

Northern New Brunswick  
Airport Authority Inc.

# ANNUAL REPORT 2013-2014



AÉROPORT DE  
**BATHURST**  
AIRPORT





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

Northern **New Brunswick**  
Airport Authority Inc.

## Mission and Vision

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.

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# Greetings from the President and the Executive Director

The Bathurst Regional Airport continues to function strongly as an economic pillar for our region. We have once again set a record for passenger numbers: 49,772 for the 2013–2014 fiscal year. This represents a 14% increase from our previous year's numbers and there is a strong indication that we will surpass 50,000 passengers in the next year. It is a sign of our economic times as more of us travel outside this region to work. Another success indicator for us is the number of aircraft movements per year. There were 4,294 aircraft movements in 2013–2014, representing a 14% increase from our previous year. Charter activity was also on the rise with 1,532 movements for the year – a 4% increase from the same time last year.

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 larger aircraft and an additional flight. Pascan Aviation continued to provide daily service to Wabush.

We wish to thank our airline partners for their continued support.

The Airport Expansion Plan continues to move forward. This year we completed LiDar and aerial surveys, finalized a detailed terminal floor plan and injected more than \$260,000 into our Trust and Reserve account. There is just over \$880,400 in this account, which will be used to leverage financing for the expansion project. The Airport Authority submitted its final business plan to the provincial government in February with the expectation that the provincial government will assist in determining the appropriate funding programs to complete the expansion project.

As President of the Airport Authority, I believe it's very important to stand together with a better vision for our travelling public and for Northern New Brunswick. Over the past six years, we have been defending the need for an improved airport at both the provincial and federal levels of government. We have a proven track record of financial viability, as well as a commercially viable

scheduled air service with two airline companies. The business case is there. Our airport is a gateway to our region; a welcoming door into our great communities. This expansion is long overdue.

As Executive Director of the Northern New Brunswick Airport Authority, I wish to thank our dedicated and hardworking staff who makes the airport the place it is today. It is a pleasure to work with such a great group of people on a daily basis. I would also like to recognize our Board of Directors for their invaluable guidance and experience. Each one of our directors is committed to seeing this airport become a jewel for our region. A very special thanks goes out to our President, Colin Brewster, for his support and leadership over the past year.

Sincerely,



Colin Brewster  
*President*



Jennifer Henry  
*Executive  
Director*



Photo: Christopher Lovegrove



# Marketing and Business Development Review

## Air Service

Air Canada continues to offer two flights daily to Montreal. During the summer months of 2013, it added an additional Saturday evening arrival/ Sunday morning departure from the Bathurst Airport and increased seat capacity by operating its Dash-8 300 series aircraft.

Pascan Aviation operates five flights weekly to Wabush to help our skilled workers and businesses access important markets in the Labrador area. It discontinued its flights to Saint-Hubert, Quebec City and Les Îles-de-la-Madeleine due to low occupancy rates.

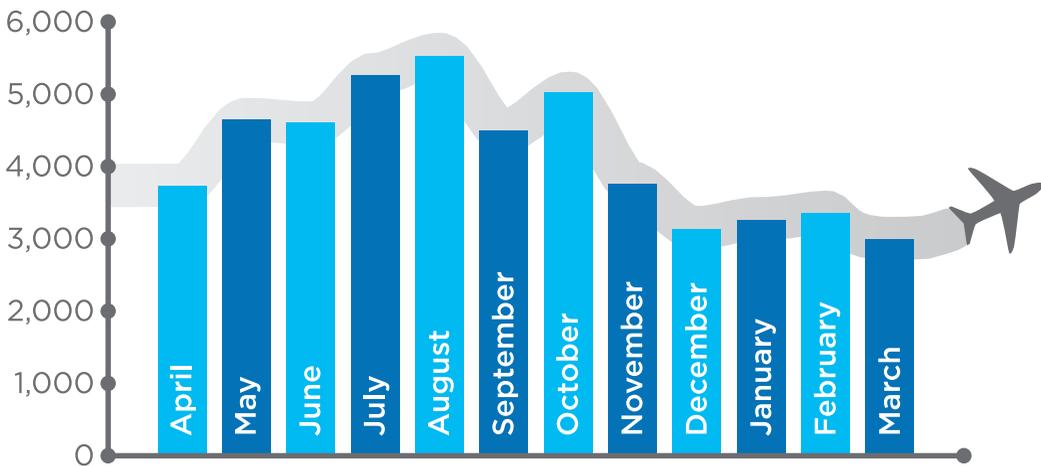
There is also a variety of private and commercial charter services that utilize our airport on a regular basis. The more frequent users are: A.G. Aviation, Exact Air, Manan Air Service, Maritime Air Charter and Provincial Airlines. We thank them for their continued support.

## Marketing

The Airport Authority enjoyed another fruitful partnership with DPG Communication to develop its marketing tools for the year. The campaign focused on the importance of our regional airport to a variety of markets: business travellers, workers, tourists, the medical community and investors.

# Passenger Statistics

## April 1, 2013 to March 31, 2014



# 2014 Campaign

Advertisement and billboards

**For me,**

**it's the Bathurst**

To grow my business  
and develop new markets  
**an airport is vital!**

**Moi**

**j'utilise l'Aéroport de Bathurst**

Pour l'envie de m'évader quelques jours  
ou partir à l'aventure,  
**un aéroport c'est vital!**

**Moi**  
j'utilise  
l'Aéroport  
de Bathurst



**For me,**  
it's the  
Bathurst  
Airport



st Airport  
arkets,



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AÉROPORT DE  
**BATHURST**  
AIRPORT

## Operational Review

The Airport Authority was successful in finalizing the following projects:

**LiDar and Aerial Survey** – This project was undertaken to take into account the proposed runway expansion project. The Airport is regulated by the *Aeronautics Act* and requires that the Airport Authority clear obstructions from its transitional surfaces and slopes. These surveys will assist the Airport Authority in pinpointing any potential obstructions, such as tree growth, and taking the appropriate measures to remedy the situation.

### **Terminal Building Floor Plan –**

The Airport Authority engaged the services of David Foulem Architecte Inc. to develop a detailed floor plan and cost estimates for the Terminal Expansion Project. The plan specifications answer to our regulatory requirements and our level of service (LOS) requirements for our annual number of passengers.

## Capital Expenditures

The following expenditures were undertaken in the 2013–2014 fiscal year:

- Purchase of a runway truck: \$26,900
- LiDar and aerial survey: \$54,854.86
- Terminal Building floor plan design: \$17,395.92

# Strategic Priorities (2013–2016)

The Airport Authority identified the following key strategic priorities for the continued growth and success of Bathurst Regional Airport:

## 1 Business Development

**Objective:** To identify and foster business opportunities, marketing strategies and land development options

## 2 Human Resources

**Objective:** To recruit and retain the right people to ensure the corporation's development

## 3 Operations and Equipment

**Objective:** To offer safe and reliable airport services

## 4 Finance and Community Partnerships

**Objective:** To sustain the financial viability of services and the profitable management of the corporation's resources

**Objective:** To ensure the corporation is well-integrated in, and representative of, the community

# Governance

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

We were very pleased to welcome Guy Guitard as our newest board member. Guy began his term in June 2013 as a nominee of the Northern New Brunswick Airport Authority Inc. and has become an integral member of the Governance and Human Resources Committees. He has certainly been a valuable addition to the Board.

We would like to thank and acknowledge outgoing Board member Yvon Arseneau for his hard work and dedication to the Airport Authority over the past four years. We also wish to acknowledge past board members Raoul Charest and Lorio Roy for their contribution over several years. Thank you for your commitment and passion.

# Committees:

## Business Development Committee

**Members:** Francis Frenette  
(chairperson)  
Yvon Arseneau  
Stephen Brunet  
Carole Caron  
Todd Morrison

The Business Development Committee met several times over the year to discuss the following topics: revision of the Airport Expansion Plan (specifically the creation of detailed floor plans for the expanded terminal building), LiDar and aerial surveys, and zoning plans.

## Executive Committee

**Members:** Colin Brewster, President  
 Marc-André Godin,  
 Vice-President  
 André Gozzo, Secretary  
 Yvon Arseneau, Treasurer

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

## Finance and Audit Committee

**Members:** Yvon Arseneau  
 (chairperson)  
 Marc-André Godin

The Finance and Audit Committee met several times over the course of the fiscal year to provide recommendations on the yearly budget, the 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 met in June 2013 to discuss the following topics: conflict of interest guidelines,

development of a policy regarding speaking authority on behalf of the Board of Directors and the Airport Authority, and the revision of its bylaws. With the exception of the policy on speaking authority, the topics were sent to legal counsel for consideration and will be reviewed by the committee in the next fiscal year. The Governance Committee informed the Board of Directors that speaking authority on behalf of the Board is addressed in the Operational Bylaws of the organization and therefore no further policy was developed.

## Human Resources Committee

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

The Human Resources Committee met over several months to discuss and provide guidance and recommendations on the following topics: Executive Director's evaluation tool, revision of employee benefits program, salary structure document and modifications to the Human Resources manual regarding employee sick leave and benefits.

# Board Governance

The NNBBA'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 is to consist of individuals who have experience in different areas. The NNBAA Inc. meets this requirement as evidenced by the list of nominators set out in this report.

## Code of Conduct for Directors

All directors of the Airport 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 no instances of conflict of interest brought before the Board of Directors in 2013–2014.

## Nominators

The Board of Directors is nominated by various entities to 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 three-year terms and may serve a maximum of nine years on the Board. In addition to the 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, Secretary
- Yvon Arseneau, Treasurer

## Senior management officers and board directors 2013–2014 salaries and remunerations

- The combined salaries of the senior management team composed of the Executive Director, Director of Operations and Operations Supervisor were \$287,303.
- The Board of Directors remuneration consisting of per diems was \$5,000.
- The Authority is required to report on all contracts in excess of \$75,000 entered into that were not awarded on the basis of a public competitive tendering process. No such contracts were entered into during the reporting 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 and Investments

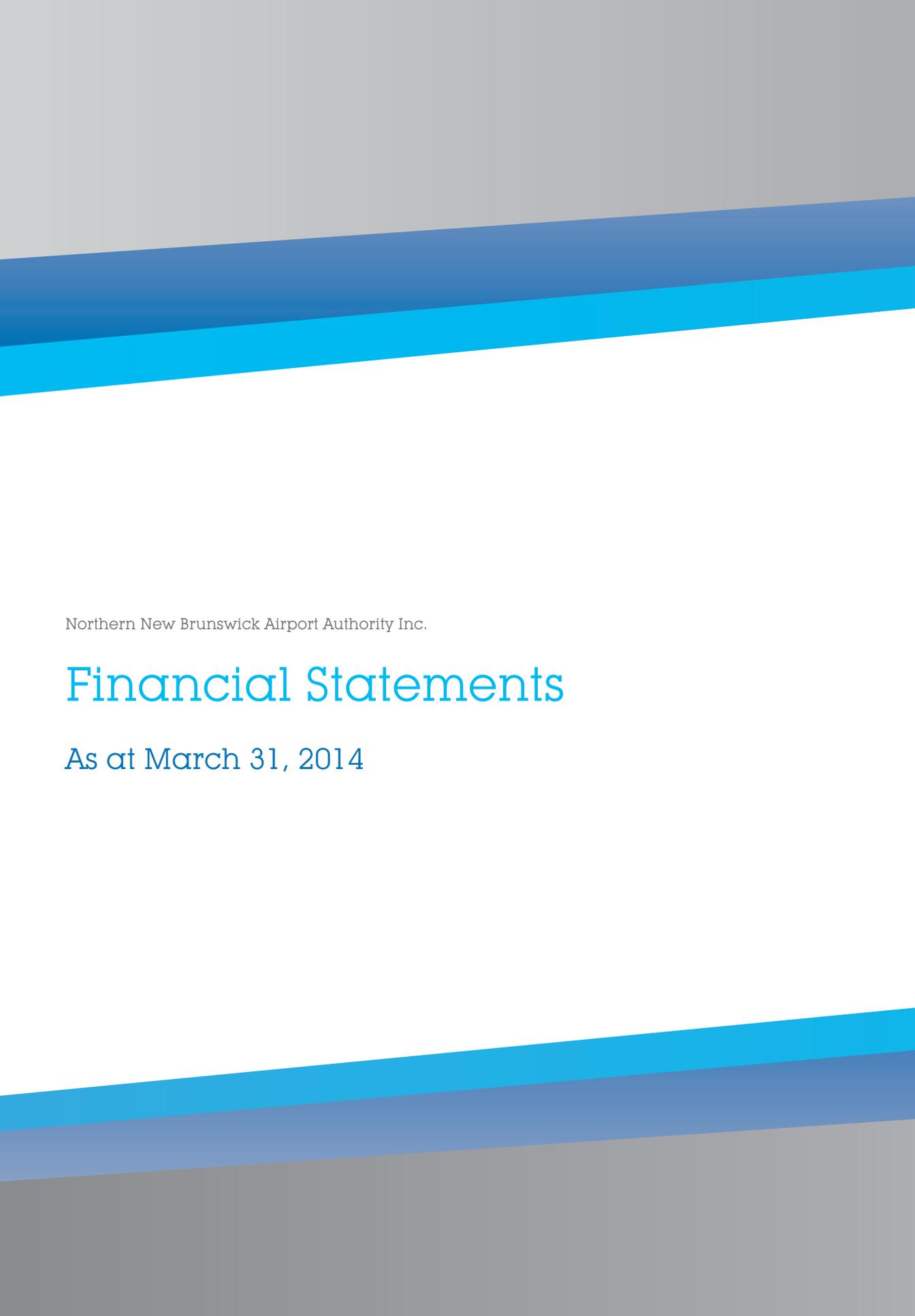
Caisse Populaire Chaleur  
1215 St. Peter Ave.  
Bathurst, NB E2A 3A2

HollisWealth  
276 Marie Street  
Beresford, NB E8K 1P8

## Nominators' Representatives

### As at June 2013

- 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)  
*Yvon Arseneau*
- Northern NB Airport Authority Inc. (5)  
*Colin Brewster*  
*Carole Caron*  
*Marc-André Godin*  
*Guy Guitard*  
*Todd Morrison*



Northern New Brunswick Airport Authority Inc.

# Financial Statements

As at March 31, 2014

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COMPTABLES  
GÉNÉRAUX ACCRÉDITÉS  
CERTIFIED GENERAL  
ACCOUNTANTS

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**INDEPENDANT AUDITOR'S REPORT**

To the Board of Directors of the Autorité Aéroportuaire du Nord du Nouveau-Brunswick Inc. / Northern New Brunswick Airport Authority Inc.,

We have audited the accompanying financial statements of the Autorité Aéroportuaire du Nord du Nouveau-Brunswick Inc./Northern New Brunswick Airport Authority Inc., which comprise the balances sheets of the administration, capital and trust and reserve funds as at March 31, 2014, 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.

*Basis for Qualified Opinion*

Not having had the mandate to conduct an audit of inventory, we were not present during the ending inventory count and we could not control the inventory quantities by other means. Because inventories are one of the element used to determine the results of operations and cash flows, we could not determine whether any adjustments in the surplus of revenue over expenditures, assets and cash flows from operations were necessary.

The Authority derives revenues from parking and the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Authority and we were not able to determine whether any adjustments might be necessary to revenues, excess of revenue over expenditures, assets and surplus.

Associés-Partners  
\*André J. Doucet, C.G.A.  
\*Denis St-Pierre, F.C.G.A.  
\*Gilles Deveau, C.A.

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

\*Dénote corporation professionnelle / Denotes Professional Corporation

*Qualified Opinion*

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, 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, 2014, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles prescribed for New Brunswick municipalities by the Department of Local Government.

*EPR - Bathurst / Péninsule*

EPR - BATHURST / PÉNINSULE  
CERTIFIED GENERAL ACCOUNTANTS

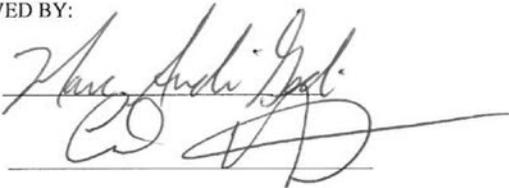
Bathurst, New Brunswick  
July 11, 2014

**AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC.**  
**NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.**  
**BALANCE SHEET - ADMINISTRATION FUND**  
**AS AT MARCH 31, 2014**

	2014	2013
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 58,584	\$ 125,506
Accounts receivable	295,993	226,362
Receivable from government agencies	6,462	-
Due from Capital fund	16,026	16,026
Inventory	61,928	63,626
Prepaid Expenses	14,272	14,272
	453,265	445,792
<b>INVESTMENTS (Note 3)</b>	<b>2,576</b>	<b>2,576</b>
	<b>\$ 455,841</b>	<b>\$ 448,368</b>
<b>LIABILITIES AND SURPLUS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	200,020	216,604
Payable to government agencies	-	22,211
Due to Capital fund	51,201	51,201
Due to Operating reserve fund	16,779	-
Deferred revenue	3,000	1,091
	271,000	291,107
<b>SURPLUS</b>		
Balance, beginning of year	157,261	139,680
Excess of revenue over expenditures	92,095	92,746
Transfer of Deficit (Surplus) of Second Previous Year	(64,515)	(75,165)
	184,841	157,261
	<b>\$ 455,841</b>	<b>\$ 448,368</b>

APPROVED BY:

Director:



Director:

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



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, 2014

	Budget	2014	2013
<b>REVENUES</b>			
Rentals (Page 4)	\$ 89,905	\$ 113,454	\$ 101,164
User Fees (Page 4)	2,187,043	2,581,965	2,182,316
Other	10,360	10,155	8,159
Transfer from Trust and Reserve fund	-	-	8,900
Surplus of second previous year	64,516	64,515	75,165
	2,351,824	2,770,089	2,375,704
<b>EXPENDITURES</b>			
Administration (Page 5)	521,852	506,488	514,879
Fuel system (Page 5)	791,200	990,616	855,433
Hanger (Page 5)	15,240	20,050	15,036
Operations (Page 5)	183,630	216,276	189,724
Ramp services (Page 6)	99,379	115,709	108,421
Runway and grounds (Page 6)	53,500	45,545	25,057
Security (Page 6)	32,530	45,237	35,031
Snow removal (Page 6)	170,936	199,857	195,986
Terminal building (Page 6)	48,000	50,684	39,666
Other (Page 7)	66,000	35,766	45,983
Fiscal services (Page 7)	369,557	451,766	257,742
	2,351,824	2,677,994	2,282,958
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>\$ -</b>	<b>\$ 92,095</b>	<b>\$ 92,746</b>

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



AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC.  
 NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.  
 SCHEDULE RELATED TO REVENUES - ADMINISTRATION FUND  
 YEAR ENDED MARCH 31, 2014

	Budget	2014	2013
<b>RENTALS</b>			
Advertising space	\$ 3,640	\$ 6,207	\$ 5,190
Land leases	5,100	11,501	9,788
Office leases	81,165	95,746	86,186
	<b>\$ 89,905</b>	<b>\$ 113,454</b>	<b>\$ 101,164</b>
<b>USER FEES</b>			
Airport operations fees	\$ 893,680	\$ 994,710	\$ 876,820
Car parking	80,400	104,165	84,391
Fuel sales	900,000	1,200,756	954,980
Landing fees	72,963	74,580	66,806
Terminal fees	240,000	207,754	199,319
	<b>\$ 2,187,043</b>	<b>\$ 2,581,965</b>	<b>\$ 2,182,316</b>

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



**AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC.**  
**NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.**  
**SCHEDULE RELATED TO EXPENDITURES - ADMINISTRATION FUND**  
**YEAR ENDED MARCH 31, 2014**

	Budget	2014	2013
<b>ADMINISTRATION</b>			
Advertising	\$ 56,400	\$ 66,913	\$ 63,904
AIF Handling charges	26,810	27,324	24,514
Insurance	25,000	16,376	12,352
Miscellaneous	15,000	14,383	11,751
Office supplies	20,000	13,780	16,085
Perdiems for directors	10,000	5,000	6,750
Professional fees	45,000	42,248	31,583
Taxes and permits	5,000	7,155	6,009
Telecommunications	15,000	15,671	14,584
Travel and meetings	19,000	10,335	15,376
Salaries and fringe benefits	284,642	287,303	311,971
	<b>\$ 521,852</b>	<b>\$ 506,488</b>	<b>\$ 514,879</b>
<b>FUEL SYSTEM</b>			
Aviation bulk fuel	\$ 774,000	\$ 971,650	\$ 834,650
Insurance	7,000	13,442	13,636
Repairs and maintenance	10,200	5,524	7,147
	<b>\$ 791,200</b>	<b>\$ 990,616</b>	<b>\$ 855,433</b>
<b>HANGER</b>			
Miscellaneous	3,000	3,151	1,279
Repairs and maintenance	6,000	9,669	8,209
Electricity	6,240	7,230	5,548
	<b>\$ 15,240</b>	<b>\$ 20,050</b>	<b>\$ 15,036</b>
<b>OPERATIONS</b>			
Salaries and fringe benefits	\$ 183,630	\$ 216,276	\$ 189,724

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



**AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC.  
 NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.  
 SCHEDULE RELATED TO EXPENDITURES - ADMINISTRATION FUND  
 YEAR ENDED MARCH 31, 2014**

	Budget	2014	2013
<b>RAMP SERVICE</b>			
Miscellaneous	\$ 5,000	\$ 4,152	\$ 6,170
Salaries and fringe benefits	94,379	111,557	102,251
	<b>\$ 99,379</b>	<b>\$ 115,709</b>	<b>\$ 108,421</b>
<b>RUNWAY AND GROUNDS</b>			
Repairs and maintenance	\$ 47,500	\$ 35,290	\$ 19,889
Vehicle expenses	6,000	10,255	5,168
	<b>\$ 53,500</b>	<b>\$ 45,545</b>	<b>\$ 25,057</b>
<b>SECURITY</b>			
Salaries and fringe benefits	\$ 32,530	\$ 45,237	\$ 35,031
<b>SNOW REMOVAL</b>			
Repairs and maintenance	\$ 64,001	\$ 89,496	\$ 80,299
Runway anti-ice	37,000	14,282	28,541
Salaries and fringe benefits	69,935	96,079	87,146
	<b>\$ 170,936</b>	<b>\$ 199,857</b>	<b>\$ 195,986</b>
<b>TERMINAL BUILDING</b>			
Electricity	\$ 18,000	\$ 25,392	\$ 23,331
Repairs and maintenance	15,000	6,939	4,239
Supplies	15,000	18,353	12,096
	<b>\$ 48,000</b>	<b>\$ 50,684</b>	<b>\$ 39,666</b>

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



AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC.  
 NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.  
 SCHEDULE RELATED TO EXPENDITURES - ADMINISTRATION FUND  
 YEAR ENDED MARCH 31, 2014

	Budget	2014	2013
<b>OTHER</b>			
Nav Aid Maintenance	\$ 6,000	\$ 15,659	\$ 3,181
Special projects	60,000	20,107	42,802
	<b>\$ 66,000</b>	<b>\$ 35,766</b>	<b>\$ 45,983</b>
<b>FISCAL SERVICES</b>			
Capital expenditures	\$ -	\$ 99,271	\$ 21,895
Interest and bank charges	4,800	10,880	8,500
Interest on long-term debt	28,800	21,480	25,564
Interest on short-term debt	-	-	75
Principal repayment on long-term debt	69,960	45,235	101,708
Transfer to Capital reserve fund	265,997	274,900	100,000
	<b>\$ 369,557</b>	<b>\$ 451,766</b>	<b>\$ 257,742</b>

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



AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC.  
 NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.  
 BALANCE SHEET - CAPITAL FUND  
 AS AT MARCH 31, 2014

	2014	2013
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Due from Administration fund	\$ 51,201	\$ 51,201
	51,201	51,201
<b>PROPERTY, PLANT AND EQUIPMENT (Note 4)</b>	1,326,242	1,317,094
	<b>\$ 1,377,443</b>	<b>\$ 1,368,295</b>
<b>LIABILITIES AND EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Due to Administration fund	\$ 16,026	\$ 16,026
Current portion of the long-term debt	47,266	44,345
	63,292	60,371
<b>LONG-TERM DEBT (Note 6)</b>	243,547	291,702
	306,839	352,073
<b>EQUITY</b>		
INVESTMENTS IN CAPITAL ASSETS (Page 9)	1,070,604	1,016,222
	<b>\$ 1,377,443</b>	<b>\$ 1,368,295</b>

APPROVED BY:

Director:



Director:



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



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, 2014

	2014	2013
Expenditures		
Amortization expense	\$ 90,125	\$ 100,884
Excess of expenditures over revenues	\$ 90,125	\$ 100,884
Investment in Capital assets		
Balance, beginning of the year	\$ 1,016,223	\$ 993,503
Add:		
Property, plant and equipment financed by Administration fund	99,271	21,895
Principal payment on long-term debt	45,235	101,708
	1,160,729	1,117,106
Less:		
Excess of expenditures over revenues	90,125	100,884
<b>BALANCE, end of year</b>	<b>\$ 1,070,604</b>	<b>\$ 1,016,222</b>

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



AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC.  
NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.  
STATEMENT OF CAPITAL FINANCING - CAPITAL FUND  
YEAR ENDED MARCH 31, 2014

	2014	2013
<b>FUNDS PROVIDED BY</b>		
Proceeds from bank loans	\$ -	\$ -
Transfer from Administration fund		
Property, plant and equipment	99,271	21,895
Long-term debt repayment	45,235	101,708
	<b>\$ 144,506</b>	<b>\$ 123,603</b>
<b>FUNDS APPLIED TO</b>		
Due from Administration fund	\$ -	\$ -
Purchase of property, plant and equipment	99,271	21,895
Long-term debt repayment	45,235	101,708
	<b>\$ 144,506</b>	<b>\$ 123,603</b>

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



AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC.  
NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.  
BALANCE SHEET - TRUST AND RESERVE FUND  
AS AT MARCH 31, 2014

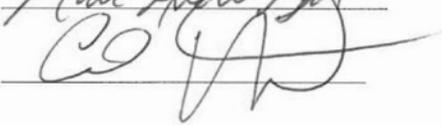
	2014	2013
<b>ASSETS</b>		
Cash	\$ 880,317	\$ 605,010
Receivable from Operating fund	16,779	-
	<b>\$ 897,096</b>	<b>\$ 605,010</b>
<b>RESERVE</b>		
Administration Operating reserve fund (Page 12)	\$ 28,413	\$ 28,413
Capital reserve fund (Page 12)	868,683	576,597
	<b>\$ 897,096</b>	<b>\$ 605,010</b>

APPROVED BY:

Director:



Director:



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



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, 2014

	Reserve Fund		2014	2013
	Operating	Capital		
Balance, beginning of the year	\$ 28,413	\$ 576,597	\$ 605,010	\$ 496,454
Revenues:				
Interest earned	-	17,186	17,186	17,456
Transfer from Administration fund	-	274,900	274,900	100,000
	28,413	868,683	897,096	613,910
Expenditures:				
Transfer to Administration fund	-	-	-	8,900
Balance, end of the year	\$ 28,413	\$ 868,683	\$ 897,096	\$ 605,010

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

AUTORITÉ AÉROPORTUAIRE DU NORD DU NOUVEAU-BRUNSWICK INC.  
 NORTHERN NEW BRUNSWICK AIRPORT AUTHORITY INC.  
 COMBINED BALANCE SHEET  
 AS AT MARCH 31, 2014

	2014	2013
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 938,901	\$ 730,516
Accounts receivable	295,993	226,362
Receivable from government agencies	6,462	-
Inventory	61,928	63,626
Prepaid expenses	14,272	14,272
	1,317,556	1,034,776
INVESTMENTS (Note 3)	2,576	2,576
PROPERTY, PLANT AND EQUIPMENT (Note 4)	1,326,242	1,317,094
	<b>\$ 2,646,374</b>	<b>\$ 2,354,446</b>
<b>LIABILITIES AND SURPLUS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	200,020	216,604
Payable to government agencies	-	22,211
Deferred revenues	3,000	1,091
Current portion of long term debt	47,266	44,345
	250,286	284,251
LONG TERM DEBT (Note 6)	243,547	291,702
	493,833	575,953
<b>SURPLUS</b>		
Investment in Capital assets (Page 8)	1,070,604	1,016,222
Surplus (Page 2)	184,841	157,261
Trust and Reserve (Page 11)	897,096	605,010
	2,152,541	1,778,493
	<b>\$ 2,646,374</b>	<b>\$ 2,354,446</b>

APPROVED BY:

Director: 

Director: 

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

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**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.



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

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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.

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

3. INVESTMENT

	2014	2013
Ace Aviation Holdings Inc., at fair market value	\$ 2,576	\$ 2,576

The cost at March 31, 2014 was \$4,240

4. CAPITAL ASSETS

	2014		2013	
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 263,262	\$ -	\$ 263,262	\$ 263,262
Building - Administration	135,458	30,651	104,807	109,174
Building - Air Transport	743,269	334,816	408,453	350,085
Building - Snow maintenance	228,862	139,406	89,456	94,753
Equipment and machinery	416,307	364,586	51,721	66,492
Motor vehicle	51,153	18,288	32,865	8,521
Parking lot	526,364	144,276	382,088	415,313
Runway improvement	1,662,589	419,736	1,242,853	1,350,927
Runway navigation equipment	2,402,155	2,277,014	125,141	156,426
Snow removal equipment	1,098,845	995,608	103,237	129,045
	7,528,264	4,724,381	2,803,883	2,943,998
Less Grants:				
Building - Administration	66,035	15,379	50,656	52,766
Building - Air Transport	43,723	10,183	33,540	34,938
Equipment and machinery	38,994	30,927	8,067	10,116
Runway improvement	1,662,589	419,736	1,242,853	1,350,927
Runway navigation equipment	171,300	92,365	78,935	98,669
Snow removal equipment	138,000	74,410	63,590	79,488
	2,120,641	643,000	1,477,641	1,626,904
	\$ 5,407,623	\$ 4,081,381	\$ 1,326,242	\$ 1,317,094

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

5. BANK INDEBTEDNESS

2014 2013

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

2014 2013

Caisse Populaire loan, 8.49%, payable in monthly instalments of \$661 including interest, secured by a vehicle with a net book value of \$8,475, due in May 2013. \$ - \$ 1,047

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. 290,812 335,000

Current portion of the long-term debt 290,812 336,047  
 47,265 44,345

\$ 243,547 \$ 291,702

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

2015	\$	47,265
2016	\$	50,555
2017	\$	54,075
2018	\$	57,840
2019	\$	61,867

7. COMMITMENT

As at March 31, 2013, the Authority has an outstanding commitment over the next four years of \$7,576 with respect to the lease of equipment.

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

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**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.

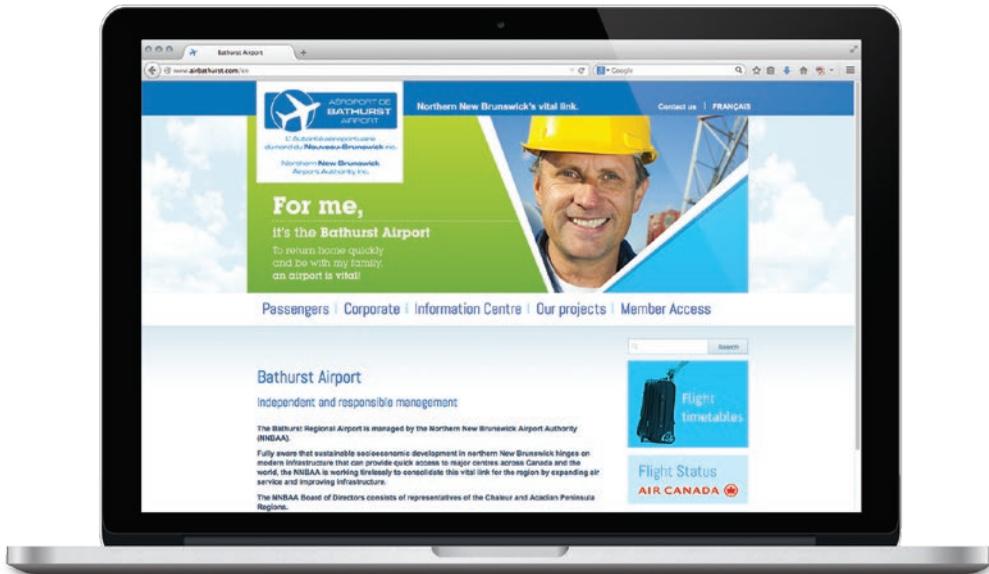
**9. MANAGEMENT OF NET ASSETS**

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.

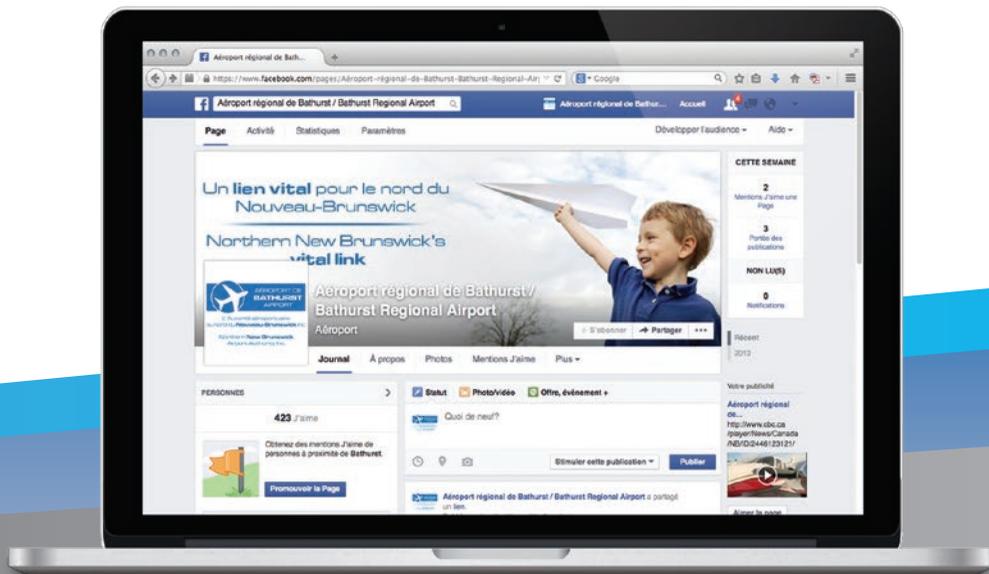


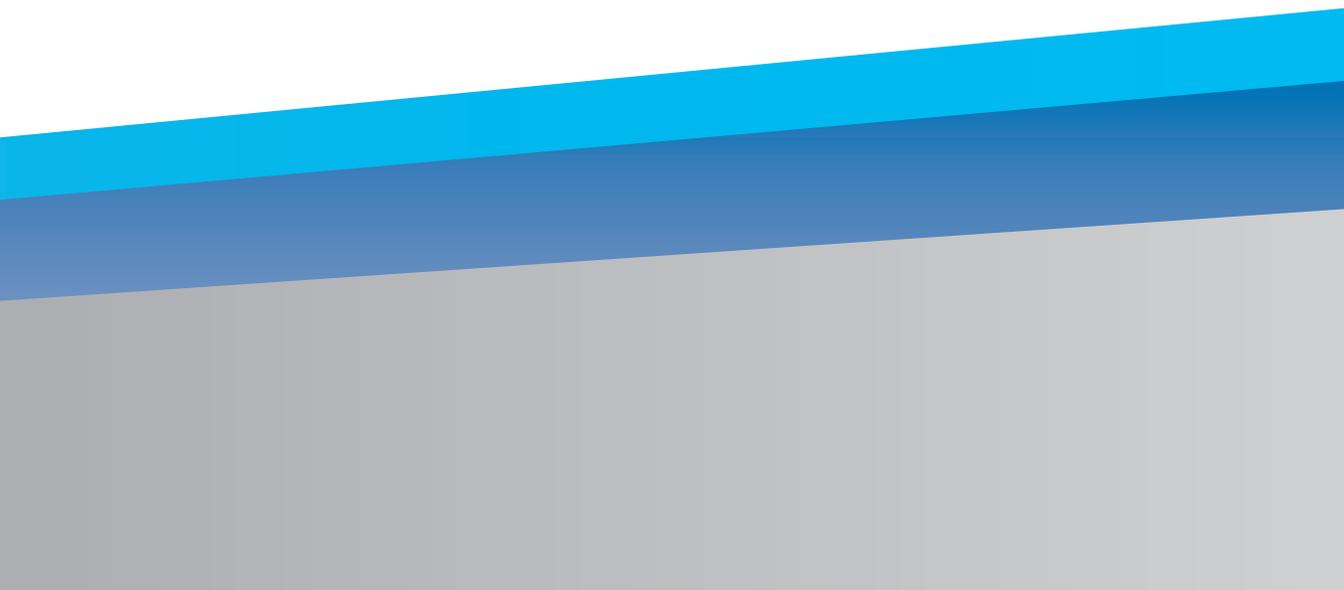
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