

COMOX VALLEY AIRPORT COMMISSION
Financial Statements - March 31, 2022

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of the Comox Valley Airport Commission

Opinion

We have audited the financial statements of the Comox Valley Airport Commission (the "Commission"), which comprise the statement of financial position as at March 31, 2022, and the statements of changes in net assets, operations and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Commission as at March 31, 2022, and the results of its operations and cash flows for the year then ended in accordance with Canadian Accounting Standards for Not-for-Profit Organizations (ASNPO).

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Commission in accordance with the ethical requirements that are relevant to our audit of the 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 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, 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.

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 financial statements.

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

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 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 Commission'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 Commission'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 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 Commission to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Chan Newasad Boates Inc

Chartered Professional Accountants
Courtenay, BC

June 13, 2022

COMOX VALLEY AIRPORT COMMISSION


Statement of Financial Position

March 31, 2022


	Operating Fund	Capital Fund	2022 Total	2021 Total
ASSETS				
Current Assets				
Cash	\$ 1,568,169	\$ 1,750,107	\$ 3,318,276	\$ 2,592,888
Guaranteed Investment Certificates (Note 3)	-	-	-	11,663,129
Accounts Receivable	312,294	915,357	1,227,651	207,403
Prepaid Expenses	69,519	267,052	336,571	21,282
	<u>1,949,982</u>	<u>2,932,516</u>	<u>4,882,498</u>	<u>14,484,702</u>
Long Term Investments (Note 4)	-	10,196,407	10,196,407	-
Tangible Capital Assets (Note 5)	-	8,589,009	8,589,009	8,379,813
Agreement for Purchase (Note 6)	-	1,512,113	1,512,113	1,512,113
	<u>\$ 1,949,982</u>	<u>\$ 23,230,045</u>	<u>\$ 25,180,027</u>	<u>\$ 24,376,628</u>
LIABILITIES				
Current Liabilities				
Accounts Payable	\$ 77,649	\$ 592,081	\$ 669,730	\$ 112,619
Government Remittances Payable	10,711	-	10,711	28,102
Wages Payable	52,449	-	52,449	98,632
Deferred Revenue	37,752	-	37,752	37,175
Refundable Tenant Deposit	31,430	-	31,430	31,430
	<u>209,991</u>	<u>592,081</u>	<u>802,072</u>	<u>307,958</u>
Obligation for Property Purchase (Note 6)	-	2,190,000	2,190,000	2,190,000
	<u>209,991</u>	<u>2,782,081</u>	<u>2,992,072</u>	<u>2,497,958</u>
NET ASSETS				
Capital Fund	-	20,447,964	20,447,964	20,681,876
Unrestricted	<u>1,739,991</u>	<u>-</u>	<u>1,739,991</u>	<u>1,196,794</u>
	<u>1,739,991</u>	<u>20,447,964</u>	<u>22,187,955</u>	<u>21,878,670</u>
	<u>\$ 1,949,982</u>	<u>\$ 23,230,045</u>	<u>\$ 25,180,027</u>	<u>\$ 24,376,628</u>

Commitments (Note 7)

Approved by the Directors:



Director



Director

COMOX VALLEY AIRPORT COMMISSION

Statement of Changes in Net Assets

Year Ended March 31, 2022

	Operating Fund	Capital Fund	2022 Total	2021 Total
Net Assets - Beginning of Year	\$ 1,196,794	\$ 20,681,876	\$ 21,878,670	\$ 22,605,398
Excess (Deficiency) of Revenues over Expenditures	<u>113,836</u>	<u>195,449</u>	<u>309,285</u>	<u>(726,728)</u>
	1,310,630	20,877,325	22,187,955	21,878,670
Interfund Transfers	<u>429,361</u>	<u>(429,361)</u>	<u>-</u>	<u>-</u>
Net Assets - End of Year	<u>\$ 1,739,991</u>	<u>\$ 20,447,964</u>	<u>\$ 22,187,955</u>	<u>\$ 21,878,670</u>

COMOX VALLEY AIRPORT COMMISSION

Statement of Operations

Year Ended March 31, 2022

	Operating Fund	Capital Fund	2022 Total	2021 Total
Revenues				
Advertising	\$ 29,477	\$ -	\$ 29,477	\$ 25,788
Airport Improvement Fees (Note 8)	-	464,302	464,302	167,645
Concessions - Car	461,126	-	461,126	236,550
Concessions - Other	68,719	-	68,719	20,085
Concessions - Parking	653,769	-	653,769	214,632
Fuel Commissions	87,609	-	87,609	45,780
Government Funding	-	1,046,921	1,046,921	460,116
Interest	-	33,403	33,403	166,828
Investment Losses (Note 9)	-	(277,540)	(277,540)	-
Miscellaneous	26,826	-	26,826	10,254
Office Rentals	237,563	-	237,563	215,466
Terminal Fees	927,380	-	927,380	323,695
	<u>2,492,469</u>	<u>1,267,086</u>	<u>3,759,555</u>	<u>1,886,839</u>
Expenses				
Airport Improvement Fees (Note 8)	-	33,192	33,192	10,983
Amortization	-	1,038,445	1,038,445	1,041,621
Bank Charges and Interest	5,698	-	5,698	4,942
Board	75,549	-	75,549	51,220
Fuel Facility	12,361	-	12,361	1,616
Insurance	66,310	-	66,310	78,990
Marketing	226,996	-	226,996	31,734
Office and Miscellaneous	78,624	-	78,624	65,231
Parking Administration	93,222	-	93,222	80,962
Professional Fees	97,262	-	97,262	121,694
Property Taxes	104,032	-	104,032	83,160
Rent	52,871	-	52,871	26,436
Supplies	251,607	-	251,607	203,252
Utilities	114,555	-	114,555	99,634
Volunteers	6,770	-	6,770	433
Wages and Benefits	1,655,235	-	1,655,235	1,488,345
	<u>2,841,092</u>	<u>1,071,637</u>	<u>3,912,729</u>	<u>3,390,253</u>
Income (Deficit) from Operations	(348,623)	195,449	(153,174)	(1,503,414)
Canada Emergency Wage Subsidy (Note 12)	341,571	-	341,571	776,686
Tourism and Hospitality Recovery Program (Note 12)	120,888	-	120,888	-
Excess (Deficiency) of Revenues over Expenses	\$ <u>113,836</u>	\$ <u>195,449</u>	\$ <u>309,285</u>	\$ <u>(726,728)</u>

COMOX VALLEY AIRPORT COMMISSION

Statement of Cash Flows

Year Ended March 31, 2022

	Operating Fund	Capital Fund	2022 Total	2021 Total
Cash Flows From Operating Activities:				
Cash Received from Passengers and Others	\$ 2,839,033	\$ 607,448	\$ 3,446,481	\$ 2,615,513
Cash Paid to Suppliers	(1,286,455)	291,837	(994,618)	(880,203)
Cash Paid to Employees	(1,701,418)	-	(1,701,418)	(1,503,834)
Interest Received	-	33,403	33,403	166,828
Investment Losses	-	(277,540)	(277,540)	-
	<u>(148,840)</u>	<u>655,148</u>	<u>506,308</u>	<u>398,304</u>
Cash Flows From Investing Activities:				
Purchase of Tangible Capital Assets	-	(1,247,642)	(1,247,642)	(109,906)
Sale (Purchase) of Investments	-	1,466,722	1,466,722	(1,736,774)
	<u>-</u>	<u>219,080</u>	<u>219,080</u>	<u>(1,846,680)</u>
Cash Flows From Financing Activities:				
Interfund Transfers	429,361	(429,361)	-	-
Increase (Decrease) in Cash	280,521	444,867	725,388	(1,448,376)
Cash - Beginning of Year	<u>1,287,648</u>	<u>1,305,240</u>	<u>2,592,888</u>	<u>4,041,264</u>
Cash - End of Year	<u>\$ 1,568,169</u>	<u>\$ 1,750,107</u>	<u>\$ 3,318,276</u>	<u>\$ 2,592,888</u>

COMOX VALLEY AIRPORT COMMISSION

Notes to Financial Statements

March 31, 2022

1. Nature of Operations:

The Comox Valley Airport Commission ("the Commission") was granted letters patent under the Canada Corporations Act on February 12, 1996. The Commission is also registered as an extraprovincial non-share corporation.

The Commission has operated the civilian air terminal located on leased land from the Crown on CFB Comox grounds since June 1, 1996. The Commission also owns and is developing an adjacent parcel of land on Knight Road to meet further air service demands.

All earnings of the Commission are retained and reinvested in civilian airport operations and development. The Commission is exempt from tax under S.149(1)(l) of the Income Tax Act.

2. Significant Accounting Policies:

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations.

The Commission follows the restricted fund method of accounting for contributions. Accordingly, revenues received for each of the specific funds and the expenditures incurred by each fund are segregated for accounting and reporting purposes into the following specific funds:

Operating Fund

The Operating Fund accounts for the Commission's operating activities, including the administrative and general costs of operations. This fund reports the assets, liabilities, revenues and expenditures related to unrestricted revenue received. It also includes unspent amounts received that are restricted but do not have another appropriate fund as deferred revenue.

Capital Fund

The Capital Fund reports the assets, liabilities, revenues and expenses related to the Commission's tangible capital asset purchases and expansion projects.

Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the current year. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known. Significant estimates include the useful lives of tangible capital assets and the resulting amortization of tangible capital assets as well as the date at which permits will be received with respect to the agreement the Commission has entered into to purchase property that would trigger the purchase.

COMOX VALLEY AIRPORT COMMISSION

Notes to Financial Statements

March 31, 2022

2. Significant Accounting Policies (continued):

Tangible Capital Assets

Tangible Capital Assets are initially recorded at cost. Amortization is recorded using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives. The estimated useful lives of capital assets are as follows:

Airside	Lease term
Building	Lease term
Equipment	10 years
Air Terminal Building	Lease term
Furniture and Fixtures	10 years
Conveyance Equipment	20 years
Fuel Facility	Lease term
Groundside	Lease term
Computer Equipment	3 years

Long-Lived Assets

Measurement

Long-lived assets consist of all non-current assets except long term investments. Long-lived assets available for use are measured and amortized as described in the applicable accounting policies.

Impairment

A long-lived asset is tested for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

Financial Instruments

Measurement

The Commission initially measures its financial assets and liabilities at fair value when acquired or issued. The Commission subsequently measures financial assets with actively traded markets at fair value, with unrealized gains or losses reported in the statement of operations. All other financial instruments are reported at amortized cost unless otherwise disclosed. Transaction costs on the acquisition, sale, or issuance of financial instruments are expensed when incurred.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the statement of operations. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of operations.

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Notes to Financial Statements

March 31, 2022

2. Significant Accounting Policies (continued):

Revenue Recognition

Restricted contributions are recognized as revenue of the Capital Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Unrestricted contributions and contributions for operations are recognized as revenue of the Operating Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Revenues are receivable when services are performed, the facilities are utilized or the amounts are earned pursuant to the related agreements.

Terminal fees are recognized as each passenger enplanes and deplanes. Airport improvement fees are recognized as each passenger enplanes. Car concession revenue is recognized monthly based on a percentage of gross monthly revenue from car rental agencies. Parking concession revenue is recognized as the lot is used. Office and property rental revenue is recognized monthly per rental agreements. Other concession revenue is recognized monthly based on a percentage of gross revenue from other concessions. Advertising revenue is recognized monthly as it is earned. Fuel commissions are recognized daily based on a percentage of volume used at the fuel facility. Investment revenue is recognized monthly as the investment income is earned within the portfolio.

Government assistance is recognized as revenue in the same period as the relevant expense is incurred.

3. Guaranteed Investment Certificates:

Guaranteed Investment Certificates (GIC's) are recorded at cost plus accrued interest. Interest rates on the GIC's held in the year ending March 31, 2021 varied from 0.70% - 1.76%.

4. Long Term Investments:

	<u>2022</u>		<u>2021</u>	
	<u>Cost</u>	<u>Market</u>	<u>Cost</u>	<u>Market</u>
Fixed Income	\$ 3,156,357	\$ 2,973,517	\$ -	\$ -
Canadian Equity	3,054,072	2,993,595	-	-
Canadian Income Equity	395,719	411,417	-	-
Global Equity	2,726,137	2,490,253	-	-
Hedge Strategies	1,392,816	1,260,767	-	-
Other	<u>66,858</u>	<u>66,858</u>	-	-
	<u>\$ 10,791,959</u>	<u>\$ 10,196,407</u>	<u>\$ -</u>	<u>\$ -</u>

COMOX VALLEY AIRPORT COMMISSION

Notes to Financial Statements

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5. Tangible Capital Assets:

	<u>2022</u>		<u>2021</u>	
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Cost</u>	<u>Accumulated Amortization</u>
Land	\$ 651,614	\$ -	\$ 651,614	\$ -
Airside	9,233,578	6,503,162	9,233,578	6,099,379
Building	318,122	201,578	318,122	184,447
Equipment	431,766	401,070	431,766	391,732
Air Terminal Building	9,085,312	5,761,822	7,879,573	5,428,822
Furniture and Fixtures	369,991	318,594	369,991	309,503
Conveyance Equipment	1,198,171	1,003,211	1,198,171	943,302
Fuel Facility	150,356	96,180	150,356	87,845
Groundside	3,017,799	1,789,554	2,975,896	1,605,769
Computer Equipment	175,910	156,761	175,910	142,687
Expansion Development Costs:				
Operations Building	<u>188,322</u>	<u>-</u>	<u>188,322</u>	<u>-</u>
	<u>24,820,941</u>	<u>16,231,932</u>	<u>23,573,299</u>	<u>15,193,486</u>
Unamortized Cost	\$ <u>8,589,009</u>		\$ <u>8,379,813</u>	

Airside, building, air terminal building, fuel facility and groundside assets are amortized over the life remaining on the land lease with the Department of National Defence. As at March 31, 2022, six years remain on this lease.

Included in the cost of the air terminal building is \$1,203,163 in costs relating to the Regional Air Transportation Initiative (RATI) project that are not presently being amortized as the project was still in progress at March 31, 2022. The asset is expected to be placed into use during the year ending March 31, 2023 at which time amortization will be taken.

Expansion development costs include plans and designs for future development. No amortization will be recorded until the development is complete and the asset is placed into use.

COMOX VALLEY AIRPORT COMMISSION

Notes to Financial Statements

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6. Agreement for Purchase:

In 2010, the Commission entered into a contract to purchase a parcel of land adjacent to their current location for \$2,200,000. This parcel is currently part of a larger parcel which is to be subdivided. The completion date is 30 days following the registration of the Subdivision Plan with the Victoria Land Title Office. A \$10,000 non-refundable deposit has been paid and \$490,000 is due to be paid on the completion date. The balance of the purchase price is to be paid, without interest, in 60 monthly installments of \$28,333.

The Commission believes that the subdivision will occur some time in the near future so the commitment and agreement for purchase have not been discounted in the current year.

On March 28, 2020, the Commission obtained a third party appraisal which it used to estimate a value for the parcel of land to which the Agreement for Purchase related to, to be \$1,512,113. As a result of the reduction in the estimated fair value of the land to which the Agreement for Purchase related, the value of the Agreement for Purchase asset was assessed to be impaired at March 31, 2020. There has not been any change in the estimated value of the land nor has there been any additional impairment expense recognized since this date.

7. Commitments:

Effective June 30, 2003, the Commission entered into a 25 year lease with the Department of National Defence for the land where the airport is situated.

The Commission is committed under a lease agreement for land with total future lease payments of \$330,446, assuming there is no further change in the payment amount over the term of the lease.

Lease payments in each of the next five years are estimated as follows:

2023	\$ 52,871
2024	52,871
2025	52,871
2026	52,871
2027	52,871

8. Airport Improvement Fees:

The Commission collects an airport improvement fee (AIF) of \$5 per outgoing passenger to fund the cost of major capital expenditures. These fees are collected by the air carriers under an agreement between the Commission, the Air Transport Association of Canada (ATAC) and the air carriers serving the airport, entitling the air carriers to withhold a 7% administration fee. By agreement with ATAC, AIF revenues are restricted to pay for the capital and related financing costs of major airport infrastructure development.

For the year ended March 31, 2022, the Commission recorded \$464,302 (2021 - \$167,645) in AIF revenue and capital expenditures totaled \$1,247,642 (2021 - \$109,906). As at March 31, 2022, cumulative AIF revenue totals \$13,827,152 (2021 - \$13,362,850), and cumulative capital expenditures totals \$23,871,876 (2021 - \$22,624,234). As at March 31, 2022, the cumulative AIF revenue has been used to fund AIF eligible capital expenditures in accordance with the agreement.

COMOX VALLEY AIRPORT COMMISSION

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9. Investment Income (Losses):

	<u>2022</u>	<u>2021</u>
Other Investment Income	\$ 107,842	\$ -
Capital Gain Dividends	240,488	-
Losses on Disposal of Investments	(20,664)	-
Unrealized Losses	<u>(605,206)</u>	<u>-</u>
	<u>\$ (277,540)</u>	<u>\$ -</u>

10. Financial Instruments:

The Commission is exposed to various risks through its financial instruments. It is management's opinion that the Commission is not exposed to significant concentrations at the financial statement date except as otherwise disclosed.

Liquidity Risk

Liquidity risk is the risk that the Commission will encounter difficulty in meeting obligations associated with financial liabilities. The Commission is exposed to this risk mainly in respect of its accounts payable.

Credit Risk

Credit risk is the risk that the Commission will incur losses based on credit that it has granted to other parties. The total amount of this exposure is the balance in accounts receivable of \$1,227,651 (2021 - \$207,403). Two customers account for 63% of this balance (2021 - two customers accounted for 48%), but management feels that the risk of collection of these amounts is minimal due to the past payment history of these customers and the organizational size of these customers.

Market Risk

Market risk is the risk that the fair value or 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 risk and other price risk.

Currency Risk

Currency risk is the risk that the value of a financial instrument might be adversely affected by changes in foreign exchange rates. The Commission enters into transactions denominated in foreign currency for which the related revenues are subject to exchange rate fluctuations. The Commission is exposed to currency risk through its long term investment portfolio.

Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. The Commission is exposed to interest rate rate cash flow risk through its long term investment portfolio.

Other Price risk

Other price risk is the risk that the value of a financial instrument might be adversely affected by 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 Commission is exposed to other price risk through its long term investments in equities.

COMOX VALLEY AIRPORT COMMISSION

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March 31, 2022

11. Environmental Matters

The Commission is subject to various laws, regulations and government policies relating to health and safety, to the generation, storage, transportation, disposal and environment emissions of various substances and to the protection of the environment in general. A risk of environmental liability is inherent in the operations; real estate ownership, operation or control; and other commercial activities of the Commission with respect to both current and past operations. Although the effect on operating results and liquidity cannot be reasonably estimated, management believes, based on current information, that environmental matters will not have a material adverse effect on the Commission's financial condition or competitive position.

12. Government Assistance:

The Government of Canada implemented the Canada Emergency Wage Subsidy (CEWS) program to cover a portion of wages for employers who experienced a revenue drop during the COVID-19 pandemic. The Society applied for and received CEWS of \$341,571 (2021 - \$776,686). Included in accounts receivable is \$NIL (2021 - \$121,813) in CEWS receivable that was received subsequent to year-end.

The Tourism and Hospitality Recovery Program (THRP) was introduced by the Government of Canada in the current fiscal year to replace the CEWS program. The Society applied for and received THRP of \$120,888 (2021 - \$NIL). Included in accounts receivable is \$50,404 (2021 - \$NIL) in THRP receivable that was received subsequent to year-end.

13. COVID-19:

The global outbreak of the coronavirus disease (COVID-19) continues to suppress passenger volumes and the resultant revenue of the Commission. Despite the lifting of most travel restrictions, the timeline to recovery of pre-pandemic traffic levels remains uncertain. However, the Commission's experience with the pandemic thus far has demonstrated the ability to continue to operate as a going concern with respect to future outbreaks that may again reduce travel volumes. The Commission has not taken on any debt as a result of the pandemic.

14. Management and Directors' Compensation:

Included in Wages and Benefits for the year ending March 31, 2022 is management compensation of \$713,351 for seven managers (2021 - \$367,788, four managers) with compensation exceeding \$75,000 per annum.

Included in Board expenses for the current year is directors' compensation of \$51,255 (2021 - \$50,906).