\$ 4,744,372
LIABILITIES AND SURPLUS		
CURRENT LIABILITIES		
Bank indebtedness	\$ 110,472	\$ -
Line of credit (Note 5)	30,000	1,990,151
Accounts payable and accrued liabilities	68,440	143,971
Payable to government agencies	69,377	130,165
Current portion of long term debt (note 6)	67,629	-
	345,918	2,264,287
LONG TERM DEBT (Note 6)	1,878,939	-
	2,224,857	2,264,287
SURPLUS		
Investment in Capital assets (Page 8)	1,033,620	1,163,576
Surplus (deficit) from administration fund (Page 2)	(324,067)	120,245
Trust and Reserve (Page 11)	1,212,519	1,196,264
	1,922,072	2,480,085
	\$ 4,146,929	\$ 4,744,372

APPROVED BY:

Director: 

Director: 

The accompanying notes are an integral part of these 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.



2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d) Government assistance

Capital asset grants are accounted for in reduction of their cost. Operational grants are accounted for in reduction of operation expenses.

e) Surplus / Deficit

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

f) 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.

g) 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.

h) 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.

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 NON-CONSOLIDATED FINANCIAL STATEMENTS

3. INVESTMENT

	2020	2019
Ace Aviation Holdings Inc.	\$ 2,576	\$ 2,576

The cost at March 31, 2020 was \$4,240.

4. CAPITAL ASSETS

	2020		2019	
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 294,832	\$ -	\$ 294,832	\$ 294,832
Building - Air Transport	5,553,744	628,313	4,925,431	4,762,402
Building - Snow maintenance	291,537	176,091	115,446	121,090
Equipment and machinery	677,245	461,571	215,674	257,176
Motor vehicle	81,053	56,256	24,797	35,424
Parking lot	527,732	295,071	232,661	252,893
Runway improvement	2,256,482	1,077,411	1,179,071	1,281,599
Runway navigation equipment	2,402,155	2,369,350	32,805	41,007
Snow removal equipment	1,297,124	1,183,283	113,841	142,301
	13,381,904	6,247,346	7,134,558	7,188,724
Less Grants:				
Building - Air Transport	3,527,325	156,111	3,371,214	3,043,912
Equipment and machinery	38,994	36,888	2,106	2,633
Runway improvement	2,256,482	1,077,411	1,179,071	1,281,599
Runway navigation equipment	171,300	150,608	20,692	25,865
Snow removal equipment	138,000	121,330	16,670	20,837
	6,132,101	1,542,348	4,589,753	4,374,846
	\$ 7,249,803	\$ 4,704,998	\$ 2,544,805	\$ 2,813,878

During the year, the Authority received grants for an amount of \$308,448 and a receivable for an amount of \$140,611 for a total of \$449,059. This amount is included in the Grants account : Building - Air Transport.

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, 2020, an amount of \$120,000 was unused.



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

6. LONG-TERM DEBT

	2020	2019
Caisse populaire acadienne ltée term loan, payable in monthly instalments of \$12,133 including interest at a rate of 4.07%. Due in July 2024, with a general security agreement against the assets of the airport.	\$ 1,946,568	\$ -
Current portion of the long-term debt	1,946,568	-
	67,629	-
	\$ 1,878,939	\$ -

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

2021	\$ 67,629
2022	\$ 70,433
2023	\$ 73,354
2024	\$ 76,395
2025	\$ 19,589

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. After the year end, Air Canada stopped their activity with the airport.

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.

9. SUBSEQUENT EVENT

In March 2020, the province of New Brunswick declared a state of emergency and asked the population to stay in confinement at home, as possible following the COVID-19 outbreak. The impact on the society is still uncertain. For now it's impossible to state if it will result in a loss for the society.





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