



Administration de pilotage des Laurentides  
Laurentian Pilotage Authority

## Management's discussion and analysis

FIRST QUARTER (Q1)

At March 31, 2021

LAURENTIAN PILOTAGE AUTHORITY  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
QUARTER ENDED MARCH 31, 2021

**Notice to reader**

The current report covers the LPA's activities and financial situation for the three-month period ended March 31, 2021. You should read this report in conjunction with the unaudited financial statements for the three-month period ended March 31, 2021 and with the audited financial statements for the financial year ended December 31, 2020. These financial statements were established and are presented following IFRSs and are included in the LPA's 2020 Annual Report.

1. **Analysis of financial results**

**COMPARISON WITH THE 2021 BUDGET**

**REVENUES**

**Pilotage charges**

Pilotage charges, excluding \$2.9 M total revenues from pilot boats, amounted to \$17.7 M for the quarter ended March 31, 2021 versus \$19.6 M for the corresponding budget period. An unfavourable variation of \$1.9 M for the period is showed and originates from a variance in the number of assignments due to the pandemic and in different elements, without one prevailing.

**Other revenues**

The LPA's other revenues totalled \$40,171 for the quarter ended March 31, 2021 compared to \$28,000 for the corresponding budget period. This difference originates from a variation in interest income in the current account and a slight increase in other revenues.

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**EXPENSES**

**Pilot fees**

Pilot fees have reached \$17 M for the quarter ended March 31, 2021 compared to \$18.4 M for the corresponding budget period. This favourable variance originates from a decrease in the number of assignments and in the variation of the type of traffic that affected the pilot fees, combined with a variance with margins.

**Operating costs of pilot boats**

Operating costs of pilot boats amounted to \$2.7 M for the quarter ended March 31, 2021, compared to \$3 M for the corresponding budget period. The variance in operating costs is mainly due to a number of transhipments following the decrease in the number of assignments.

**Administrative and operational expenses**

Administrative and operational expenses totalled \$2.6 M for the quarter ended March 31, 2021, compared to \$2.6 M for the corresponding budget period, in line with budgeted period.

**COMPARISON WITH THE 2020 FINANCIAL YEAR**

**REVENUES**

**Pilotage charges**

Pilotage charges amounted to \$17.7 M for the quarter ended March 31, 2021 versus \$19.2 M for the corresponding period last year. This unfavorable variation comes from a variance in the general traffic due to the pandemic.

**Other revenues**

The LPA's other revenues totalled \$40,171 for the quarter ended March 31, 2021 compared to \$65,503 for the corresponding period last year. This unfavourable difference originates from a variation in the current account and interest rates.

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**EXPENSES**

**Pilot fees**

Pilot fees have reached \$17 M for the quarter ended March 31, 2021 compared to \$18.3 M for the corresponding previous year period. This favourable variance originates from the variation in the type of traffic that affected the pilot fees.

**Operating costs of pilot boats**

Operating costs of pilot boats amounted to \$2.7 M for the quarter ended March 31, 2021 versus \$3.2 M. The variance in operating costs is mainly due to a number of transshipments that are higher than planned.

**Administrative and operational expenses**

Administrative and operational expenses totalled \$2.6 M for the quarter ended March 31, 2021, compared to \$2.5 M for the corresponding period last year. The variance comes from different positions, mainly the employee salaries and benefits.

**2. Risk analysis**

No major change in the risk analysis of the Authority's operations has occurred since the preparation of its 2020 Annual Report.

Regarding the Authority's operational and personnel activities, they have not significantly changed since the preparation of the LPA's 2021-2025 Corporate Plan. During its last strategic planning in summer 2020, the LPA has carried out a full update of operational and strategic risks, which has been integrated into the 2021-2025 Corporate Plan. An update of this risks analysis will be made within the actual year.