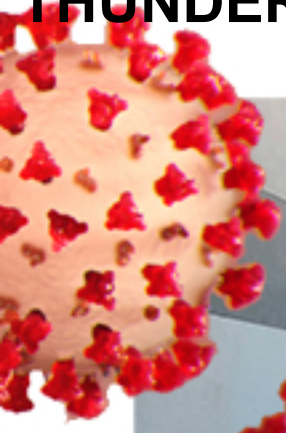


2020 ANNUAL REPORT



Attention

Do not enter if:

- You, or any member of your household, have any of these COVID-19 symptoms that are new or worsening and not related to known causes or conditions, and/or are waiting for test results after experiencing any of these symptoms:
 - fever and/or chills
 - cough or barking cough (wet)
 - shortness of breath
 - sore throat
 - difficulty swallowing
 - decrease or loss of smell or taste
 - runny or stuffy/congested nose
 - headache
 - nausea/vomiting, diarrhea
 - muscle aches
 - extreme tiredness
 - pink eye (for adults)
 - stomach pain (for adults)
 - falling down often (for older adults)
- You have been told by a doctor, health care provider, or public health unit that you should currently be isolating (staying at home).
- You have been identified in the last 14 days as a "close contact" of someone who currently has COVID-19.
- You received a COVID Alert exposure notification on your phone in the last 14 days and have not been tested or a result for your result.
- You travelled outside of Canada in the last 14 days*
* Not applicable if you are exempt from federal quarantine as per the Quarantine Act.

If any of the above apply to you,
self-isolate immediately and get tested by calling the assessment or telehealth Ontario at 1-866-797-0000.
For a list of assessment centres visit TBIHAU.COM/testinginfo.
For more information on COVID-19, visit TBIHAU.COM/coronavirus or call 625-3100, toll-free 1-888-294-6630 or your nearest branch office.

Thunder Bay Health Unit

Mask or Face Covering REQUIRED

All persons entering or remaining in these premises must wear a mask or face covering that securely covers the nose, mouth, and chin as required by the Medical Officer of Health under the authority of the Emergency Management and Civil Protection Act (EMCPA) Ontario Regulation 263/20, 364/20.

*Some people include children aged 6 and over and people who cannot wear a mask or face covering for medical reasons. Please refer to the assessment or notification with the Officer, Nurse, Public Health, or Health Unit for more information on the requirements for mask wearing and face covering. For Ontario visit www.ontario.ca/covid or call 1-800-387-2373 or visit www.ontario.ca/covid for more information.

Thunder Bay International Airports Authority
Thunder Bay Health Unit

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STRATEGIC OBJECTIVES

Thunder Bay International Airports Authority Inc. exists so there will be air related transportation for Thunder Bay and the surrounding region. Secondary to this, the Airport also exists as a major contributor to regional economic growth.

This strategic vision is further expanded to focus on the following objectives:

1. HIGH LEVEL ENDS POLICY 1:

Air services for Thunder Bay are sustained, developed and expanded where possible to ensure essential transportation needs are met.

2. HIGH LEVEL ENDS POLICY 2:

Superior safety, customer service excellence and extraordinary customer experience exists at the airports operated by the Authority.

3. HIGH LEVEL ENDS POLICY 3:

Regional economic development is stimulate and expanded for our local and regional businesses using TBIAA assets where appropriate.

As the governing body, the Board recognizes that through this Ends Policy it is committing the use of the resources to achieve the desired Ends (outcomes).

In support of achieving the desired Ends in a cost effective manner, the Board will identify the relative priorities with the Ends Policies. These priorities become assumptions in building the annual budget for the next year.

All Ends should be achieved at a reasonable fee for customers. The board will review on an annual basis the overall envelope of resources to ensure sufficient resources exist to reasonable achieve the desired prioritized Ends.

Fees to the customers should, in a defined and reasonable time frame, be set to:

Provide a sustainable balanced budget which meets net profit goals

Provide financial stability and growth

Not cause undue hardship to customers resulting from sudden or major fee increases

The Year in Review

Where to begin?

By now, the impacts of CoVid are well known to all of us. The air travel industry has been at a near standstill for over a year. There are very few aircraft and even fewer passengers.

The financial performance naturally turned negative in 2020, and yet the efforts to mitigate the losses represented commitment, hard work and ingenuity by all concerned.

We normally conclude our annual summary with a thank you to our employees. This year we have to begin by acknowledging their efforts over the past year. Not a single employee tested positive for the CoVid 19 virus in 2020! Whether at home or at work, our people took their safety and the safety of others extremely seriously. We thank you for keeping guard against the virus.

So many of the selected cost mitigation efforts leaned heavily on staff dedication to our operations.

Every vacant position has remained unfilled since the start of the pandemic. This required flexibility through job expansion and reduced resources by adding additional responsibilities and completing regular duties with fewer people.

Gratitude must also be expressed to the Government of Canada. The inclusion of our companies in the Canadian Employee Wage Subsidy (CEWS) combined with the freezing of vacant positions permitted us to proceed without any further payroll action. Our people are our most important resource. It is strategically essential to keep our staff for the postponed, but inevitable recovery.

The Board maintained a calm and measured approach to navigating through the turmoil. Their patience and focus on the long view were essential components to getting 2020 right.

Lastly, and by no means of least importance, we must acknowledge our remaining customers. In a year where travel was reduced to essential only, we appreciate the business of those we were able to serve. Without your trust in our corner of the air travel sector, this year would have been more difficult.

To those who haven't travelled recently, please know that we miss you and we will be ready for you when you are ready to fly again.

Pandemic Response

Thunder Bay International Airport Authority (TBIAA) followed guidance from numerous agencies to protect the travelling public and employees in the Air Terminal Building. These agencies included the International Civil Aviation Organization (ICAO), the World Health Organization (WHO), the Public Health Agency of Canada (PHAC) and, most notably, the Thunder Bay District Health Unit (TBDHU). We would like to specifically acknowledge the TBDHU's efforts in sharing information with us and for visiting the Airport on three separate occasions to review our practices and offer constructive improvements.

Key practical efforts such as enhancing cleaning protocols and reducing touch-points were implemented to enhance public safety. Fresh air ventilation added more fresh air into the Air Terminal Building to add an additional layer of prevention.

With the help of Impala Canada as a sponsor, three air sterilizers were purchased and installed in both departure lounges. The first delivered unit was immediately installed in the first-floor departure lounge to again add one layer of prevention to those travelling to our northern neighbours.



PANDEMIC RESPONSE

A number of measures we're implemented immediately such as enhanced cleaning protocols, reducing touch points, and limiting persons entering the building to enhance public safety.

Attention
Do not enter if:

- You or any member of your household have any of these COVID-19 symptoms that are new or increasing and not related to known causes or conditions, and/or are waiting for test results after experiencing any of these symptoms:
 - fever and/or chills
 - cough or harking cough (new)
 - shortness of breath
 - loss of taste
 - difficulty swallowing
 - decreased or loss of smell or taste
 - runny or stuffy/nasal congestion
- You have been told by a doctor, health care provider, or public health unit that you should currently be isolating (staying at home)
- You have been identified in the last 14 days as a "close contact" of someone who currently has COVID-19
- You received a COVID Alert exposure notification on your cell phone in the last 14 days and have not been tested or are waiting for your result
- You travelled outside of Canada in the last 14 days*
*Not applicable if you are exempt from federal quarantine as per the Quarantine Act.

If any of the above apply to you,
self-isolate immediately and get tested by calling the assessment centre nearest you or Thunder Bay at 1-800-797-0303.
For more information on COVID-19, visit [THUNDER.COM/covid19](https://www.thunderbay.com/covid19) or call 800-797-0303, toll-free 1-800-244-6632 or your nearest branch office.

March 4, 2021

PLEASE MAINTAIN A 6 FT / 2M PHYSICAL DISTANCE

Thunder Bay Airport

NOTICE

**PICKING UP?
DROPPING OFF?
PLEASE
STAY IN YOUR VEHICLE**

BEAT COVID-19

Thunder Bay Airport



Financial Performance

Not surprisingly, TBIAA recorded an operating loss for the year. The severity of the loss was mitigated by extraordinary cost-cutting measures such as freezing all vacant positions, closing the crosswind runway, reducing security services to match limited passenger demand, and reducing utility consumption wherever possible.

The Canadian Emergency Wage Subsidy (CEWS) was welcome support that also tempered the impact of the pandemic on financial performance.

Pursuant to the public accountability principles for Canadian Airport Authorities, general by-laws, and TBIAA's procurement policy for goods and services, all contracts valued at more than \$75,000 (1994 dollars subject to annual adjustment for inflation) shall be awarded following a competitive public tendering process unless the Board of Directors, for reason of efficiency and practicality, decides otherwise. There were no exceptions to the policy in 2020.

Air Service

Air service reduced drastically as air travel demand plummeted. Porter Airlines ceased operations in March. All other airlines have attempted to match capacity to shrinking demand. Since April 1, passenger volumes averaged approximately 20% of 2019 volumes. The lowest months were experienced in April and May when volumes were down 96% and 95% respectively.

Bi-Weekly Nursing Charters

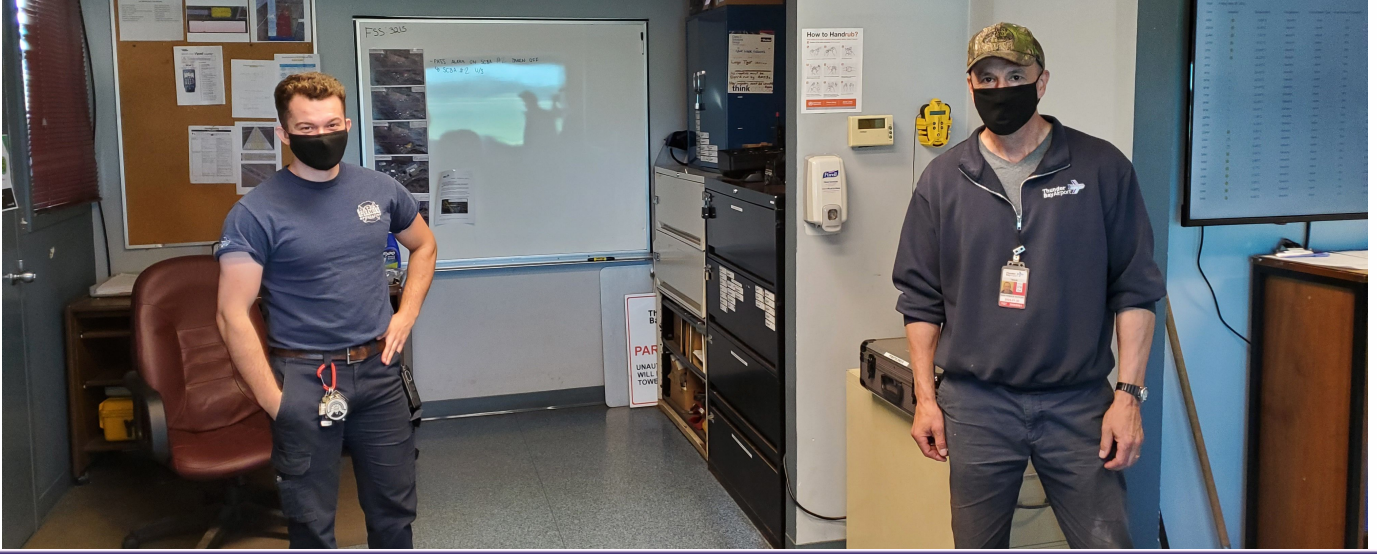
In an effort to protect remote communities from virus spread, Indigenous Services Canada implemented strict physical distancing rules for each nursing shift rotation. Thunder Bay Airport hosts one shift rotation every second week. To maintain physical distancing for these essential workers throughout the arrival and departure processes takes a coordinated and collaborative effort.

TBIAA would like to thank the participating airlines, GARDA services and the nurses themselves for making this difficult but essential process happen twice a month.



A busy Apron showcasing the collaborative efforts of all participating airlines involved in the bi-weekly nursing charters





Mandatory masks to be worn for all employees in workplace common areas to help protect against the spread of COVID-19.



Our Airport Operations Specialists crack sealing on one of our main roadways

Buying Local

Despite reducing spending as much as possible, TBIAA continues to strive to maximize its spending through local vendors. Although the amount spent was understandably down, we are pleased to report that over \$5.6 million was still spent in the local economy constituting 64% of all monies expended in 2020.

Special Olympics

Just prior to the start of the pandemic shutdown, our community did a wonderful job hosting the Special Olympics Canada Winter Games. Athletes arrived in large numbers from across the country to participate in this tremendously successful event.

We did our small part by helping coordinate the movement of luggage in and out of the Air Terminal Building. When bags include skis, bowling balls and other athletic gear, moving and coordinating this precious cargo isn't always easy. Our thanks to both the volunteers and the Armed Forces personnel that were instrumental in making this operation work so well.

We would also like to thank our friends at Pinetree Catering who, through their airport Nomad outlet, made sure that the athletes left with a good breakfast under their belts.

Sounds of the Season

Our annual hosting of CBC's fundraiser, like so many other worthwhile events, was cancelled in 2020. Despite the challenging times, friends of TBIAA helped us raise over \$18,000 in donations to assist the Regional Food Distribution Association (RFDA) during a particularly difficult year.

In lieu of cash, TBIAA was able to donate a building to assist the RFDA through the Christmas season. With new CoVid protocols and ever-increasing demand for their services, the RFDA needed additional space to store and prepare shipments. We were relieved to find a way to help an organization doing such important volunteer work.



Space donated by the TBIAAI to the RFDA to store and prepare food shipments in support of delivering food to remote communities



Dave Siciliano
Chair of the Board



Ed Schmidtke
President & Chief Executive Officer



SPECIAL OLYMPICS

Prior to the COVID-19 pandemic, Thunder Bay successfully hosted the 2020 Special Olympics Canada Winter Games. Hundreds upon hundreds of athletes, coaches and family members flew through our airport, with a strong arrival and departing presence.



Special Olympics Canada Winter Games
THUNDER BAY 2020
Jeux d'Hiver d'Olympiques spéciaux Canada



TBIAA BOARD OF DIRECTORS - 2020

Representing the City of Thunder Bay



Dave Siciliano
Chair of the Board



Ken Boshcoff
Vice Chair

Representing Thunder Bay International Airport Authority Board



Rick Trochimchuk

Representing Thunder Bay Labour



Paul Inksetter

Representing the Thunder Bay Chamber of Commerce



Gary Woodbeck



Murray Walberg

Representing the Government of Canada



Mary Long-Irwin



Lynn Peterson

Representing the Government of Ontario



Darren Harper

GOVERNANCE

The Thunder Bay International Airports Authority Inc. (TBIAA) is a non-share capital corporation incorporated under the Canada Corporation Act. Members of the Board of Directors are community leaders nominated by government and non-government organizations who meet monthly to fulfil their strategic and fiduciary responsibilities.

The Board has overall responsibility for the management of the affairs of the Corporation and is fortunate to have attracted Board members who offer a wealth of knowledge and experience. The Board has established an administrative procedure outlined in the TBIAA General Operating By-Law and Letters Patent.

Compliance with Code of Conduct

TBIAA has adopted conflict of interest guidelines to govern the conduct of, and the disclosure and avoidance of conflicts of interest for, all officers and directors. These disclosures are updated as required.

Nominator's Representatives:

as of December 31, 2020

Government of Canada (2)

Mary Long-Irwin
Lynn Peterson

Government of Ontario (1)

Darren Harper

City of Thunder Bay (2)

Ken Boshcoff - *Vice Chair*
Dave Siciliano - *Chair*

Thunder Bay Chamber of Commerce (2)

Gary Woodbeck
Murray Walberg

Thunder Bay and District Labour Council / Labour Affiliated Organizations (1)

Paul Inksetter

Thunder Bay International Airports Authority Inc. (1)

Rick Trochimchuk - *Chair of Finance & Audit Committee*

Board Compensation for 2020

Ken Boshcoff	\$18,808
Darren Harper*	\$ 3,275
Paul Inksetter	\$12,741
Mary Long-Irwin	\$12,911
Lynn Peterson	\$13,241
Dave Siciliano	\$22,275
Rick Trochimchuk	\$16,775
Murray Walberg**	\$ 6,916
Gary Woodbeck	\$13,241
Craig Urquhart***	\$ 228

* *appointed in September 2020*

** *appointed in July 2020*

*** *resigned January 11, 2020*

Management Team:

President & Chief Executive Officer-Ed Schmidtke

Controller-Sharon Kelly

Manager, Airport Services-Ryan Brading

Manager, Facilities – T.J. Ahvenniemi

Manager, Safety Management System - Sarah Parkes

Manager, Security – Darren Watts

TBAS, Inc.-Red Lake Airport-Duane Riddell

The annual compensation for the senior management team for the year ending December 31, 2020 was: \$729,908

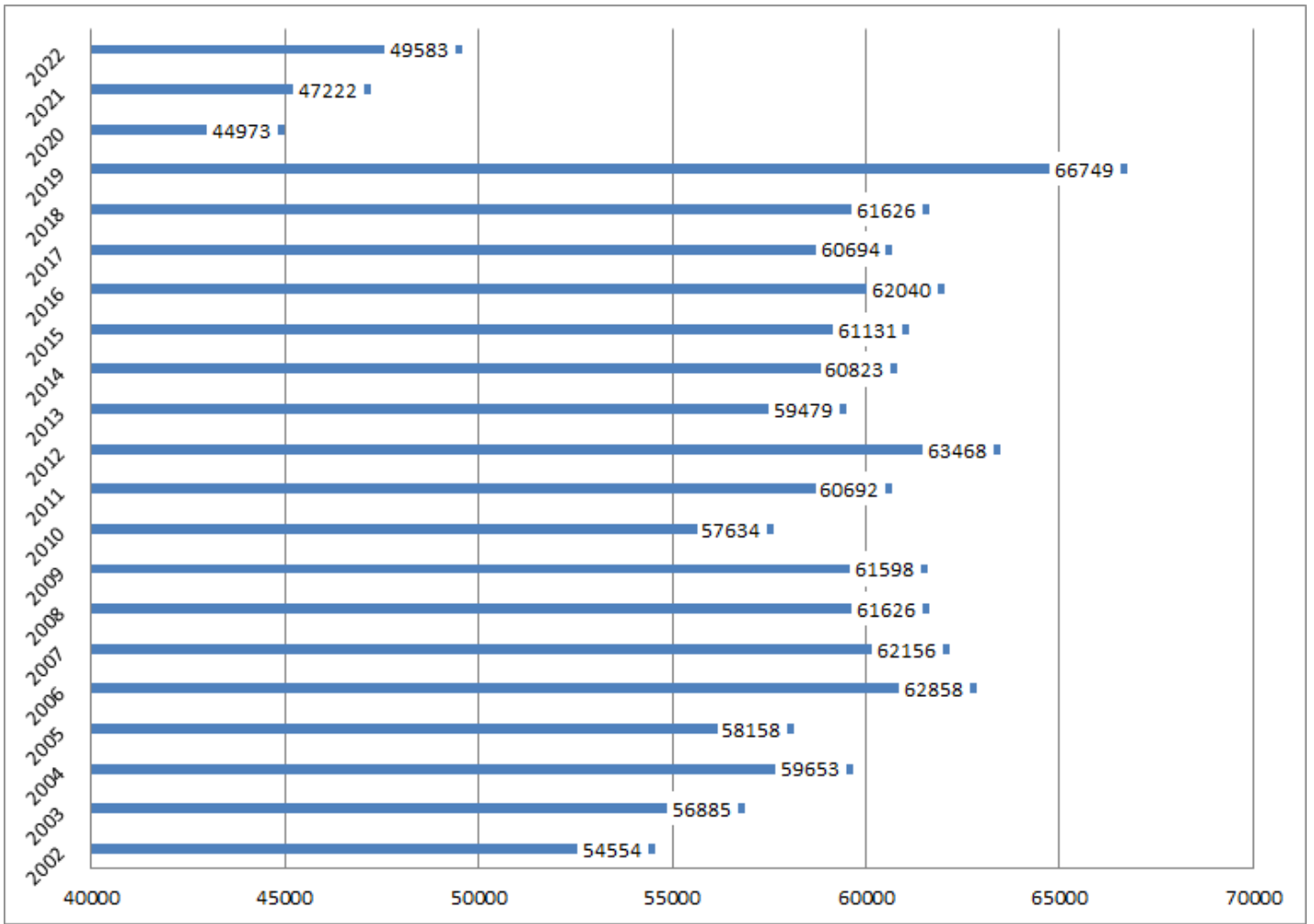


MOVEMENTS & FORECASTS

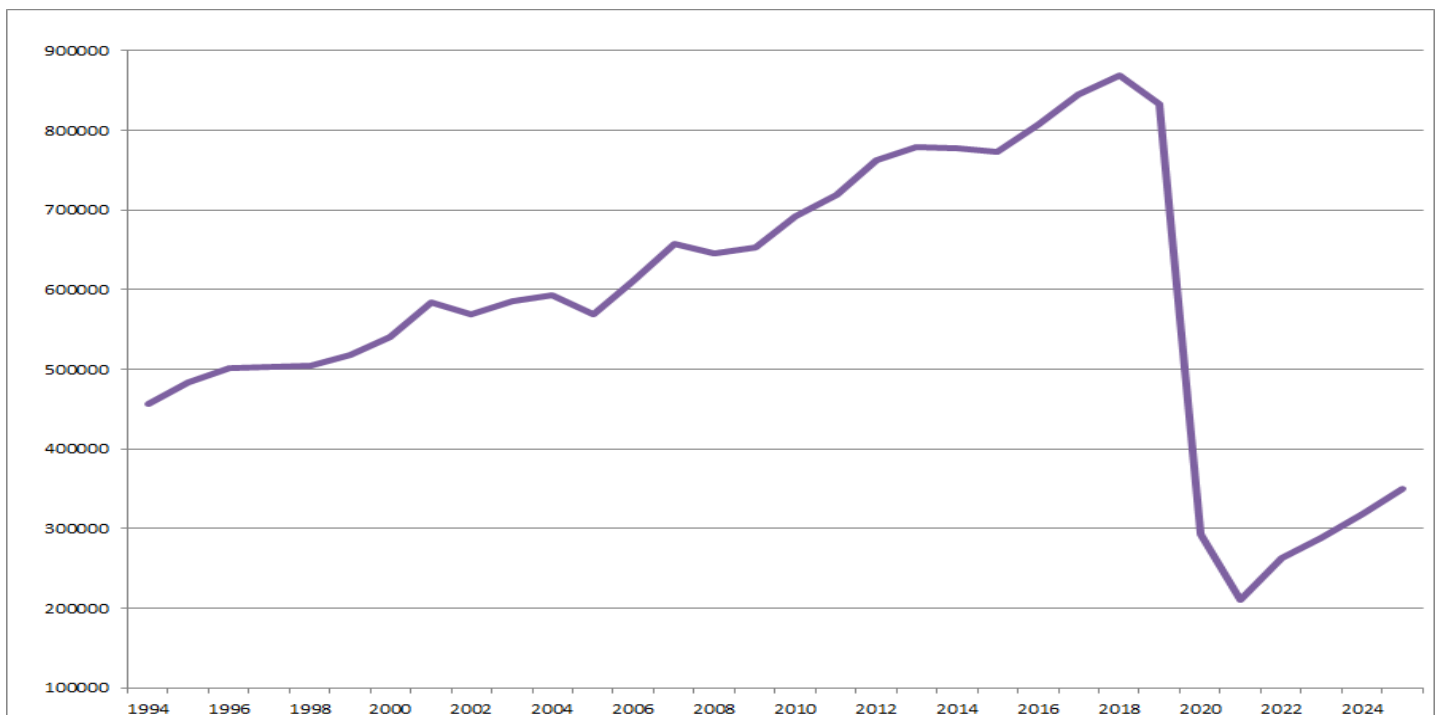


MOVEMENTS & FORECASTS

Itinerant Aircraft Movements



Passenger Volume

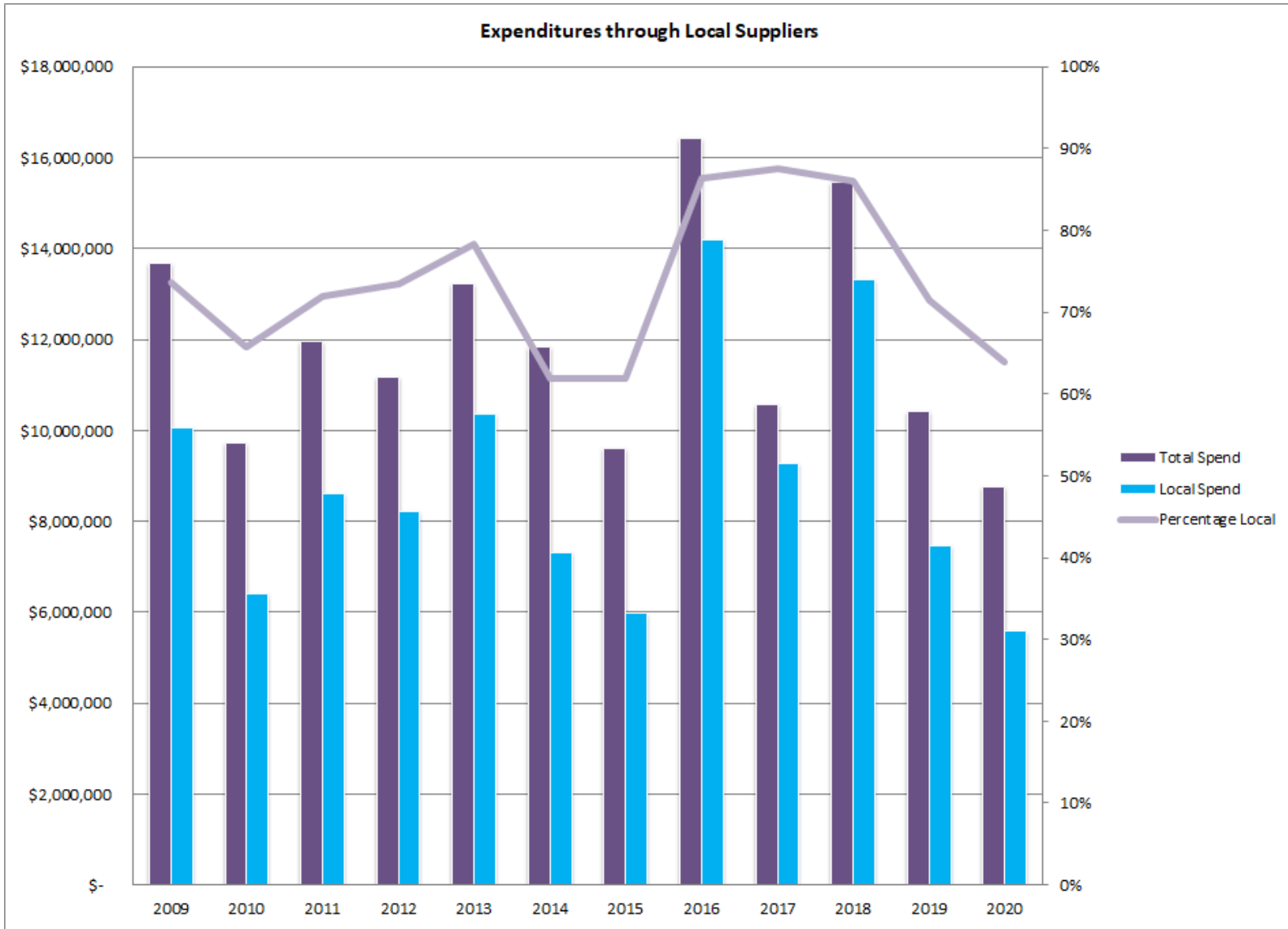


FINANCIAL REVIEW



**Due to the uncertainty caused by COVID-19, all forecasted numbers have been removed.*

Total Expenditures to Local Suppliers (\$000)

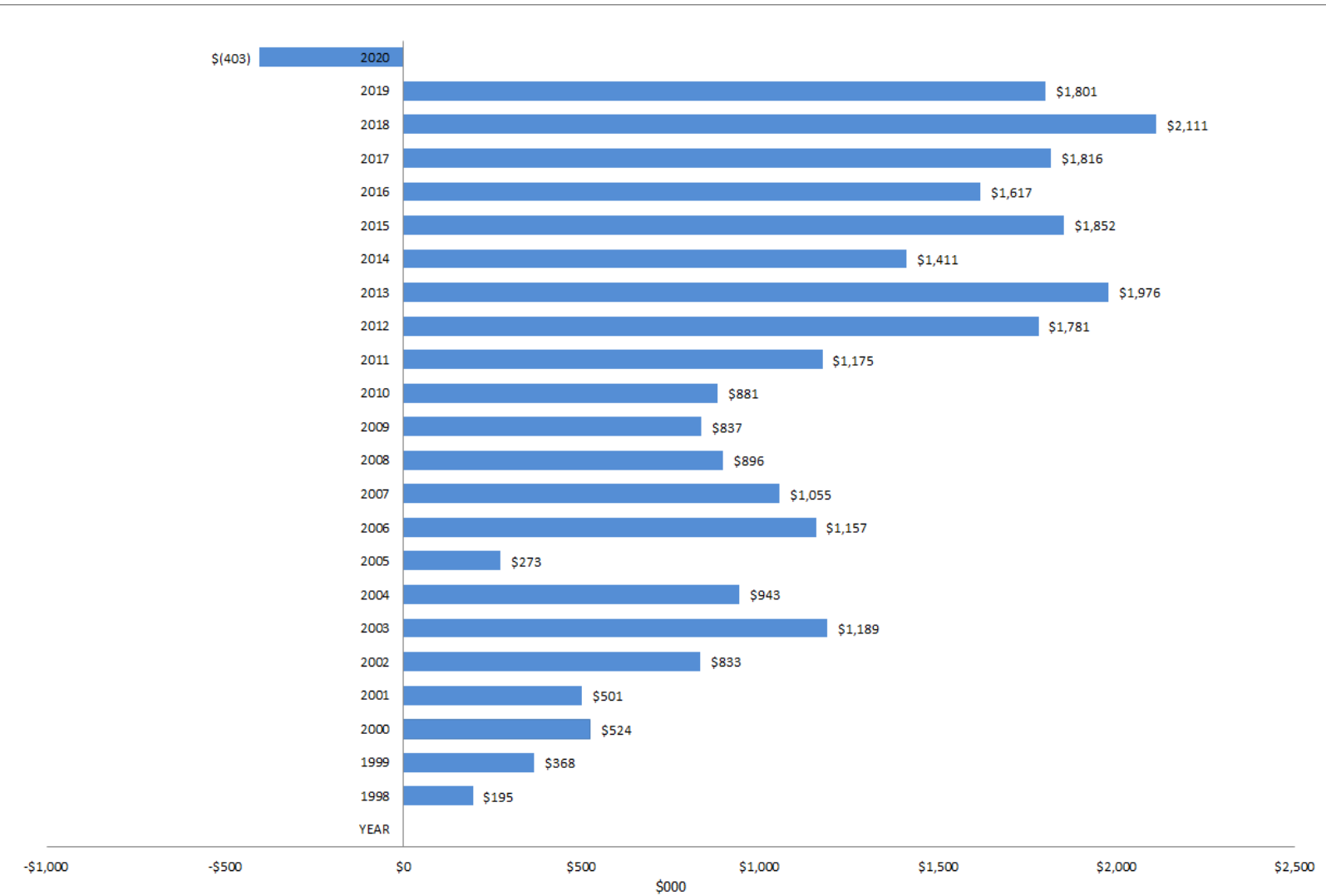


YEAR	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
TOTAL SPEND	\$9,733	\$11,960	\$11,162	\$13,233	\$11,836	\$9,602	\$16,432	\$10,583	\$15,451	\$10,429	\$8,763
LOCAL SPEND	\$6,397	\$8,601	\$8,203	\$10,372	\$7,317	\$5,995	\$14,194	\$9,259	\$13,302	\$7,460	\$5,600
% LOCAL	66%	72%	73%	78%	62%	62%	86%	87%	86%	72%	64%

FINANCIAL REVIEW

**Due to the uncertainty caused by COVID-19, all forecasted numbers have been removed.*

Operating Earnings **(\$000)**



Independent Auditor's Report

Grant Thornton LLP

Suite 300
979 Alloy Drive
Thunder Bay, ON
P7B 5Z8

T +1 807 345 6571
F +1 807 345 0032

To the Directors of
Thunder Bay International Airports Authority Inc.

Opinion

We have audited the consolidated financial statements of Thunder Bay International Airports Authority Inc. ("the Authority"), which comprise the consolidated statement of financial position as at December 31, 2020, and the consolidated statements of operations, changes in net assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Thunder Bay International Airports Authority Inc. as at December 31, 2020, and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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 Consolidated Financial Statements section of our report. We are independent of the Authority in accordance with the ethical requirements that are relevant to our audit of the 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 opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Authority'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 Authority or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Authority'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 Authority'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 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 Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Authority and the organizations it controls to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Grant Thornton LLP

Thunder Bay, Canada
April 27, 2021

Chartered Professional Accountants
Licensed Public Accountants

Thunder Bay International Airports Authority Inc.

Consolidated Statement of Operations

Year ended December 31	2020	2019
	\$	\$
REVENUE [schedule]	8,867,997	12,888,169
EXPENSES		
Direct		
Advertising and promotion	85,277	143,081
Benefits	354,285	458,316
Contracted maintenance	433,121	700,081
Contracted services	637,791	679,615
Equipment rentals	10,019	3,332
Federal rent	30,918	207,542
Materials and supplies	511,504	538,720
Office and administration	48,607	59,861
Professional and consulting fees	191,787	287,782
Purchased repairs	83,510	131,803
Salaries	2,673,523	2,862,099
Telephone	34,346	41,723
Training and meetings	18,329	62,588
Travel	12,520	66,511
Utilities	474,860	549,083
	5,600,397	6,792,137
Indirect		
Amortization	2,733,572	3,031,773
Bad debts	14,802	2,388
Directors' fees	120,495	127,933
Payment in lieu of property taxes	428,232	422,880
Insurance	134,041	118,449
Interest and bank charges	32,951	58,184
Interest on long-term debt	206,982	532,621
	3,671,075	4,294,228
Total expenses	9,271,472	11,086,365
(Loss) earnings before the following	(403,475)	1,801,804
Realized earnings on investments	290,458	1,402,278
Fair market value adjustment	2,681,516	2,332,392
Foreign exchange loss	69,354	(61,373)
Excess of revenue over expenses	2,637,853	5,475,101

See accompanying notes to the consolidated financial statements.

Thunder Bay International Airports Authority Inc.

Consolidated Statement of Financial Position

As at December 31	2020	2019
	\$	\$
ASSETS		
Current		
Cash and cash equivalents	2,508,227	2,101,728
Accounts receivable <i>[note 3]</i>	1,411,855	12,741,192
Inventory, at cost	142,658	116,861
Prepaid expenses and deposits	918,767	526,455
Due from the Red Lake Airport	-	90,436
Total current assets	4,981,507	15,576,672
Property and equipment, net <i>[note 4]</i>	36,976,324	36,839,467
Other		
Investments <i>[note 5]</i>	35,262,177	28,124,108
Defined benefit asset <i>[note 6]</i>	2,702,000	2,430,000
Total other assets	37,964,177	30,554,108
	79,922,008	82,970,247
LIABILITIES AND NET ASSETS		
Current		
Accounts payable and accrued liabilities <i>[note 7]</i>	1,376,921	3,889,716
Due to the Municipality of Red Lake	59,310	-
Current portion of long-term debt <i>[note 8[a]]</i>	-	2,230,836
Deferred revenue	966,763	523,292
Total current liabilities	2,402,994	6,643,844
Non-current		
Security deposits	20,530	40,530
Long-term debt <i>[note 8[a]]</i>	11,320,114	14,050,739
Retirement allowance liability <i>[note 9]</i>	311,762	305,903
Deferred capital contributions <i>[note 10]</i>	9,996,193	8,699,669
Total non-current liabilities	21,648,599	23,096,841
Net assets		
Investment in property and equipment <i>[note 11[a]]</i>	15,660,017	11,858,223
Unrestricted	40,210,398	41,371,339
Net assets	55,870,415	53,229,562
	79,922,008	82,970,247

See accompanying notes to the consolidated financial statements.

On behalf of the Board:

Director & Chair



D. Siciliano

Director & Chair of Finance and
Audit Committee



R. Trochimchuk

Thunder Bay International Airports Authority Inc. Consolidated Statement of Changes in Net Assets

Year ended December 31 2020 2019

	Investment in property and equipment \$ <i>[note 11]</i>	Unrestricted \$	Total \$	Total \$
Net assets, beginning of year	11,858,223	41,371,339	53,229,562	47,347,461
Excess (shortfall) of revenue over expenses	(2,392,858)	5,030,711	2,637,853	5,475,101
Net change in investment in property and equipment	6,194,652	(6,194,652)	-	-
Pension remeasurement and other items [note 6]	-	3,000	3,000	407,000
Net assets, end of year	15,660,017	40,210,398	55,870,415	53,229,562

See accompanying notes to the consolidated financial statements.

Thunder Bay International Airports Authority Inc.

Consolidated Statement of Cash Flows

Year ended December 31	2020	2019
	\$	\$
OPERATING ACTIVITIES		
Excess of revenue over expenses	2,637,853	5,475,101
Add charges (deduct credits) to earnings not involving a current payment (receipt) of cash		
Amortization	2,733,572	3,031,773
Amortization of deferred capital contributions	(340,714)	(322,931)
Increase (decrease) in accrued benefit asset	(269,000)	(212,000)
Increase (decrease) in retirement allowance liability	5,859	(32,663)
Fair market value adjustment	(2,681,516)	(2,332,392)
	2,086,054	5,606,888
Net change in non-cash working capital balances related to operations <i>[note 12[a]]</i>	8,971,650	(9,394,494)
Cash provided by (used in) operating activities	11,057,704	(3,787,606)
INVESTMENT ACTIVITIES		
Purchase of property and equipment <i>[note 12[b]]</i>	(2,870,429)	(2,942,880)
Increase in investments, net	(4,456,553)	7,849,179
Cash provided by (used in) investment activities	(7,326,982)	4,906,299
FINANCING ACTIVITIES		
Loan proceeds	-	2,942,473
Repayment of long-term debt	(4,961,461)	(5,925,711)
Deferred capital contributions	1,637,238	2,174,569
Cash used in financing activities	(3,324,223)	(808,669)
Increase in cash and cash equivalents during year	406,499	310,024
Cash and cash equivalents, beginning of year	2,101,728	1,791,704
Cash and cash equivalents, end of year	2,508,227	2,101,728

See accompanying notes to the consolidated financial statements.

Thunder Bay International Airports Authority Inc.

Notes to the Consolidated Financial Statements

December 31, 2020

GENERAL

The Thunder Bay International Airports Authority Inc. (the "Authority") was incorporated without share capital on August 3, 1995 under the laws of Canada.

On September 1, 1997, the Authority signed a sixty year ground lease, with a renewal term of twenty years with Transport Canada and assumed the responsibility for the management, operation and development of the Thunder Bay International Airport.

The Authority is exempt from income tax in accordance with the Airport Transfer (Miscellaneous Matters) Act.

1. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements of the Authority have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. The more significant of these accounting policies are summarized below.

Basis of consolidation

The accompanying financial statements are prepared on a consolidated basis to include the accounts of the Authority and its subsidiaries, Thunder Bay Airport Services Inc. and Superior Aerospace Services Ltd. which are wholly-owned.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with banks.

Inventory

Inventory consists of fuel products, foam agents and parts. Inventory is measured at the lower of cost and net realizable value. Cost is determined on a first-in, first-out basis. Net realizable value is the estimated selling price in the ordinary course of business less selling costs.

Thunder Bay International Airports Authority Inc.

Notes to the Consolidated Financial Statements

December 31, 2020

Property and equipment

Property and equipment are initially recorded at cost and subsequently measured at cost less accumulated amortization.

Amortization is provided on the basis and at the rates below. It is expected these procedures will charge earnings with the cost of the property and equipment over their estimated useful lives. Gain or loss on disposal of individual assets is recognized in earnings in the year of disposal.

Airside equipment	1/15 straight-line - salvage value 10%
Computer hardware	1/3 straight-line
Computer software	1/3 straight-line
Land transfer costs	1/60 straight-line
Land development costs	1/30 straight-line
Leasehold improvements	1/5 straight-line
Office furniture and equipment	1/5 straight-line
Runway upgrades	1/15 to 1/30 straight-line
Security upgrades	1/5 straight-line
Vehicles and equipment	1/5 straight-line

Property and equipment acquired during the year and not ready for productive use are not amortized.

Normal maintenance and repairs are expensed as incurred.

Revenue recognition

Landing fees, terminal fees and parking fees revenue are recognized as airport facilities are used and services are rendered.

Lease revenue is recognized on a straight line basis over the term of the lease.

The Authority follows the deferral method of accounting for contributions, which include government grants. Restricted contributions are reflected as deferred contributions and are recognized as revenue in the year in which the related expenses are incurred. Restricted contributions for the purchase of property and equipment that will be amortized are deferred and recognized as revenue at the same rate of amortization as the related property and equipment. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

All other revenue is recognized at point of sale or when the good or service has been provided and collectability is reasonably assured.

Thunder Bay International Airports Authority Inc.

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Financial instruments

The Authority considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The Authority accounts for the following as financial instruments:

- cash and cash equivalents
- accounts receivables
- investments
- due to/from the Red Lake Airport
- accounts payable and accrued liabilities
- security deposits
- long-term debt

A financial asset or liability is recognized when the Authority becomes party to contractual provisions of the instrument.

Measurement

Financial assets or liabilities obtained in arm's-length transactions are initially measured at their fair value. In the case of a financial asset or liability not being subsequently measured at fair value, the initial fair value will be adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption.

Financial assets or liabilities obtained in related party transactions are measured in accordance with the accounting policy for related party transactions except for those transactions that are with a person or entity whose sole relationship with the Authority is in the capacity of management in which case they are accounted for in accordance with financial instruments.

Financial assets and financial liabilities are subsequently measured according to the following methods:

<u>Financial instrument</u>	<u>Subsequent measurement</u>
Cash and cash equivalents	Amortized cost (which approximates fair value)
Accounts receivable	Amortized cost
Investments	Fair value
Due to/from the Municipality of Red Lake	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Security deposits	Amortized cost
Long-term debt	Amortized cost

Derecognition

The Authority removes financial liabilities, or a portion of, when the obligation is discharged, cancelled or expires.

Thunder Bay International Airports Authority Inc.

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Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in the consolidated statement of operations.

Employee future benefits

The Authority sponsors two pension plans for its employees: a defined benefit plan and a defined contribution plan.

Defined benefit pension plan

For the Authority's defined benefit pension plan, the defined benefit obligations are determined using the most recent actuarial valuation report prepared for funding purposes.

Plan assets are measured at fair value.

The Authority recognizes the plan's funded surplus, which is the net amount of the defined benefit obligations and the fair value of plan assets, on the consolidated statement of financial position.

Actuarial gains and losses and past service costs are included in the cost of the plan for the year in the consolidated statement of operations.

The Authority only recognizes a plan funded surplus on the consolidated statement of financial position to the extent it is expected to be realized. A valuation allowance is recognized for any excess of the plan surplus over the expected future benefit.

Defined contribution pension plan

Under the defined contribution pension plan, an expense is recorded in the period when the Authority is obligated to make contributions for services rendered by the employee. Any unpaid contributions are included on the consolidated statement of financial position as an accrued liability.

Thunder Bay International Airports Authority Inc.

Notes to the Consolidated Financial Statements

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Foreign currency translation

Foreign currency transactions entered into directly by the Authority are translated using the temporal method. Under this method, monetary assets and liabilities are translated at the consolidated statement of financial position date exchange rates. Other statement of financial position items are translated at historical exchange rates. Revenue and expense items are translated at average rates of exchange prevailing during the year. Any resulting exchange gains and losses are included in the consolidated statement of operations in the current year. At year-end, monetary assets and liabilities denominated in U.S. dollars and European euros are translated using the exchange rate of U.S. \$1 = Cdn \$1.2732 and EUR €1 = Cdn \$1.555, respectively.

Management estimates

Management reviews the carrying amounts of items in the consolidated financial statements at each consolidated statement of financial position date to assess the need for revisions or any possibility of impairment. Many items in the preparation of these consolidated financial statements require management's best estimate based on assumptions that reflect the most probable set of economic conditions and planned courses of action.

These estimates are reviewed periodically and adjustments are made to earnings as appropriate in the year they become known.

Significant items subject to management estimates include:

<u>Financial statement element</u>	<u>Management estimate</u>
Accounts receivable	Allowance for doubtful accounts
Inventory	Obsolete inventory provision
Property and equipment	Asset useful lives
Defined benefit asset	Actuarial assumptions

Government assistance

The Authority recognizes government assistance toward current expenses in the statement of operations. When government assistance relates to future expenses, the Authority defers the assistance and recognizes it in the statement of operations as the related expenses are incurred. When government assistance relates to the acquisition of property, plant and equipment, the Authority defers the assistance and recognizes it in the statement of operations on the same basis as the related property, plant and equipment is amortized.

2. BANK INDEBTEDNESS

Toronto-Dominion Bank

The Authority has available a demand operating loan of \$500,000 [2019 - \$500,000] bearing interest at the bank's prime lending rate per annum [2.45% at December 31, 2020]. \$Nil [2019 - \$nil] was outstanding at year-end.

Thunder Bay International Airports Authority Inc.

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The security for all indebtedness with Toronto-Dominion Bank consists of the following:

- General security agreement representing a first charge on all of the Authority's present and after acquired property;
- Assignment of fire insurance;
- Security Postponement agreement between the Bank and Ministry of Transport and Thunder Bay International Airports Authority Inc., dated August 29, 1997 giving the Ministry of Transport first position on all assets except account, chattel paper, document of title, instrument and money, and subsequently amended granting the Bank priority on various equipment.

The Authority has guaranteed bank advances of its subsidiary, Thunder Bay Airport Servicecs Inc. up to a maximum of \$1,500,000. At December 31, 2020, advances of \$nil [2019 - \$nil] were outstanding.

3. ACCOUNTS RECEIVABLE

	2020	2019
	\$	\$
Trade accounts receivable	1,277,943	12,788,846
Allowance for doubtful accounts	(57,849)	(47,654)
Harmonized Sales Taxes receivable	191,761	-
	1,411,855	12,741,192

4. PROPERTY AND EQUIPMENT

Details of year-end property and equipment balances are as follows:

	Cost	Accumulated amortization	2020 Net book value	2019 Net book value
	\$	\$	\$	\$
Airside equipment	3,968,423	2,766,559	1,201,864	1,439,416
Computer hardware	373,073	369,466	3,607	5,224
Computer software	693,664	650,125	43,539	32,286
Land and land transfer costs	1,158,108	70,430	1,087,678	1,090,740
Land development costs	7,740,464	2,659,432	5,081,032	4,905,580
Leasehold improvements	30,733,137	11,235,845	19,497,292	18,454,832
Office furniture and equipment	292,097	286,178	5,919	10,497
Runway upgrades	17,635,506	7,999,083	9,636,423	10,423,697
Security upgrades	3,183,786	3,183,786	-	-
Vehicles and equipment	2,972,753	2,553,783	418,970	477,195
	68,751,011	31,774,687	36,976,324	36,839,467

Amortization for the year is \$2,733,572 [2019 - \$3,031,773]. Included in property and equipment balances are \$4,060,537 [2019 - \$2,120,001] of assets not being amortized as they are not ready for productive use.

Thunder Bay International Airports Authority Inc.

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December 31, 2020

5. INVESTMENTS

	2020 Cost \$	2020 Market \$	2019 Cost \$	2019 Market \$
Cash and cash equivalents	1,887,833	1,887,949	1,430,746	1,431,123
Fixed income *	12,893,424	13,485,723	11,565,544	11,677,619
Equity *	14,115,672	19,888,505	11,444,085	15,015,366
Total	28,896,929	35,262,177	24,440,375	28,124,108

* quoted in an active market or derived from inputs other than quoted prices that are observable

6. EMPLOYEE FUTURE BENEFITS

The Authority is a participating employer in the Canadian Airport Authorities and Canadian Port Authorities Pension Plan, a multi-employer pension plan. The Plan provides pension benefits for those individuals who transferred employment from the federal public service at the time operation of the airport was transferred to the Authority in 1997. The federal government remains responsible for all pension benefits accrued in respect of those individuals up to that time.

The following information concerning the Plan is from an extrapolation of the January 1, 2020 valuation to December 31, 2020. The obligations were determined at January 1, 2020 and then extrapolated to December 31, 2020 with adjustments for current service costs, benefit payments, and interest.

	2020 \$	2019 \$
Benefit obligation, end of year	(8,624,000)	(8,483,000)
Plan assets fair value, end of year	12,925,000	11,716,000
Plan surplus	4,301,000	3,233,000
Valuation allowance	(1,599,000)	(803,000)
Defined benefit asset	2,702,000	2,430,000

Thunder Bay International Airports Authority Inc.

Notes to the Consolidated Financial Statements

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The changes in accrued pension benefits obligations are:

	2020	2019
	\$	\$
Balance, beginning of year	2,430,000	1,811,000
Total current service and finance cost expense	65,000	(11,000)
Remeasurement and other items	3,000	407,000
Employer contributions	204,000	223,000
Balance, end of year	2,702,000	2,430,000

The significant actuarial assumptions adopted in measuring the Authority's accrued benefit obligations as of January 1, 2020 are as follows:

Discount rate	4.50%
Expected long-term rate of return on plan assets	4.50%
Rate of compensation increase	2.50%
Inflation rate	2.00%

The Authority pays into a defined contribution plan with Great-West Life for certain employees. During the year, the Authority made total payments of \$117,257 [2019 - \$92,345] to the plan which was recognized as an expense during the year.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2020	2019
	\$	\$
Accounts payable and accrued liabilities	1,344,267	3,842,305
Government remittances	-	3,368
Income taxes payable	32,654	37,421
Harmonized sales tax payable	-	6,622
	1,376,921	3,889,716

Thunder Bay International Airports Authority Inc.

Notes to the Consolidated Financial Statements

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8. LONG-TERM DEBT

[a]	2020 \$	2019 \$
Term loan repayable in monthly instalments of \$56,094 plus interest and a stamping fee of 0.93% per annum [1.42% combined at year-end; 1.85% combined average for the period], maturing 5 years from the date of each draw down which is being repaid over 10 years.	5,328,930	5,553,306
Term loan repayable in monthly instalments of \$107,437 plus interest and a stamping fee of 0.93% per annum [1.42% combined at year-end; 1.85% combined average for the period], maturing 5 years from the date of each draw down which is being repaid over 10 years.	3,642,469	8,290,907
Term loan repayable in monthly instalments of \$22,159 plus interest and a stamping fee of 0.93% per annum [1.42% combined at year-end; 1.85% combined average for the period], maturing 5 years from the date of each draw down which is being repaid over 10 years.	2,348,715	2,437,362
	11,320,114	16,281,575
Less amounts included in current liabilities	-	2,230,836
Long-term portion	11,320,114	14,050,739

As collateral for the Toronto-Dominion Bank term loans, the Authority has provided a general security agreement and other security as described in note 2.

[b] Although certain of the term loans mature earlier, the principal repayments are based on management's intentions to renew under similar terms. As a result of the pandemic, management has deferred repayments until January 2022. The undiscounted cash flows required over the next five years, are as follows:

	\$
2022	2,228,280
2023	2,089,422
2024	1,161,096
2025	1,161,096
Thereafter	4,680,220
	11,320,114

Thunder Bay International Airports Authority Inc.

Notes to the Consolidated Financial Statements

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9. RETIREMENT ALLOWANCE LIABILITY

Under the terms of the transfer agreement with Transport Canada, the Authority assumed the Government of Canada's obligation to pay its former employees compensation upon retirement or termination in accordance with the collective agreements. The Authority has continued to record the liability in accordance with the agreements on the assumption that the qualifying conditions will be met.

Information about the Authority's retirement allowance liability is as follows:

	2020	2019
	\$	\$
Balance, beginning of year	305,903	338,566
Expense for the year	5,859	13,153
Benefits paid during the year	-	(45,816)
Balance, end of year	311,762	305,903

10. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions consist of the unamortized balance of contributions received by the Authority which have been expended on capital assets as approved by the contributors. The amortization of capital contributions is recorded as revenue in the consolidated statement of operations.

	2020	2019
	\$	\$
Balance, beginning of year	8,699,669	6,848,031
Contributions received during year	1,637,238	2,174,569
Amortization	(340,714)	(322,931)
Balance, end of year	9,996,193	8,699,669

Thunder Bay International Airports Authority Inc.

Notes to the Consolidated Financial Statements

December 31, 2020

11. INVESTMENT IN PROPERTY AND EQUIPMENT

[a] Investment in property and equipment is calculated as follows:

	2020 \$	2019 \$
Property and equipment at net book value	36,976,324	36,839,467
Amounts financed by:		
Deferred capital contributions	(9,996,193)	(8,699,669)
Long-term debt	(11,320,114)	(16,281,575)
	15,660,017	11,858,223

[b] Change in net assets investment in property and equipment is calculated as follows:

	2020 \$	2019 \$
Excess (shortfall) of revenue over expenses		
Amortization of deferred capital contributions	340,714	322,931
Amortization of property and equipment	(2,733,572)	(3,031,773)
	(2,392,858)	(2,708,842)

[c] Net change in investment in property and equipment:

	2020 \$	2019 \$
Purchase of property and equipment	2,870,429	2,942,880
Amounts funded by:		
Restricted contributions	(1,637,238)	(2,174,569)
Loan proceeds	-	(2,942,473)
Repayment of long-term debt	4,961,461	5,925,711
	6,194,652	3,751,549

Thunder Bay International Airports Authority Inc.

Notes to the Consolidated Financial Statements

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12. STATEMENT OF CASH FLOWS

[a] The net change in non-cash working capital accounts related to operations is represented by the following:

	2020	2019
	\$	\$
Decrease (increase) in current assets		
Accounts receivable	11,329,337	(10,254,865)
Inventory, at cost	(25,797)	2,008
Prepaid expenses and deposits	(392,312)	(125,555)
Due from the Red Lake Airport	90,436	214,942
	11,001,664	(10,163,470)
Increase (decrease) in current liabilities		
Accounts payable and accrued liabilities	(2,512,795)	784,373
Due to the Municipality of Red Lake	59,310	-
Deferred revenue	443,471	(15,397)
Security deposits	(20,000)	-
	(2,030,014)	768,976
	8,971,650	(9,394,494)

[b] During the year, property and equipment were acquired at an aggregate cost of \$2,870,429 [2019 - \$2,942,880] of which \$1,637,238 [2019 - \$2,174,569] were funded by restricted contributions and \$1,233,191 [2019 - \$768,311] were funded by 2019 debt proceeds.

Thunder Bay International Airports Authority Inc.

Notes to the Consolidated Financial Statements

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13. COMMITMENTS

The Authority has a Ground Lease with Transport Canada which calculates rent as a percentage of revenue using an escalating percentage of Airport Revenue which has the following ranges: 0% for revenue below \$5 million, 1% for revenue between \$5 and \$10 million, 5% for revenue between \$10 and \$25 million, 8% for revenue between \$25 and \$100 million, 10% for revenue between \$100 and \$250 million, and 12% for revenue in excess of \$250 million. In connection with the Federal Government's Fall Economic Statement, the Authority is in the process of finalizing an amendment to the Ground Lease with Transport Canada which limit 2020 rent to 2/12ths of airport and which will waive rent payments in their entirety for 2021 - 2023.

The Authority has entered into contracts for the Hold Baggage Screening recapitalization project in the Airport Terminal. The contracts are valued at \$4.2 million. At year-end, \$900,000 remains to be incurred in future periods with respect to the project.

The Authority has entered into contracts for the installation of two new escalators. The contracts are valued at \$576,000. At year-end, \$400,000 remains to be incurred in future periods with respect to the project.

The Authority has entered into contracts to purchase two fire trucks. The contracts are valued at \$2 million. The purchases were anticipated to take place in June 2020 and January 2021, but we delayed to May 2021 due to COVID-19. In June 2020 a downpayment of 20% on each unit was made.

The Authority has entered into two forward contracts with the Toronto-Dominion Bank to purchase USD \$744,379 and USD \$446,627 on January 4, 2021 and May 3, 2021, respectively, at exchange rates of 1.326 and 1.365, respectively.

The Authority's subsidiary has entered into contracts to act as the agent for the purchase/sale agreement of a Jetbroom 9600 demonstration unit. The contracts are valued at \$1,268,259. By year-end, deposits of \$814,690 had been paid with final payment and delivery to take place in 2021.

Thunder Bay International Airports Authority Inc.

Notes to the Consolidated Financial Statements

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14. FINANCIAL INSTRUMENTS

The Authority is exposed to various risks through its financial instruments. The following analysis provides a measure of the Authority's risk exposure and concentration at December 31, 2020.

[a] Credit risk

Credit risk is the risk that a third party will fail to discharge its obligation to the Authority reducing the expected cash inflow from the Authority assets recorded at the consolidated statement of financial position date. Credit risk can be concentrated in debtors that are similarly affected by economic or other conditions. A significant portion of the Authority's revenues and resulting receivable balances are derived from airlines. The Authority performs ongoing credit valuations of receivable balances and maintains provisions for potential credit losses. There was no significant change in exposure from the prior year.

[b] Liquidity risk

Liquidity risk is the risk that the Authority will encounter difficulty in raising funds to meet its obligations to suppliers and debtors. The Authority is exposed to this risk mainly in respect of its long-term debt, contributions to the pension plan and accounts payable. To manage liquidity, the Authority maintains sufficient cash balances and has sufficient credit facilities in place should cash requirements exceed cash generated from operating activities. There was no significant change in exposure from the prior year.

[c] Market risk

Market risk is the risk that the fair value or expected future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

i) Currency risk

Exposure to currency risk arises due to fluctuations in foreign exchange rates, which will affect the cash flows of financial instruments. At year-end, equities of \$1,184,702 are denominated in U.S. dollars and cash and cash equivalents of \$501,639 are denominated in European euros and translated to Canadian dollars. There was no significant change in exposure from the prior year.

Thunder Bay International Airports Authority Inc.

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ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Authority is exposed to interest rate risk on its floating interest rate financial instruments. Given the current composition of long-term debt, floating-rate instruments subject it to a cash flow risk and fixed rate instruments subject it to a fair value risk. There was no significant change in exposure from the prior year.

iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Authority is exposed to other price risk through its investments quoted in an active market.

15. COMPARATIVE CONSOLIDATED FINANCIAL STATEMENTS

The comparative consolidated financial statements have been reclassified from statements previously presented to conform to the presentation of the 2020 consolidated financial statements.

Thunder Bay International Airports Authority Inc.

Notes to the Consolidated Financial Statements

December 31, 2020

16. COVID-19 IMPACT

Since December 31, 2019, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

The Authority was significantly impacted by COVID-19. By mid-March, Sunwing Vacations had cancelled its winter charter season. By the end of the same month, Porter has suspended all operations. This suspension continues. All other air carriers continuously reduced services to the point where a robust month sees passenger volumes at 20% of normal. All ancillary business affecting airport revenues such as parking, car rentals and food services have suffered similar or worse revenue downturns.

Expenses were managed by freezing all vacant positions and reducing services commensurate with demand. Extraordinary measures, such as the closing of the crosswind runway and disabling escalators impacted remaining customers.

Performance was insulated by the sale of Boschung Jet Brooms early in the year and ahead of the pandemic. Pre-delivery inspections (PDI) and after sales support to a large Boschung contract also bolstered revenues.

The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Authority for future periods.

17. GOVERNMENT ASSISTANCE - WAGES

During 2020, the Authority applied for and received funding from the Federal government under the Canada Emergency Wage Subsidy Program ("CEWS"). During the year ended December 31, 2020, the Authority recognized payroll subsidies under CEWS totaling \$826,523. These subsidies were recognized as revenue in the consolidated statement of operations.

Thunder Bay International Airports Authority Inc. Consolidated Schedule of Revenue

Year ended December 31	2020	2019
	\$	\$
Airside	2,071,382	3,451,037
Industrial land leases	805,692	872,508
Miscellaneous	230,606	240,934
Parking and ground transportation	800,636	1,964,177
Terminal	2,575,565	4,687,849
Amortization of deferred capital contributions <i>[note 10]</i>	340,714	322,931
Federal rent recovery	89,900	173,400
Revenue from business initiatives	1,126,979	1,175,333
Government assistance - wage subsidy <i>[note 17]</i>	826,523	-
	8,867,997	12,888,169

Included in revenue from business initiatives are net sales and commissions as follows:

	2020	2019
	\$	\$
Part sales	87,848	120,444
Consignment part sales	27,212	16,191
Commission	98,404	616,540
Other	90,995	5,003
	304,459	758,178
Direct costs		
Cost of parts	68,050	99,575
Cost of consignment parts	19,073	13,734
Cost of commission	16,257	370,501
Other	25,317	-
	128,697	483,810
Net sales and commissions	175,762	274,368

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