

ANNUAL REPORT 2020 – 2021

Northern New Brunswick
Airport Authority Inc.



Aéroport régional de
Bathurst
Regional Airport





ANNUAL REPORT 2020 - 2021

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 employees and staff of the airport have worked hard to keep the travelling public safe and protected with stringent Covid-19 protocols and have also had to be creative in order to maintain flight operations amidst the setbacks of the pandemic. Without the willingness and cooperation constantly exhibited we would not be weathering the onslaught of Covid-19 challenges as we are at present. By providing backup for each other, undergoing cross-training in order to operate in dual-roles, changing schedules on short notice, and keeping operating costs to a minimum; the team have been doing their utmost to help us reach the post-pandemic recovery period. We will never be able to thank them enough.

The Board of the NNBA has volunteered a lot of time and energy to sustain operations. They even assisted in the yearly FOD walk to remove all potential debris from the entirety of the airfield which could pose a threat to aircraft engines or landing gear. The guidance and vision of the board members has greatly aided in successfully navigating through these difficult times.

The most important development in the past year was the return to service of Air Canada at our site. We are proud to continue our partnership with them and we are now hosting the larger Q400 aircraft which opens the possibility for more passengers per flight and

greater travelling range. The airport is currently in discussions for potential future destinations in this regard.

We are very indebted for the help provided by our local MLA Rene Legacy and our Member of Parliament, Serge Cormier in ensuring a return to service of Air Canada for our region and for assistance in sustaining operations. The City of Bathurst has also been an excellent partner throughout the pandemic and the many occasions their trained staff have provided technical guidance to the airport have been greatly appreciated. Hand in hand with the current municipal reform taking place in the province, the City of Bathurst will be a key partner for the future of the airport and its environs. The support of all the northern New Brunswick Mayors and MLAs was felt strongly throughout the last two years and their voicing how critical our airport is to their constituents has been heard by all levels of government.

The continued understanding shown by our airport neighbours who assist us in maintaining a safe flight path is greatly appreciated. Through their help, we were able to advance on our tree removal program by a full year.

The financial support of ACOA (RATI fund), CBDC, Federal government CEWS programs have been crucial in the past year. A huge expression of gratitude is paramount for their assistance and we are hopeful for future programs as recovery in the air sector will take years and further support will be needed.

2022 will mark the beginning of a new marketing campaign for the Bathurst Regional Airport. A new website with enhanced tools and easier navigation is currently in development and enhanced social media presence is about to roll out.

Thanks to Transport Canada's ACAP fund, we will have new capital equipment coming including a front end loader, a runway liquid de-icing trailer, a runway landing friction tester, and a runway condition monitoring system which will ensure we maintain a safe and efficient operation in line with all applicable regulations for years to come. Although airports of our size are not yet required to do so, the Bathurst Regional Airport is now reporting runway conditions by thirds according to ICOA standards; this helps pilots with consistency across airports of varying sizes and has us ahead of the curve for what lies ahead. We have also acquired in the past year an aircraft de-icing truck, tug, carts, loading ramp, GPU, aircraft heater/cooler, and a mobile belt luggage loader, all of

which improve the passenger experience and ensure that the airport can operate self-sufficiently post-pandemic.

New revenue streams and destinations are the goal following rebuilding post-pandemic along with projects to enhance a greener airport operation to assist the environment. We plan to continue discussions with other potential airlines for new markets and to continue to strengthen our ties with our partner Air Canada for new offerings.

To everyone, our clients, partners, team members and supporters, thank you for standing by us; we hope we can help your travel and vacation dreams take flight soon...

Sincerely,

Shawn Patterson
President

Jamie DeGrace
CEO

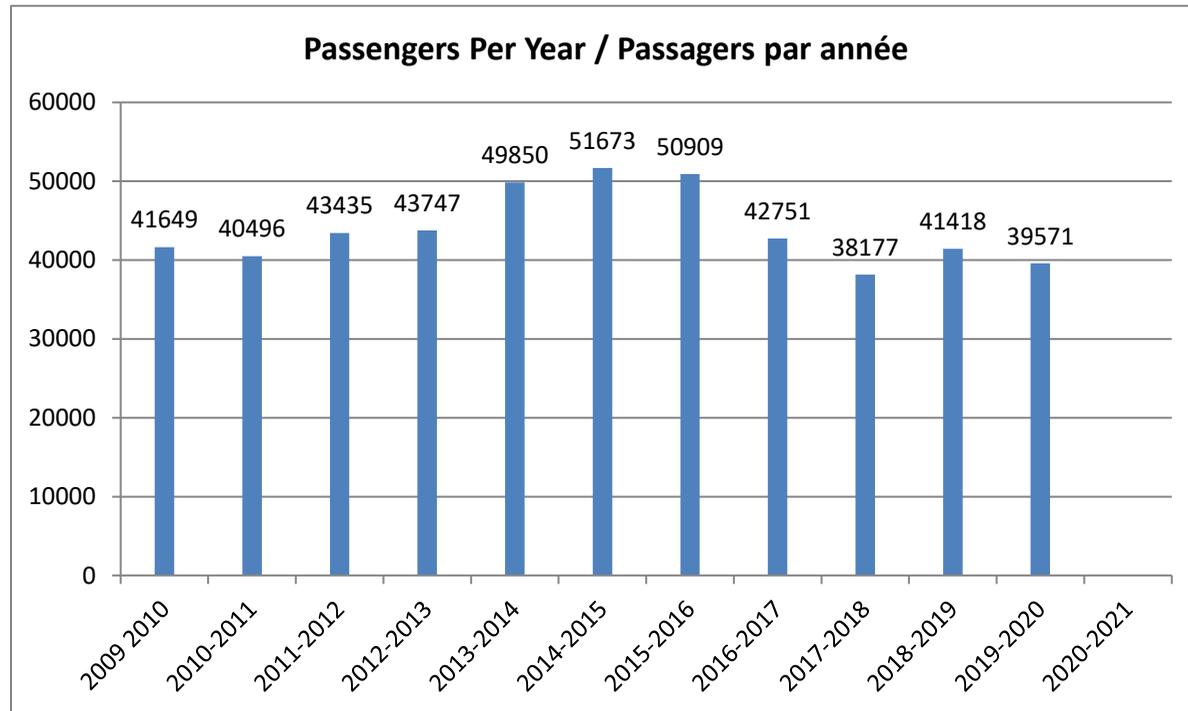


PASSENGER STATISTICS



PASSENGER STATISTICS

PASSENGERS PER FISCAL YEAR: APR 2020-March 2021



2020-21 Marked the onset of the Covid-19 Pandemic. All commercial passenger traffic halted on March 17, 2020 Resulting in the full fiscal year without air service.

GOVERNANCE

Members of the Board of Directors are appointed for up to three-year terms and may serve a maximum of nine years on the Board. They meet at a minimum of 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

By motion of the Board, future committees will be ad-hoc and deal with specific issues; any committees whose mandates have been completed will be dissolved.



COMMITTEES



EXECUTIVE COMMITTEE

Members: Shawn Patterson
Todd Pettigrew
Marie Larivière
Vanessa Hache

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
Denis Roy

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
Vanessa Hache
Vincent Poirier
Alain Guitard

The Finance and Audit Committee met during the course of the fiscal year to provide recommendations on the annual budget and reviewed the draft audited financial statements.

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. The committee launched a full revision of the corporate bylaws and policies and procedures.

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
- Vanessa Hache:** Treasurer
- Marie Larivière:** Secretary
- Jeffrey David:** Board Member
- Alain Guitard:** Board Member
- Vincent Poirier:** Board Member
- Yannick Mainville:** Board Member
- Denis Roy:** 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**
- Paul Dumaresq**

Ramp Agents

- Denis Lanteigne**
- Mark White**
- Zachary Saulnier**

Snow Operations

- Kyle Ward**
- Claude Duguay**





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. One member removed themselves from discussions concerning a loan from CBDC as they were also a board member there as well.

NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY ORGANIZATIONAL CHART



SALARIES AND REMUNERATION OF SENIOR MANAGEMENT

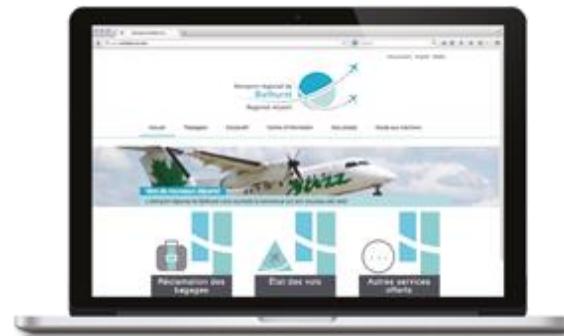
MEMBERS 2020-2021

The combined salaries of the senior management team (CEO; Manager, Operations and Facilities; Manager, Regulatory Affairs; and Administrative Accountant) were \$313,569.

The Authority is required to report all contracts valued at greater than \$75,000 that were not awarded through a public competitive tendering process. Used equipment critical to maintaining air service and de-icing was purchased from Jazz after Air Canada closed the Bathurst station due to the pandemic. This enabled the airport to continue operations as an essential service for air ambulance and charter flights.



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

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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
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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, 2021, 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, 2021, 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;
- 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 23, 2021

Associés - Partners:
* Denis St-Pierre, PCMA, FCCA
* Gilles Desrosiers, CPA, CA
* Mylène Haché St-Pierre, CPA, CGA

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. 2
 NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.
 NON-CONSOLIDATED BALANCE SHEET - ADMINISTRATION FUND
 AS AT MARCH 31, 2021

	2021	2020
ASSETS		
CURRENT ASSETS		
Cash	\$ 9,157	\$ 5,260
Accounts receivable	13,989	104,964
Receivable from government agencies	8,218	-
Subsidies receivable	62,974	-
Due from Operating reserve fund	135,217	135,217
Inventory	32,601	58,507
Prepaid expenses	61,788	83,458
	323,944	387,406
INVESTMENTS (Note 3)	2,576	2,576
	\$ 326,520	\$ 389,982
LIABILITIES AND SURPLUS		
CURRENT LIABILITIES		
Bank indebtedness	\$ 11,289	\$ 110,472
Demand loan (Note 5)	90,000	30,000
Accounts payable and accrued liabilities	92,681	68,440
Payable to government agencies	-	69,377
Due to Capital fund	779,476	435,760
Due to Operating reserve fund	500,000	-
	1,473,446	714,049
LONG TERM DEDT (Note 6)	40,000	-
	1,513,446	714,049
SURPLUS (DEFICIT)		
Balance, beginning of year	(324,067)	120,245
Deficiency of revenues over expenditures	(700,753)	(459,660)
Transfer of surplus (deficit) of second previous year	(162,106)	15,348
	(1,186,926)	(324,067)
	\$ 326,520	\$ 389,982

APPROVED BY:

Director: Vanessa Haché

Director: [Signature]

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

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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, 2021

	Budget	2021	2020
REVENUES			
Rentals (Page 4)	\$ 96,608	\$ 27,337	\$ 95,931
User Fees (Page 4)	2,456,980	193,398	2,296,068
Other	510	-	3,170
Grants	-	10,272	-
Surplus (deficit) of second previous year	-	162,106	(15,348)
	2,554,098	393,113	2,379,821
EXPENDITURES			
Administration (Page 5)	943,856	259,604	965,883
Fuel system (Page 5)	709,920	85,652	615,498
Hangar (Page 5)	31,275	9,545	20,359
Operations (Page 5)	272,318	156,883	228,407
Ramp services (Page 6)	100,948	15,904	139,260
Runway and grounds (Page 6)	100,560	123,554	257,476
Security (Page 6)	-	-	19,876
Snow removal (Page 6)	297,005	193,219	324,869
Terminal building (Page 6)	77,216	93,323	110,809
Other (Page 7)	21,000	-	14,675
Fiscal services (Page 7)	71,771	156,182	142,369
	2,625,869	1,093,866	2,839,481
DEFICIENCY OF REVENUES OVER EXPENDITURES	\$ (71,771)	\$ (700,753)	\$ (459,660)

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

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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, 2021

	Budget	2021	2020
RENTALS			
Land leases	\$ -	\$ 3,112	\$ 6,489
Office leases	96,608	24,225	89,442
	\$ 96,608	\$ 27,337	\$ 95,931
USER FEES			
Airport operations fees	\$ 840,280	\$ 7,282	\$ 733,880
Car parking	96,900	551	78,635
Fuel sales	1,224,000	116,626	1,218,733
Landing fees	71,400	23,325	64,300
Terminal fees	224,400	45,614	200,520
	\$ 2,456,980	\$ 193,398	\$ 2,296,068

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, 2021

	Budget	2021	2020
ADMINISTRATION			
Advertising	\$ 32,258	\$ 4,405	\$ 27,183
AIF Handling charges	25,650	20	14,642
Bad debts	4,304	(604)	38,374
Insurance	30,474	36,252	34,479
Miscellaneous	-	3,580	1,427
Office supplies	30,480	12,678	29,396
Perdiems for directors	38,557	9,423	29,506
Professional fees	71,500	16,020	158,572
Taxes and permits	19,558	17,772	18,410
Telecommunications	18,288	22,569	24,959
Travel and meetings	15,240	5,831	18,503
Salaries and fringe benefits (net of subsidies - \$ 291,135 (\$ 0 in 2020))	574,850	80,185	471,689
Subcontracts	82,697	51,473	98,743
	\$ 943,856	\$ 259,604	\$ 965,883
FUEL SYSTEM			
Aviation bulk fuel	\$ 709,920	\$ 66,848	\$ 607,035
Repairs and maintenance	-	18,804	8,463
	\$ 709,920	\$ 85,652	\$ 615,498
HANGAR			
Repairs and maintenance	31,275	9,545	20,359
	\$ 31,275	\$ 9,545	\$ 20,359
OPERATIONS			
Salaries and fringe benefits	\$ 272,318	\$ 156,883	\$ 228,407

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



L'AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC. 6
 NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.
 SCHEDULE RELATED TO EXPENDITURES - ADMINISTRATION FUND
 YEAR ENDED MARCH 31, 2021

	Budget	2021	2020
RAMP SERVICES			
Salaries and fringe benefits	100,948 \$	15,904 \$	139,260
	\$ 100,948	\$ 15,904	\$ 139,260
RUNWAY AND GROUNDS			
Repairs and maintenance	\$ 100,560	\$ 116,671	\$ 254,102
Vehicle expenses	-	6,883	3,374
	\$ 100,560	\$ 123,554	\$ 257,476
SECURITY			
Salaries and fringe benefits	\$ -	\$ -	\$ 19,876
SNOW REMOVAL			
Repairs and maintenance	\$ 172,720	\$ 114,844	\$ 144,385
Runway anti-ice	-	16,505	50,658
Salaries and fringe benefits	124,285	61,870	129,826
	\$ 297,005	\$ 193,219	\$ 324,869
TERMINAL BUILDING			
Electricity	\$ 77,216	\$ 68,564	\$ 74,386
Repairs and maintenance	-	21,310	23,486
Supplies	-	3,449	12,937
	\$ 77,216	\$ 93,323	\$ 110,809

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



L'AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC. 7
 NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.
 SCHEDULE RELATED TO EXPENDITURES - ADMINISTRATION FUND
 YEAR ENDED MARCH 31, 2021

	Budget	2021	2020
OTHERS			
Special projects	\$ 21,000	\$ -	\$ 14,675
	\$ 21,000	\$ -	\$ 14,675
FISCAL SERVICES			
Interest and bank charges	\$ 12,192	\$ 18,306	\$ 21,480
Interest on long-term debt	59,579	81,625	53,485
Interest on short-term debt	-	1,695	23,821
Principal repayment on long-term debt	-	54,556	43,583
	\$ 71,771	\$ 156,182	\$ 142,369

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, 2021

	2021	2020
ASSETS		
CURRENT ASSETS		
Cash	\$ 752	\$ 59,012
Accounts receivable	-	140,611
Due from Administration fund	779,476	435,760
	780,228	635,383
PROPERTY, PLANT AND EQUIPMENT (Note 4)	2,486,773	2,544,804
	\$ 3,267,001	\$ 3,180,187
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Due to Trust & reserve fund	\$ 200,000	\$ 200,000
Current portion of long-term debt (note 6)	78,718	67,629
	278,718	267,629
LONG-TERM DEBT (Note 6)	2,048,415	1,878,938
	2,327,133	2,146,567
EQUITY		
INVESTMENTS IN CAPITAL ASSETS (Page 9)	939,868	1,033,620
	\$ 3,267,001	\$ 3,180,187

APPROVED BY:

Director: *Vanessa Haché*

Director: *[Signature]*

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, 2021

	2021	2020
REVENUES		
Principal payment on long-term debt	\$ 54,556	\$ 43,583
	54,556	43,583
EXPENDITURES		
Amortization expense	148,308	173,539
Deficiency of revenues over expenditures	\$ (93,752)	\$ (129,956)
INVESTMENTS IN CAPITAL ASSETS		
Balance, beginning of the year	\$ 1,033,620	\$ 1,163,576
Add:		
Deficiency of expenditures over revenues	(93,752)	(129,956)
BALANCE, end of year	\$ 939,868	\$ 1,033,620

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, 2021

	2021	2020
FUNDS PROVIDED BY		
Government assistance	\$ 10,522	\$ 459,059
Proceeds from bank loans	235,122	1,990,151
Long-term debt repayment	54,556	43,583
Temporary financing, end of previous year		
Due from Administration fund	435,760	359,053
Cash	59,012	686,487
Accounts receivable	140,611	280
	\$ 935,583	\$ 3,538,613
FUNDS APPLIED TO		
Purchase of property, plant and equipment	\$ 100,799	\$ 353,525
Long-term debt repayment	54,556	43,583
Due to Trust & reserve funds	-	500,000
Temporary financing, end of year		
Due from Administration fund	779,476	435,760
Cash	752	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
	\$ 935,583	\$ 3,528,613

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, 2021

	2021	2020
ASSETS		
Cash	\$ 651,493	\$ 1,147,736
Receivable from Operating fund	500,000	-
Receivable from Capital fund	200,000	200,000
	\$ 1,351,493	\$ 1,347,736
LIABILITIES AND RESERVE		
CURRENT LIABILITIES		
Payable to Operating fund	\$ 135,217	\$ 135,217
RESERVE		
Administration Operating reserve fund (Page 12)	28,413	28,413
Capital reserve fund (Page 12)	1,187,863	1,184,106
	1,216,276	1,212,519
	\$ 1,351,493	\$ 1,347,736

APPROVED BY:

Director: Vanessa Haché

Director: [Signature]

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, 2021

	Reserve Fund		2021	2020
	Operating	Capital		
TRUST AND RESERVE FUNDS				
Balance, beginning of the year	\$ 28,413	\$ 1,184,106	\$ 1,212,519	\$ 1,196,265
Revenues:				
Interest earned	-	3,757	3,757	16,254
BALANCE, end of the year	\$ 28,413	\$ 1,187,863	\$ 1,216,276	\$ 1,212,519

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, 2021

	2021	2020
ASSETS		
CURRENT ASSETS		
Cash	\$ 661,402	\$ 1,212,009
Accounts receivable	13,989	245,575
Subsidies receivable	62,974	-
Receivable from government agencies	8,218	-
Inventory	32,601	58,507
Prepaid expenses	61,788	83,458
	840,972	1,599,549
INVESTMENTS (Note 3)	2,576	2,576
PROPERTY, PLANT AND EQUIPMENT (Note 4)	2,486,773	2,544,804
	\$ 3,330,321	\$ 4,146,929
LIABILITIES AND SURPLUS		
CURRENT LIABILITIES		
Bank indebtedness	\$ 11,289	\$ 110,472
Line of credit (Note 5)	90,000	30,000
Accounts payable and accrued liabilities	92,681	68,440
Payable to government agencies	-	69,377
Current portion of long term debt (note 6)	78,718	67,629
	272,688	345,918
LONG TERM DEBT (Note 6)	2,088,415	1,878,938
	2,361,103	2,224,857
SURPLUS		
Investment in Capital assets (Page 8)	939,868	1,033,620
Deficit from administration fund (Page 2)	(1,186,926)	(324,067)
Trust and Reserve (Page 11)	1,216,276	1,212,519
	969,218	1,922,072
	\$ 3,330,321	\$ 4,146,929

APPROVED BY:

Director: *Vanessa Haché*

Director: *[Signature]*

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.

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



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.

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 NON-CONSOLIDATED FINANCIAL STATEMENTS

3. INVESTMENT

	2021	2020
Ace Aviation Holdings Inc.	\$ 2,576	\$ 2,576

The cost at March 31, 2021 was \$4,240.

4. CAPITAL ASSETS

	2021		2020	
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 294,832	\$ -	\$ 294,832	\$ 294,832
Building - Air Transport	5,553,744	825,330	4,728,414	4,925,431
Building - Snow maintenance	291,537	181,430	110,107	115,445
Equipment and machinery	689,018	494,617	194,401	215,674
Motor vehicle	167,403	63,695	103,708	24,797
Parking lot	527,732	313,684	214,048	232,662
Runway improvement	2,256,482	1,171,737	1,084,745	1,179,071
Runway navigation equipment	2,404,830	2,376,178	28,652	32,806
Snow removal equipment	1,297,124	1,206,051	91,073	113,840
	13,482,702	6,632,722	6,849,980	7,134,558
Less Grants:				
Building - Air Transport	3,537,847	290,959	3,246,888	3,371,215
Equipment and machinery	38,994	37,310	1,684	2,106
Runway improvement	2,256,482	1,171,737	1,084,745	1,179,071
Runway navigation equipment	171,300	154,746	16,554	20,692
Snow removal equipment	138,000	124,664	13,336	16,670
	6,142,623	1,779,416	4,363,207	4,589,754
	\$ 7,340,079	\$ 4,853,306	\$ 2,486,773	\$ 2,544,804

During the year, the Authority received grants for an amount of \$10,522. 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, 2021, an amount of \$60,000 was unused.

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 NON-CONSOLIDATED FINANCIAL STATEMENTS

6. LONG-TERM DEBT

	2021	2020
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.	\$ 2,011,583	\$ 1,946,567
CBDC Chaleur Inc., repayable in monthly installments of \$ 2,302 from September 2021 including interest at the rate of 6%. Due in December 2015, 1st rank guarantee on equipment.	115,550	-
Caisse Populaire acadienne ltée, \$60,000 term loan, without interest loan under Emergency Account for Canadian Businesses program of which \$40,000 will be repayable if the loan is fully repaid before December 31, 2022, and bearing interest at 5% from January 1, 2023 to December 31, 2025 of the loan is not repaid.	40,000	-
	2,167,133	1,946,567
Current portion of the long-term debt	78,718	67,629
	\$ 2,088,415	\$ 1,878,938

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

	2022	2023	2024	2025	2026	Renewable
	\$ 78,718	\$ 128,739	\$ 92,859	\$ 42,441	\$ 19,411	\$ 1,786,832
						\$ 18,134

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.

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



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