

Northern Peninsula Regional Service Board

2013 Annual Report



Message from the Chairperson

I am pleased to present the 2013 annual report for the Northern Peninsula Regional Service Board. This report covers the period January 1, 2013 to December 31, 2013 and was prepared in accordance with the *Transparency and Accountability Act* requirements for a category two government entity.

I am pleased to report that the board has made significant efforts on both of its business plan issues: Waste Management and Fire Services. The board is pleased to report that they expanded waste management services into sub-region 4 by establishing a governance structure for that region, acquiring equipment, and making preparations at the landfill site. Further, the board continues to increase the effectiveness of its fire services through the acquisition of new equipment and by conducting extensive training for firefighters.

As chairperson, my signature indicates that all members of the board are accountable for the results reported in this document. I am very pleased with the board's accomplishments over the past year and I look forward to continued progress in 2014.

A handwritten signature in blue ink that reads "Doug Mills". The signature is written in a cursive style and is contained within a thin black rectangular border.

Doug Mills
Chairperson
Northern Peninsula Regional Service Board

Table of Contents

1. Overview	4
2. Mandate	7
3. Lines of Business.....	7
4. Values	8
5. Primary Clients.....	9
6. Vision	9
7. Mission.....	9
8. Highlights and Accomplishments	10
9. Report on Performance	11
ISSUE 1: Waste Management	11
ISSUE 2: Fire Services.....	15
10. Opportunities and Challenges Ahead.....	18
Appendix A: Financial Statements	19

1.0 Overview

The Northern Peninsula Regional Service Board (the 'board') is the product of the successful actions of a concerned group of community volunteers: The Northern Peninsula Waste Management Committee. In January 2002, an in-depth waste management engineering study entitled the Nordic Region Solid Waste Management Study recommended the creation of a committee that would work towards implementing the Provincial Waste Management Strategy. The Northern Peninsula Waste Management Committee had eleven volunteer members and one coordinator. The members represented the communities of Castor River South to Goose Cove East. In November 2003, the committee became an incorporated body.

In 2004, the Northern Peninsula Waste Management Committee was re-established as the Northern Peninsula Regional Service Board. The board now operates under the authority of the *Regional Service Boards Act, 2012* and associated regulations to provide waste management to a defined region. The boundaries for the board extend from Cook's Harbour to Goose Cove (sub-region 1), from Main Brook to Englee (sub-region 2), from Eddies Cove East to Castors River (sub-region 3), and from Eddies Cove West to River of Ponds (sub-region 4) (please see map on page 6)

In developing and providing waste management services, the Northern Peninsula Regional Service Board has gained ownership of four regional landfill sites, four compactor trucks, two pick-up trucks, one tractor, one excavator and one crawler loader.

The board comprises local government representatives and has the ability to impose fees as necessary to finance its operation. Its membership consists of 13 people including Doug Mills, who serves as Chairperson. The current members are as follows:

Sub-region 1:	Sub-region 2:	Sub-region 3:	Sub-region 4:
Mrs. Iris Decker	Mr. Rudy Porter	Mr. Cecil Hughes	Mr. Lloyd Bennett
Mr. Ralph Hedderson	Ms. Lynn Decker	Ms. Meggie Chambers	Mr. Kirby Spence
Mr. Gerald Hillier	Mr. Leandor Pilgrim	Mr. Andre Myers	Mr. Tony Ryan

In addition to providing waste management services, the board also provides fire services to a portion of the Straits from Anchor Point to Eddies Cove East, inclusive. The Northern Peninsula Regional Service Board owns and operates the fire station located in Flower's Cove and operates the fire station in Green Island Cove. It also owns two fire trucks, one rescue truck and one snowbulance.

A subcommittee has been set up to oversee the daily management of fire services, under the umbrella of the board. The subcommittee has representation from the board and the regional fire department, including: Kirby Hughes, Meggie Chambers, Cecil Hughes, Hank Diamond, Wallace Genge and Andre Myers.

The board is staffed by 12 employees and receives funding from Multi-Material Stewardship Board (MMSB) to support the General Manager's salary, office expenses and travel expenses. MMSB also funds the public education programs developed by the board such as school presentations, regular newsletters, brochures, and other regional or community discussions regarding solid waste management.

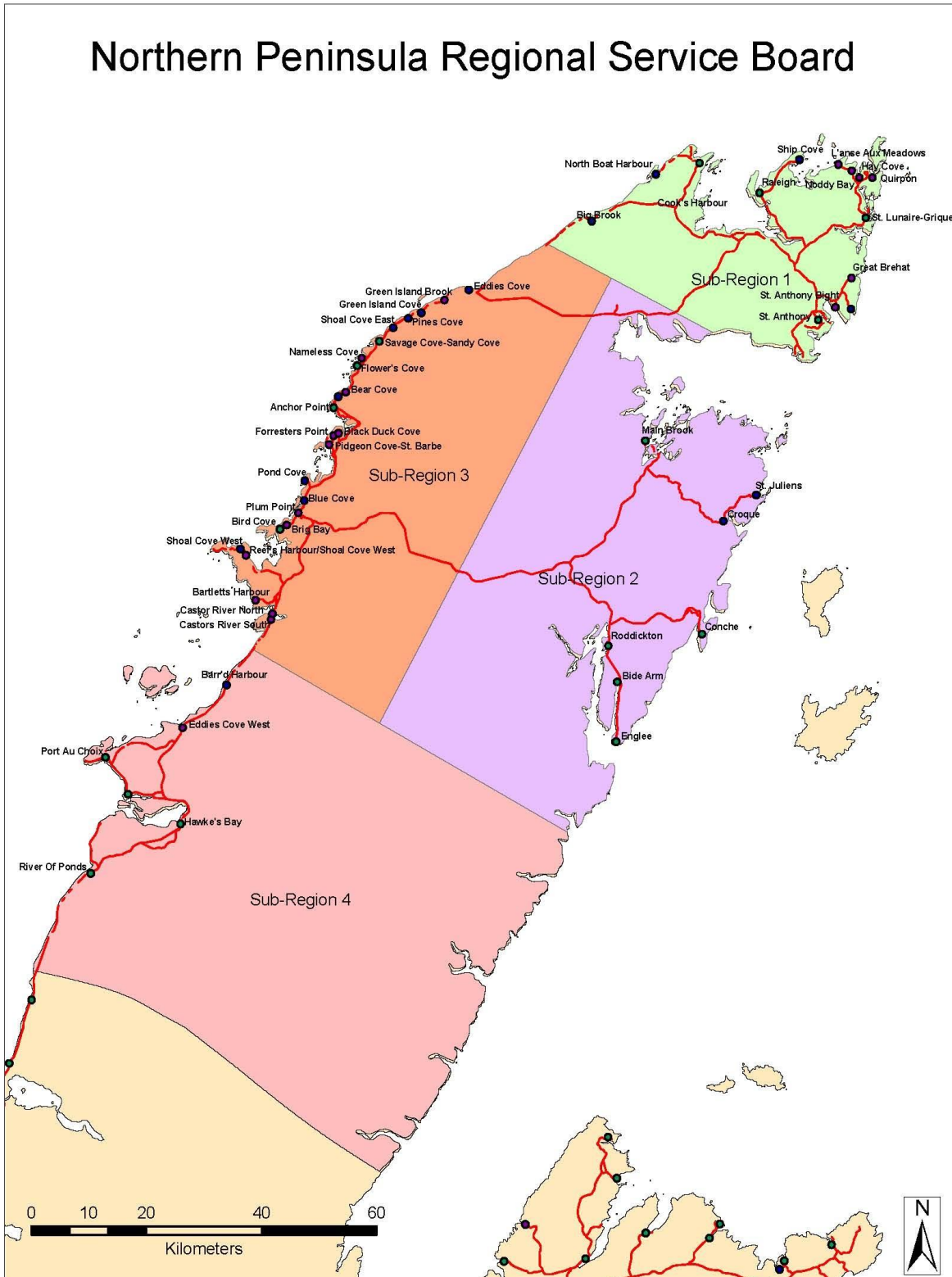
Budget and Expenditures

The board is accountable for the funds it receives from government and the MMSB and for revenue generated through user fees. Each year it has audited financial statements prepared.

The board's total budget for revenue and expenditures for 2013 for Waste Management was \$528,143. The board's total budget revenue and expenditures for 2012 for Fire Services was \$72,341. The board's audited financial statements for 2013 are contained in Appendix A.

Contact Information

Northern Peninsula Regional Service Board
P.O. Box 130
St. Anthony, NL
A0K 4S0
Telephone: (709) 454-3110
Fax: (709) 454-3818
Email: nprsb@nf.aibn.com



2.0 Mandate

Pursuant to section 3 of the *Northern Peninsula Regional Service Board Order* and the *Northern Peninsula Regional Service Board Regulations, 2013*, the Northern Peninsula Regional Service Board was established in the region for the purpose of providing regional services. The following prescribed services are set out for the board:

- the power to construct, acquire, maintain and operate a waste management system within the Northern Peninsula Region; and
- the power to provide fire protection services to the portion of the Northern Peninsula Region defined as the towns, local service districts and unincorporated areas from Eddies Cove in the north to Anchor Point in the south.

The *Act* and *Regulations* outlining the mandate of the Northern Peninsula Regional Service Board may be accessed through the House of Assembly website at www.assembly.nl.ca/legislation.

3.0 Lines of Business

1. Waste Management

a) Waste Collection:

The board operates a weekly waste collection system for residents, non-profit organizations, and those businesses who contract the board's service. The board has three compactor trucks, and three operators to carry out this service. It also responds to special collection requests, where possible. The board sets and collects fees for its waste collection services.

b) Operation and Management of Landfill Sites:

The board operates four landfill sites, which includes maintaining the sites by pushing off and covering waste once per week. It establishes and collects tipping fees for all businesses using these sites.

c) Waste Diversion:

The board establishes mechanisms to divert selected materials from landfills, through recycling or other measures. Hazardous wastes are also diverted from landfills through special collections and proper disposal.

2. **Public Education**

The board undertakes public education activities regarding waste management including newsletters, a variety of presentations and promotions for interest groups, presentations at municipal meetings, and conventions. School children are a very important interest group, with presentations being tailored to each grade level, to complement their lesson plans.

3. **Fire Protection Services**

The board operates the Straits Volunteer Fire Department, serving communities from Anchor Point to Eddies Cove East. This includes the fire hall, fire trucks and equipment based in Flower's Cove and Green Island Cove. The board also operates the fire station in Green Island Cove. The board is also responsible for collection of fees to support the service.

4.0 **Values**

The Northern Peninsula Regional Service Board feels that the following values will assist in the proper operation of the Board in carrying out its business.

Professionalism

Each individual will abide by those regulations and conditions set out by the Northern Peninsula Regional Service Board.

Respect for the environment

Each individual will carry out day to day activities keeping in view at all times the conservation and preservation of the environment.

Integrity

Each individual will ensure their words and actions align with Board guidelines.

Each individual will build and demonstrate trustworthiness among staff, fellow Board members and communities.

Respect

Each individual will respond in a courteous, caring, thoughtful, tolerant and considerate manner.

Each individual will communicate in an open, honest, sensitive and intelligent manner.

Honesty

Each individual will be a good steward of public money, and be forthright in giving information.

5.0 Primary Clients

The Northern Peninsula Regional Service Board identifies its primary clients as those individuals, groups, or organizations who are the principal users and/or beneficiaries of the board's lines of business and include the following:

- Households
- ICI's (Industrial/Commercial/Institutional), including fish plants and hospitals
- Local governments (municipalities and local service districts)
- Not for Profit Organizations
- Schools and school-age children

6.0 Vision

The vision of the Northern Peninsula Regional Service Board is of a healthy and safe environment for the present and the future, ensured by conservation and protection through solid waste management and fire protection services.

7.0 Mission

The mission of the Northern Peninsula Regional Service Board is outlined below. The mission describes the focus of the board for the period 2011-16.

By December 31, 2016, the Northern Peninsula Regional Service Board will have improved the efficiency of regional service delivery in fire services and waste management towards a healthy and safe environment.

Rural communities are challenged to provide local services that meet modern standards in a cost effective manner. Regionally managed services such as the waste management and fire services offered by the board may be a solution to this challenge.

Each day Newfoundlanders and Labradorians generate two kilograms of waste per person. Without effective and efficient waste management services, this waste presents a threat to the environment and the health of communities. The board is committed to addressing this situation by striving towards full implementation of the Province's Waste Management Strategy in the region it serves. One of the goals of the Waste Management Strategy is to divert 50% of the Province's waste going to landfills. This is a key focus area for the board during the period of

this mission.

Rural communities with geographically dispersed, low density population are challenged to provide effective and efficient fire protection services for residents. Modern fire fighting equipment and training for volunteer fire fighters is essential to delivering quality service. In helping carrying out its mission in 2013, the board contributed to Government's strategic directions: "Appropriate Infrastructure Investment" and "Local Government Sustainability." With regard to Appropriate Infrastructure Investment, the board contributed to the Solid Waste Management component. With regard to Local Government Sustainability, the board contributed to the 'Community Cooperation' component.

8.0 Highlights and Accomplishments

In addition to the work carried out as described in section 9 of this report, the board received funding from International Grenfell Association in the amount of \$11,000, which was used to purchase a thermal imaging camera. The camera is used for identifying objects in smoke filled rooms and during adverse weather conditions.

The board also purchased an excavator for sub-region 3 that is used for snow clearing, pushing waste and spreading fill material.

9.0 Report on Performance

December 31, 2013 marked the end of the board's business plan for 2011-2013. The plan identified two strategic issues that guided the board's work throughout this three-year period. This section reports on the goals for each issue, as well as the objectives for the 2013 year in support of those goals.

Issue 1: Waste Management

The Government of Newfoundland and Labrador's Provincial Solid Waste Management Strategy (the Strategy) is designed to ensure effective and efficient management of solid waste in Newfoundland and Labrador. The Strategy is founded on five guiding principles:

- Diversion of 50% of waste going for disposal;
- Establishment of waste management regions and regional management;
- Development of modern standards and technology;
- Maximization of economic and employment opportunities; and
- Public education.

Throughout the 2011-13 planning period, the board made significant efforts in meeting the goals of the strategy within the region. In particular, the board focused its efforts on bringing all waste management sub-regions into operation, addressing illegal dumping, exploring options to initiate waste diversion measures, and investigating options for integration with the full-service waste management site that will serve Central and Western Newfoundland.

In preparing its Business Plan for 2011-13, the board took into consideration the strategic directions of Government. The board's work on various aspects of the Provincial Waste Management Strategy contributed to the strategic direction "Appropriate Infrastructure Investment," specifically the "Solid Waste Management" component. The board's delivery of regional waste management services also contributed to the "Community Cooperation" component of strategic direction "Local Government Sustainability."

Goal By December 31, 2013, the Northern Peninsula Regional Service Board will have improved waste management services within the region in line with the Provincial Waste Management Strategy.

Measure: Improved waste management services

Indicators:

1. Operationalized all sub-regions

In 2012, the board commenced operations in sub-region 4, Eddies Cove West to River of

Ponds. This included tendering for a new compactor truck and crawler loader, as well as developing the Hawke's Bay Landfill Site. As a result, the board now owns and operates all sub-regions as mandated by Government.

2. Investigated options for prevention and remediation of illegal dumping

Throughout this reporting period, the board has been active in combating the problem of illegal dumping. The board has consulted with the Provincial Government (Service NL), MMSB and the local municipalities as partners in addressing this problem. The initiatives undertaken included community spring clean ups, contracting for disposal of waste metals and car wrecks, and household hazardous waste collection days. The most recent initiative focused on monitoring areas where illegal dumping typically occurs.

3. Increased waste diversion within the region

While not able provide a measurement related to volumes of waste diverted, the board is confident that its efforts over the past three years have increased waste diversion in the region. Waste diversion is about creating waste streams rather than dumping all waste into the one site. The board has been successful in educating local residents about composting and the sale of composting bins from the board office indicates that this waste stream is becoming established. The board has also worked to establish hazardous waste as a separate waste stream by holding annual household hazardous waste collection days and operating a hazardous waste depot. Most recently, the board has begun accepting waste paint from residents and businesses.

4. Promoted waste diversion/management consistent with the Provincial Waste Management Strategy

Over the past three years, the board has been active in educating residents and raising awareness about waste diversion and management as per the Provincial Waste Management Strategy. Various activities have included:

- Production of a brochure mailed to residents and business owners of sub-region 4 in 2011 to inform them about the upcoming implementation of the Provincial Waste Management Strategy in their region. This brochure highlighted changes to waste management practices and informed residents of the new collection schedule.
- Also in 2011, two newsletters were created and inserted in the local newspaper regarding the board's operations in all sub-regions.
- The board also made two presentations at the provincial Waste Management Forum organized by the Multi-Material Stewardship Board. These presentations highlighted the board's past, present and future initiatives.

-
- In 2012, public information sessions was organized to educate residents on how to compost and the benefits of backyard composting.
 - The board conducts school presentations to educate children of the importance of reducing, reusing and recycling.
 - The board conducts a campaign annually to promote the location of the household hazardous waste depot in Sub-region 1 and drop-off sites in sub-regions 2, 3 and 4.

5. Investigated options for integrating with host site

Meetings and consultations with government officials have been ongoing regarding integrating with the host site. Recently the board has obtained funding from government to conduct a feasibility study focused on transfer stations, bulk stations and waste diversion activities. The study will be carried out in 2014.

6. Strengthened financial sustainability

The board is taking measures to strengthen its financial sustainability through careful review and prudent management of its revenues and expenditures. As equipment and human resources costs increased, the board was required to increase fees to cover these costs. The board also decided to reduce its advertising cost through increased use of its website and by faxing rather than mailing information to towns. The board also implemented changes to its collection schedules as a cost reduction measure.

2013 Objective: By December 31, 2013 the Northern Peninsula Regional Service Board will have initiated investigation options for integrating with host site.

Measure: Initiated investigating options for integrating with host site.

Indicators:

1. Consulted with stakeholders on options relating to host site

- On a monthly basis, a representative of the board attended meetings with the Western Regional Service Board regarding future development of waste management at the host site in North Arm such as volume of waste, transportation cost, construction and demolition, and other ways of diverting waste.
- In 2013, the board submitted a written proposal to government for funding to conduct a feasibility study relating to waste diversion/transitional strategy. This proposal focused on transfer stations, bulk stations and waste diversion activities. This proposal was accepted and the study will be conducted in 2014.

-
- Also during 2013, the board explored options of developing a pilot composting program in sub-region 1 and consulted with a local businessperson in regard to forming a partnership to launch a curbside composting program for the Town of Roddickton/Bide Arm. This program will examine the feasibility of collecting organic waste and paper fibre from residents. The board will be responsible for collecting the waste and delivering it to local businesses for proper composting.

2. Developed an implementation plan for integrating with host site

- The board did not develop an implementation plan for integrating with host site as the board had to first secure funding to conduct a feasibility study relating to the waste diversion/transitional strategy. However, in 2013, the board submitted a written proposal to government for funding to conduct the feasibility study, which has been accepted. It is expected that the implementation plan will be developed by early 2016.

3. Identified implementation resources

- As previously noted, a representative of the board attended meetings with the Western and Central Committees regarding future development of waste management. However, the results of the feasibility study were required in order to identify all implementation resources. It is expected that this study will be conducted in 2014.

4. Investigated options for prevention and remediation of illegal dumping

- Contacted Service NL regarding illegal dumping sites and asked that they be investigated.
- Consulted with municipalities to partner with the board in identifying illegal dumping areas.
- Met with the Multi-Material Stewardship Board regarding how illegal dumping can be monitored.
- Received funding from the Multi-Material Stewardship Board to implement a program to help combat illegal dumping. This funding was used for enforcement training and education, and purchase and installation of surveillance equipment. During the summer, cameras were installed in potential illegal dumping sites and the areas monitored.

5. Increased waste diversion within region

- In partnership with the Multi-Material Stewardship Board, the board was able offer backyard composting bins at a reduced rate. The board sold 79 of these bins through its office. Board staff also educated residents on how to successfully create a backyard compost.
- The board conducted its annual two week spring clean-up in all regions. This gave the

board the opportunity to bring all waste to landfill sites and be diverted in a proper manner.

- Following from the success of the earlier contract, in 2013, the board let a ten-year contract with a local business for the collection of metals, such as car wrecks, from communities and landfill sites.
- In 2013, the board entered into a contact with Product Care Association to accept paint products from residents and businesses.

Issue 2: Fire Services

Municipalities within the province are increasingly challenged to efficiently and effectively provide essential services. This is especially true for small municipalities and local service districts in rural areas where the cost of delivering municipal services is steadily increasing at a time when municipal revenues from taxes are decreasing due to declining populations. Over the past number of years, a number of communities have strengthened their local governance simply through a sharing of services to achieve greater financial viability and greater efficiency in service delivery.

In June 2009, the board was selected as a regional governance model to test the effectiveness of the delivery of fire services in the region of Anchor Point to Eddies Cove East. To assist with the start-up phase, the Department of Municipal and Intergovernmental affairs provided capital for equipment and renovations to the fire hall. The board currently operates the Straits Volunteer Fire Department in Flower's Cove, which serves 740 households and 65 businesses. To support its operation, the board establishes and collects fire protection fees throughout the service region.

In developing its 2011-13 Business Plan, the board took into consideration the strategic directions of Government. By delivering fire services through a regional governance model, the board made a contribution to the Department's strategic direction: "*Local Government Sustainability*," specifically the Community Cooperation component.

Goal: By December 31, 2013, the Northern Peninsula Regional Service Board will have developed a fire services strategy for the region.

Measure: Developed fire services strategy for the region.

Indicators:

- 1. Developed final report for current fire services from Anchor Point to Eddies Cove East.**

-
- The board is currently in the process of developing the final report with regards to implementing fire services from Eddies Cove to Anchor Point. The development of this report was delayed due to the amount of time needed to implement a regional fire services strategy. Fire services have been regionalized in the Eddies Cove – Anchor Point sub-region and the intention is now to produce a report detailing the experience in this sub-region to date. When completed, this report will detail the process from the beginning stages of the pilot project to the current status of the regionalized service. Over the past three years, the board has monitored and evaluated operations of the fire service, including training activities, response times, and equipment maintenance. The report will outline lessons learned from the regionalization experience and will serve to inform any future regionalization of services.

2. Consulted with stakeholders throughout the region.

- Throughout the 2011-13 planning period, the board held numerous consultations with the local Lions Clubs regarding fundraising and donations. As a result, the fire department was able to purchase much needed equipment.
- In partnering with the Fire Commissioner’s Office, consultations were held with municipalities, local service districts and fire departments regarding improving fire protection services in the communities. Also discussed were the benefits of combining fire and emergency services for the area.
- In 2013, information was presented to representatives of various municipalities, local service districts and fire departments of a model that could be used to create a cost efficient/self-sustaining fire service under the regional concept.

3. Completed the fire services strategy.

The board did not develop a fire services strategy for the Northern Peninsula. The delineation of the Eddies Cove to Anchor Point fire services area began as a pilot project for regional fire services. The board has determined further expansion of regionalized fire services throughout the greater area is beyond the scope of their mandate. Due to the complexity and resources required to fulfil such an undertaking, the board feels that this process would benefit from further facilitation by the Provincial Government. However, the report currently under development on the regionalization effort to date will provide a basis for any future implementation plan or strategy for expansion of fire services in the region. The board has also continued to reach out to area stakeholders to promote the benefits of partnering to provide efficient service.

2013 Objective: By December 31, 2013, the Northern Peninsula Regional Service Board will have developed a fire services strategy for the region.

Measure: Developed a fire services strategy for the region

Indicators:**1. Developed final report for current fire services from Anchor Point to Eddies Cove East**

- As noted in the “goal” section on page 15, the development of this report was delayed due to the amount of time needed to implement a regional fire service strategy. Fire services have been regionalized in the Eddies Cove – Anchor Point sub-region and the intention is now to produce a report detailing the experience in this sub-region to date.

2. Consulted with stakeholders throughout the region

- The board consulted with the Town of Flower’s Cove, the RCMP, Northern Rangers and Labrador Grenfell Health on how to partner together to provide an efficient service to the entire population in the region.
- In 2013, the board developed and entered into a Mutual Aid Agreement with the St. Anthony and St. Barbe fire departments. This agreement is designed to assist either of these departments in the event of an emergency when outside support is necessary.

3. Reviewed service delivery

- A review of service delivery did not occur as a result of the delay in developing a final report for current fire services from Anchor Point to Eddies Cove East. Fire services have been regionalized in the Eddies Cove – Anchor Point sub-region and the intention is now to produce a report detailing the experience in this sub-region to date.

10.0 Opportunities and Challenges Ahead

There are many opportunities and challenges ahead as the board strives to meet its goals. One of the biggest challenges is to meet all the necessary costs to operate quality waste management and fire services while keeping the fees as reasonable as possible for clients.

With regard to advancing the Provincial Waste Management Strategy, the board looks forward to exploring options to initiate further waste diversion measures.

Fire services will also be a priority issue for the board with the plan to review options to upgrade the existing fire station in Flowers Cove.

Appendix A Financial Statements

Northern Peninsula Regional Service Board

St. Anthony, NL

Financial Statements

December 31, 2013

CONTENTS

1. Auditors Report
2. Balance sheet
3. Statement of Revenue and Surplus
4. Statement of Cash Flows
5. Schedule 1 Landfill Operations
6. Schedule 2 Collaboration
7. Schedule 3 Fire Services
8. Schedule 4 Administration
9. Schedule 5 Capacity Building
10. Notes to Financial Statements

Auditor's Report

To the Board Members of the Northern Peninsula Regional Service Board

We have audited the accompanying financial statements of Northern Peninsula Regional Service Board, which comprise the statement of financial position as at December 31, 2013, and the statement of operations, statement of changes in net assets and cash flow statement 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 Canadian generally accepted accounting principles for non-for-profit organizations, 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 of 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 evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, 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 audit opinion.

Basis for qualified opinion

The corporation has not identified and classified all its financial instruments, and recorded its financial instruments at fair value. Rather, all financial instruments are recorded at historic cost. The company has not specifically disclosed information that enables users of its financial statements to evaluate the significance of financial instruments for its financial position and performance, including exposure to risks, methods of determining fair value and other relevant information. This basis of accounting used in these financial statements differs from Canadian generally accepted accounting principles.

Qualified opinion

✓ In our opinion, except for the effects of matter described in the Basis for qualified opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Northern Peninsula Regional Service Board as at December 31, 2013, and its financial performance and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles for not-for-profit organizations.

April 1, 2014
Stephenville, NL



Auditor

Northern Peninsula Regional Service Board
(Incorporated Under The Laws of Newfoundland)
Balance Sheet
December 31, 2013

<u>Assets</u>		
	<u>2013</u>	<u>2012</u>
<u>Current</u>		
Cash	\$ 255,839	\$ 175,751
Receivables	<u>192,610</u>	<u>107,490</u>
	<u>448,449</u>	<u>283,241</u>
<u>Property, Plant and Equipment</u> - (Note 3)	<u>580,832</u>	<u>541,506</u>
	<u>\$ 1,029,281</u>	<u>\$ 824,747</u>
<u>Liabilities</u>		
<u>Current</u>		
Accounts payable	\$ 24,274	\$ 11,306
Government remittance payable	<u>3,425</u>	<u>3,943</u>
	<u>27,799</u>	<u>15,249</u>
<u>Equity</u>		
<u>Surplus</u>	<u>1,001,582</u>	<u>809,498</u>
	<u>1,029,281</u>	<u>\$ 824,747</u>

Signed on Behalf of the Board:

Director: Doug Mill

Director: L. P. Hillier

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

Northern Peninsula Regional Services Board
(Incorporated Under The Laws of Newfoundland)
Statement of Revenue and Surplus
For the period ended December 31, 2013

	<u>2013</u>	<u>2012</u>
<u>Revenue</u>		
Land fill operating (Schedule 1)	\$ 263,844	\$ 14,070
Collaboration project (Schedule 2)	--	(14,345)
Fire services (Schedule 3)	57,841	5,758
Capacity building	<u>(24)</u>	<u>29,763</u>
	<u>321,661</u>	<u>35,246</u>
<u>Expenses</u>		
Administration (Schedule 4)	129,577	76,634
	<u>192,084</u>	<u>(41,388)</u>
<u>Surplus, Beginning of Year</u>	<u>809,498</u>	<u>850,886</u>
<u>Surplus, End of Year</u>	<u>\$ 1,001,582</u>	<u>\$ 809,498</u>

The accompanying notes are an integral part of these financial statements

Northern Peninsula Regional Service Board
(Incorporated Under The Laws of Newfoundland)
Statement of Cash Flows
For the year ended December 31, 2013

	<u>2013</u>	<u>2012</u>
<u>Cash Provided By (Used In)</u>		
<u>Operating Activities</u>		
Cash received from customers	\$ 1,289,934	\$ 1,141,697
Cash paid to suppliers and employees	(1,008,426)	(1,011,744)
Interest paid	<u>(3,033)</u>	<u>(3,449)</u>
	<u>278,475</u>	<u>126,504</u>
<u>Financing Activities</u>		
Demand loan payment	<u>--</u>	<u>(12,990)</u>
	<u>--</u>	<u>(12,990)</u>
<u>Investing Activities</u>		
Purchase of property, plant & equipment	<u>(198,387)</u>	<u>(67,135)</u>
<u>Increase (Decrease) in Cash</u>	80,088	46,379
<u>Cash, Beginning of Year</u>	<u>175,751</u>	<u>129,372</u>
<u>Cash, End of Year</u>	<u>\$ 255,839</u>	<u>\$ 175,751</u>

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

Northern Peninsula Regional Service Board
Schedule I
Land Fill Operation
For the year ended December 31, 2013

	<u>2013</u>	<u>2012</u>
<u>Revenue</u>		
Collection Fees	\$ 881,009	\$ 827,977
Interest	17,868	18,637
Multi Material Stewardship Board	6,781	15,859
Other Government Grants	<u>197,271</u>	35,248
Other Income	44,950	<u>43,590</u>
	<u>1,147,879</u>	<u>941,311</u>
<u>Expenses</u>		
Amortization	118,096	138,131
Insurance	<u>32,099</u>	27,805
Landfill Operation	125,251	198,350
Office	293	536
Spring Clean Up	5,779	5,888
Supplies	2,316	935
Vehicle	172,577	147,772
Wages & Benefits	<u>427,624</u>	<u>407,824</u>
	<u>884,035</u>	<u>927,241</u>
<u>Surplus</u>	<u>\$ 263,844</u>	<u>\$ 14,070</u>

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

Schedule 2
Collaboration Project
For the year ended December 31, 2013

	<u>2013</u>	<u>2012</u>
<u>Revenue</u>		
Grant	\$ --	\$ --
<u>Expenses</u>		
Office	--	1,000
Project	<u>--</u>	<u>13,345</u>
	<u>--</u>	<u>14,345</u>
<u>Surplus (Deficit)</u>	\$ <u>--</u>	\$ <u>(14,345)</u>

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

Northern Peninsula Regional Service Board
 Schedule 3
 Fire Services
 For the year ended December 31, 2013

	<u>2013</u>	<u>2012</u>
<u>Revenue</u>		
Fire Services Fees	\$ 83,910	\$ 70,255
Grant	42,576	33,078
Other	7,673	17,900
Fundraising	<u>33,016</u>	<u>--</u>
	<u>167,175</u>	<u>121,233</u>
 <u>Expenses</u>		
Accident expense	--	7,236
Advertising	1,168	2,046
Amortization	40,423	42,309
Dues & Fees	300	300
Heat & Lights	5,136	4,918
Insurance	469	--
Office	1,665	1,773
Renovations	--	5,201
Repairs & Maintenance	6,447	5,007
Remuneration	--	1,700
Supplies	38,095	15,495
Telephone	2,725	3,336
Training	7,855	21,877
Travel	1,480	2,227
Vehicle	<u>3,571</u>	<u>2,050</u>
	<u>109,334</u>	<u>115,475</u>
 <u>Surplus (Deficit)</u>	 <u>\$ 57,841</u>	 <u>\$ 5,758</u>

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

Northern Peninsula Regional Service Board
Schedule 4
Administration
For the year ended December 31, 2013

	<u>2013</u>	<u>2012</u>
<u>Administration</u>		
Amortization	\$ 545	\$ 747
Bank Charges	2,502	3,449
Bad Debt	12,569	1,716
Miscellaneous	7,710	3,783
Office	8,986	6,911
Public Education	5,432	2,959
Rent	14,157	14,008
Telephone	7,139	6,449
Travel	58,467	24,542
Wages & Benefits	<u>12,070</u>	<u>12,070</u>
	<u>\$ 129,577</u>	<u>\$ 76,634</u>

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

Northern Peninsula Regional Service Board
 Schedule 5
 Capacity Building
 For the year ended December 31, 2013

	<u>2013</u>	<u>2012</u>
<u>Revenue</u>		
Grant	<u>\$ 60,000</u>	<u>\$ 60,000</u>
<u>Expenses</u>		
Advertising	1,607	
Bank charges	531	
Office	1,398	
Supplies	579	
Telephone	2,842	
Travel	4,098	
Rent	6,329	
Wages and benefits	<u>43,640</u>	<u> </u>
	<u>60,024</u>	<u> </u>
Surplus(Deficit)	<u>\$ (24)</u>	<u>\$ </u>

The accompanying notes are integral part of these financial statements.

Northern Peninsula Regional Service Board
Notes To Financial Statements
December 31, 2013

Nature Of Business

Northern Peninsula Regional Service Board is a non profit company incorporated under the laws of Newfoundland and Labrador. Its main business is collection of household waste and provision of Fire Services within the Northern Peninsula of Newfoundland and Labrador.

1. Significant Accounting Policies

These financial statements are prepared in accordance with Canadian accounting standards for private enterprises (ASPE).

(a) *Cash and cash equivalents:*

Cash is defined as cash on hand, cash on deposit, and short-term deposits with maturity dates of less than 90 days, net of cheques issued and outstanding at the reporting date.

(b) *Revenue recognition:*

Revenue is recognized when the customers are levied for services, collection of the relevant receivable is probable, persuasive evidence of an arrangement exists and the sales price is fixed or determinable.

(c) *Use of Estimates*

The preparation of the financial statements in conformity with Canadian accounting standards for private enterprises 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 year. Significant items subject to such estimates and assumptions include the estimated useful lives of property, plant and equipment and intangible assets, the valuation allowances for accounts receivable, and the valuation of inventories. Actual results could differ from those estimates.

(d) *Property, plant and equipment:*

Amortization is provided using the declining balance method at the following rates:

Building	4%
Containers	20%
Fire Truck	30%
Furniture & Equipment	20 & 30%
Sanitation Vehicles	30%
Tractors	30%
Vehicles	30%
Excavations	30%

Northern Peninsula Regional Service Board
Notes To Financial Statements
December 31, 2013

2. Cash

	<u>2013</u>	<u>2012</u>
Cash on hand	\$ 5,353	\$ 1,364
Cash on deposit	273,492	193,463
Cheques issued and outstanding	<u>(23,006)</u>	<u>(19,101)</u>
	<u>\$ 255,839</u>	<u>\$ 175,726</u>

3. Accounts Receivable

	<u>2013</u>	<u>2012</u>
Trade	\$ 186,837	\$ 96,264
Sales tax	18,079	11,226
Allowance for doubtful accounts	<u>(12,306)</u>	<u>--</u>
	<u>\$ 192,610</u>	<u>\$ 107,490</u>

During the year, the Company recorded impairments of \$1,716 (2011 - nil) and is included in bad debt expense.

3. Property, Plant & Equipment

	<u>2013</u>			<u>2012</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Building	\$ 44,458	5,912	38,546	\$ 40,151
Containers	17,034	10,753	6,281	7,851
Fire Truck	198,708	153,196	45,512	65,015
Furniture & Equip	166,530	63,583	102,947	74,538
Sanitation Vehicles	819,905	592,445	227,460	318,270
Tractor	13,000	10,881	2,119	3,027
Vehicle	68,070	45,211	22,859	32,654
Excavations	150,120	15,012	135,108	--
	<u>1,477,825</u>	<u>\$ 896,993</u>	<u>\$ 580,832</u>	<u>\$ 541,506</u>

Northern Peninsula Regional Service Board
Notes To Financial Statements
December 31, 2013

4. Financial Risk and Concentration of Risk

(a) *Credit risk:*

Credit risk refers to the risk that customers may default on their contractual obligations resulting in a financial loss. The accounts receivable are due from various individuals from the region. There has been no change to the risk exposures from 2011.

(b) *Liquidity risk:*

Liquidity risk is the risk that the Company will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Company's exposure to liquidity risk is dependant on the sale of inventory, collection of accounts receivable and obligations or raising of funds to meet commitments and sustain operations. Cash flow from operations provides a substantial portion of the Company's cash requirements. Management is of the opinion that liquidity risk is not a significant risk and there has been no change to the exposures from 2011.

5. Other

Grants received to purchase property, plant and equipment is recorded as revenue in the year it was received.