



**C.A. Pippy Park Commission
St. John's, NL**

2010/2011 ANNUAL REPORT

Submitted to:

Government of Newfoundland and Labrador

Department of Environment and Conservation

Honourable Terry French, Minister

Submitted by:

C.A. Pippy Park Commission

P.O. Box 8861

St. John's, NL

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November 30, 2011

C.A. Pippy Park Commission

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CHAIRPERSON'S MESSAGE

On behalf of the C.A. Pippy Park Commission Board of Directors, I am pleased to present the Annual Report of the C. A. Pippy Park Commission for the fiscal year commencing April 1, 2010 and ending March 31, 2011. As Chairperson of the Board, my signature indicates the Board's accountability for the activities and results as reported throughout this document.

Let me begin by expressing my sincere thanks to our staff, our valued partners and the various volunteers who all contribute to the continued success of the Park. We value highly the continued assistance of the Provincial Government, in particular the Department of Environment and Conservation, for its financial and human resources support. Our valued partner, the City of St. John's, works cooperatively with Pippy Park by providing recreational activity programming and "in kind" contributions. Our dedicated board members provided thorough assessment and focused direction in all matters relating to policy formulation and Park management throughout the past fiscal year.

The C. A. Pippy Park Golf Course Limited is a subsidiary of the Commission. During this past year staff continued to make improvements to operational procedures and promotion of both the Admirals Green and Captains Hill Golf Courses. We continue to provide excellent banquet and lounge services at the Clubhouse.

During the operating season in 2010/11, various improvements were completed to enhance the public use areas of the Park. This included infrastructural activities such as the repair of park roadways, completing interior renovations to maintenance buildings, and the installation of a new security kiosk. The Commission also undertook architectural assessments of campground service buildings and its miniature golf course with the intention of completing capital improvements to these facilities in future years.

The winter of 2010//11 saw a substantial growth in the Cross-Country Ski Program in the Park, with fully groomed cross-country ski trails located within the Pippy Park Campground facility. Participation more than doubled over the previous year as skiers enjoyed the groomed trails, equipment rental and instructional program offered by the St. John's Recreation Department assisted by the volunteer efforts of the Nordic Ski Club and the Outfitters Inc.

We, as Board Members, look forward to continuing our efforts to implement improvements to ensure Pippy Park remains a valued recreation and conservation area for generations to come.



Bernie Halloran
Chairperson

GOVERNMENT ENTITY OVERVIEW

VISION

The C. A. Pippy Park Commission is committed to providing high quality camping, golfing, banquet and general recreational opportunities that meet the needs of its visitors, while preserving the natural areas and cultural heritage of the Park.

MANDATE

Mandate of the Commission

The Mandate of the C. A. Pippy Park Commission is derived from a combination of the C. A. Pippy Park Commission Act, the associated Regulations and the Park Master Plan:

"To maintain and manage its parklands to showcase the Provincial seat of government, provide recreational opportunities and protect their inherent heritage values."

The interpretation of this mandate is further defined through the contents of the Commission's Master Plan, which is reviewed every five years, as dictated by Section 26.1(2) of the *C.A. Pippy Park Commission Act*. Through this document, the Commission has traditionally identified the provision of recreational opportunities and the preservation of cultural and natural heritage as part of its mandate.

The primary activities of the Commission include:

- Managing and regulating its parklands, which includes the use, development, conservation, maintenance and improvement of public land in the Park, pursuant with the regulations of the Act and policies contained in the Master Plan.
- Regulating consumptive activities, such as construction, hunting, and wood cutting, within the Park.
- Managing and administering operating and capital budgets which entails revenue generation from commercial operations, the ability to borrow funds, the sale and leasing of property, and fulfilling grounds keeping contracts with its institutional partners.
- Operating the largest full service campground in the Province.
- Operating nine and eighteen-hole golf courses and banquet facilities.
- Providing recreational opportunities for park users and services to tourists visiting the capital city urban region.
- Preserving the cultural and natural heritage resources within the Park boundaries.

As the urban area around the Park has expanded since its establishment in 1968, so have the challenges for the Commission to balance institutional development, while

providing adequate space for outdoor pursuits and the protection of its natural and cultural features.

LINES OF BUSINESS

Pippy Park Public Golf Course

The first public golf course in the Province, a nine hole par 34, was established in Pippy Park in 1976. By 1993, the 18 hole Admirals Green had also been established. Four years later in 1997 the Admiral's Green Clubhouse was opened. These two courses were operated by the management Board of Thomas Development until early 2006. Later that same year the C.A. Pippy Park Golf Course Ltd., a wholly owned subsidiary of the Commission, was incorporated and has operated the Golf Course since that time. Although there has been an increase in the number of golf course facilities in the St. John's area during recent years, the Pippy Park Course remains a popular and competitive golfing facility.



Pippy Park Campground

This facility is operated directly by the Commission and is a prime example of the effective use of public land in the Park. The Campground now contains 240 sites, of which 166 offer full services; and 74 are unserviced tent and overflow sites. The Campground is officially open to the public from May through October and is used extensively by tourists from within and outside the Province.

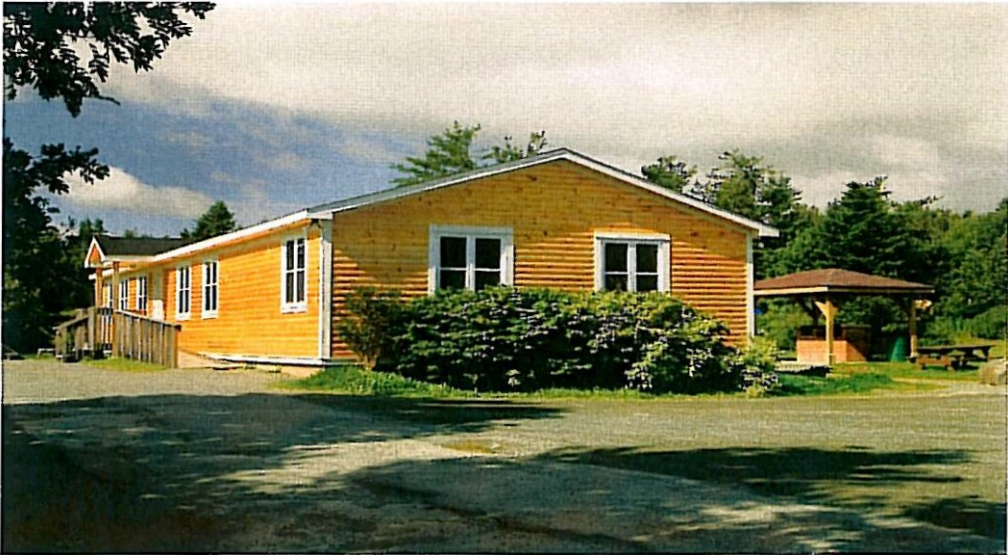
Thanks to the Campground's strategic location, in relation to the historic attractions in and around the City of St. John's, significant tourist dollars are generated locally from the use of the facility. There is a need to continually upgrade and maintain the facility to meet recognized campground standards. The Commission is continuing to improve this

facility with revenue from its operations and the financial assistance from the Province.



North Bank Lodge

This facility is operated as a meeting, social and recreational venue within the quiet atmosphere of the Park. The facility can accommodate a maximum of 50 people and is used by government agencies, public organizations, groups and private individuals on a rental basis. This facility is utilized as the venue for the Cross Country Ski Rental Program operated by the City of St. John's Department of Recreation from January to mid April each year.



Mini Golf Course

This facility is operated by the Commission to add value to our campground and provide enjoyable family entertainment. The 18 hole course includes miniatures of local attractions, such as the Confederation Building and Hibernia drilling rig, and a refreshment kiosk all of which are a short walk from the North Bank Lodge, Fluvarium and Campground. The Mini Golf remains popular but is in need of extensive renovations to ensure its continued availability to the public.



Golf Driving Range

The Golf Driving Range is operated by a private operator on land near the Marine Institute on Ridge Road which is leased from the Commission. The Driving Range caters to the public usually from June to October each year and is a popular attraction for youth and families.

Grounds Maintenance and Service Contracts

A significant part of the operations of the Pippy Park Commission involves landscaping and grounds maintenance. Activities include grass cutting, planting and maintenance of trees and flowers, maintenance of the campgrounds and related services, maintenance of walking and hiking trails, collection and removal of garbage and other debris from Park property, snow-clearing and repairs to Park roadways.

In addition, the Commission, pursuant with the *C.A. Pippy Park Commission Act*, provides fee for service landscape and grounds maintenance at public buildings located in the Park. These services include the construction and maintenance of lawns and walkways, tree planting, flower planting and other related activities. A significant portion of the Park's operational budget is utilized providing these services.

NUMBER OF EMPLOYEES

The Commission employs seven full-time employees for administration and Park maintenance. During peak operations, the Commission employs up to forty employees, both seasonal and student staff, for grounds maintenance and operation of the Pippy Park Campground.

The subsidiary, C. A. Pippy Park Golf Course Ltd., employs an additional twenty eight employees to operate the seasonal golf operations and the Clubhouse year-round.

COMMISSION ADMINISTRATION

The Commission is a Crown Corporation under the laws of the Province of Newfoundland and Labrador. The Commission currently reports to the House of Assembly through the Honourable Terry French, Minister of Environment and Conservation.

The members of the Commission Board are responsible for the administration of the business of the Commission. The Chairperson assumes responsibility as the official head of the Commission in accordance with Section 8 of the *C. A. Pippy Park Commission Act*.

The Commission employs a small complement of administrative staff under the direction of an Executive Director. Commission staff are appointed under Section 13 of the *C. A. Pippy Park Commission Act*.

In 2010/11, the Commission operated primarily from revenue generated from its own operations totalling \$895,500 and a Provincial Government grant of \$558,000.

The financial year of the Commission is April 1 - March 31. The financial records of the Commission are maintained internally and are audited and reported on by the Provincial Auditor General.

C. A. Pippy Park Commission Act

The *C. A. Pippy Park Commission Act* defines the participating parties of the Commission as:

- The "government", meaning the Lieutenant-Governor in Council.
- The "city", meaning the City of St. John's, incorporated by the *City of St. John's Act*.
- The "university", meaning Memorial University of Newfoundland and Labrador constituted by the *Memorial University Act*.

BOARD of DIRECTORS

Members of the C. A. Pippy Park Commission Board are appointed in accordance with Section 4 of the *C. A. Pippy Park Commission Act*. During this reporting period, the following individuals served as members of the Commission:

Chairperson and Chief Executive Officer:

Mr. Bernie Halloran. Appointed by the Lieutenant-Governor in Council.

Vice-Chairperson:

Appointed by the Lieutenant-Governor in Council and remained vacant during the reporting period.

Government of Newfoundland and Labrador Representative:

Mr. Robert Constantine. Appointed by the Lieutenant-Governor in Council.

Memorial University Representative:

Mr. Keith Hiscock. Appointed by the Board of Regents of Memorial University of Newfoundland and Labrador.

City of St. John's Representative:

Ms. Shannie Duff, Deputy Mayor. Appointed by the City of St. John's.

Pippy Family Representative:

Ms. Sharon Pippy. Appointed by the Lieutenant-Governor in Council to represent the Pippy Family.

Pippy Park Landowners and Residents Association (PPLORA) Representative:

Mr. Grant Hiscock. Appointed by the Lieutenant-Governor in Council.

Member at Large

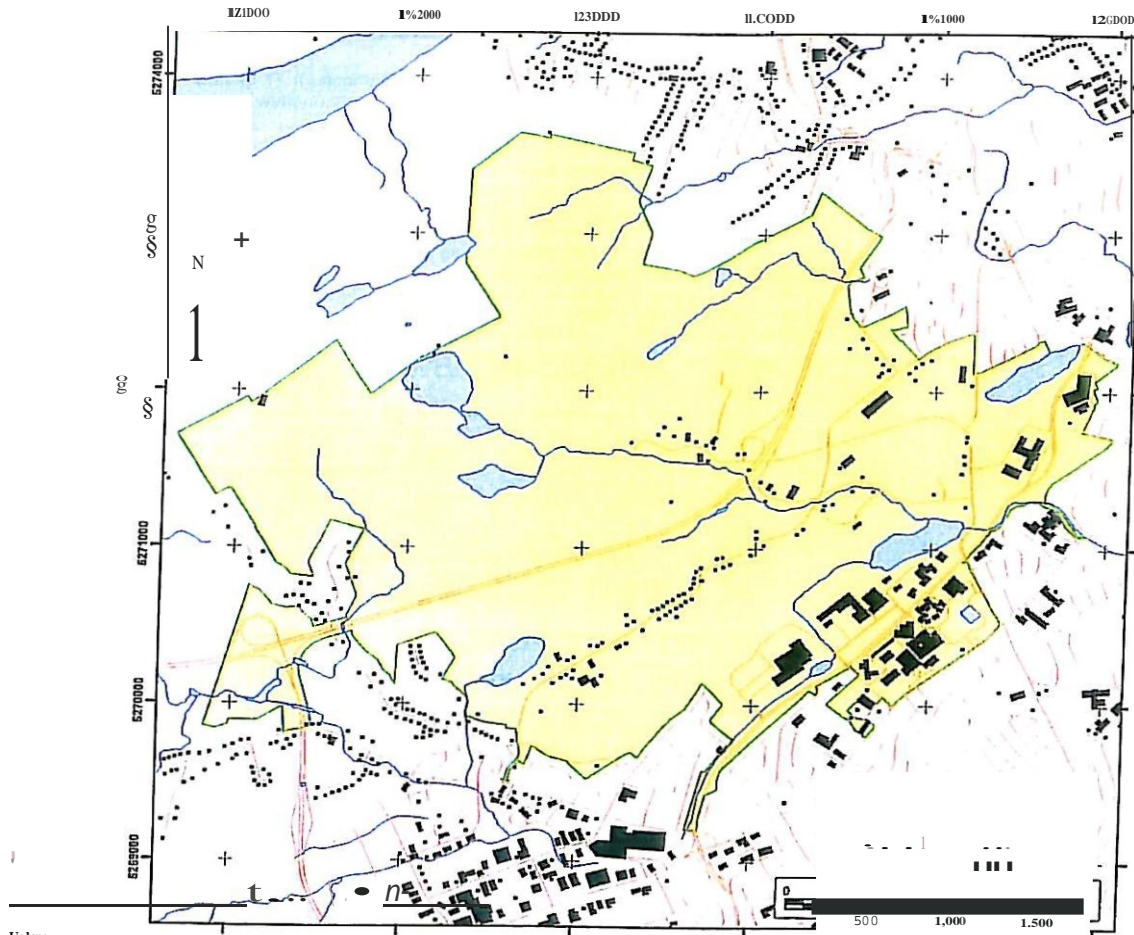
Mr. Greg Healy. Appointed by the Lieutenant-Governor in Council.

PHYSICAL LOCATION

Park Geographical Area

The area of the Park is approximately 1343 hectares (3400 acres). The Park is strategically located within the City of St. John's and is comprised of the lands between

the east side of Thorburn Road and the west side of Portugal Cove Road, and between the north side of Elizabeth Avenue and the south side of Windsor Lake (Figure 1).



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P....cllon: IUIHADIII



Figure 1: Pippy Park

legend	
•	Building Symbol
—	Building Footprint
—	Road
—	Watercourse
○	Waterbody
○	Park Boundary

2009 – 2013 MASTE! PLAN

OTHER KEY STATISTICS

Permits

The Commission has a broad mandate of responsibilities and powers under its Act, including the power to issue permits regulating the development and improvement of

both public and private property within the Park boundaries. Permits are issued in accordance with the *C. A. Pippy Park Commission Act* and in compliance with the Pippy Park Master Plan, Park by-laws and related policies. Examples include: improvements to private property; building and expansion of public facilities; construction of major roads and power corridors; and general improvements to public land and other property.

Commercial Properties

As of March 31, 2011, the Commission managed several commercial properties, operated on land within the Park. These facilities include: Mt. Scio House, which contains the administrative offices of the Commission; the former Headquarters Building, which is currently used by various non-profit groups; and the North Bank Lodge, which is rented as a meeting and social activity centre.

Residential Properties

As of March 31, 2011, the Commission managed four residential properties, which were either vacant or rented to private individuals. In cases where the Commission purchases homes from private property owners, it assesses the value of these houses as potential rental units. Some of the residential units are suitable for short-term rental, thereby providing a source of revenue to support the operations of the Commission. Buildings purchased by the Commission which have no rental or heritage value, are demolished and the land is restored as close as possible to the original landscape.

Institutional and Community Service Facilities

The boundaries of Pippy Park contain a number of institutional, educational and community service facilities, most prominently the Confederation Building Complex, the combined campuses of Memorial University of Newfoundland and Labrador, the College of the North Atlantic, the Marine Institute, the Health Sciences Centre, and the St. John's Arts and Culture Centre.

On land that was formerly the Railway Transportation Museum on Mount Scio Road, the Easter Seals Society completed its new headquarters and programming building in 2010. Another prominent not-for-profit organization, the St. John's YM-YWCA, is currently constructing the new Ches Penney Family Y on land acquired from the Commission on the corner of Higgins Line and Ridge Road. When the facility opens in the summer of 2011, it will accommodate the fitness and community programs offered by that organization. There are over a dozen community service organizations that call Pippy Park their home and together these organizations serve thousands of people annually from their various headquarters in the Park.

Private Properties

As of March 31, 2011, 45 privately owned residences remain within the boundaries of Pippy Park. The Commission recognizes and encourages the right of the owners of these properties to enjoy the peace and contentment of living within the Park environment.

Scientific Research and Monitoring

The 3,400 acres of land comprising the Park continues to provide locations for scientific research and monitoring. During the past year scientists and researchers from Memorial University, the Canadian Wildlife Service, the Canadian Food Inspection Agency, the Memorial University Botanical Garden, the Nature Conservancy of Canada and others researched and monitored plant, avian and insect populations in the Park.



SHARED COMMITMENTS

The following community service organizations are located within Pippy Park:

Fluvarium

Owned and operated by the Quidi Vidi/Rennies River Development Foundation, the Fluvarium is a major attraction within Pippy Park and is one of the most popular tourist venues in the Province. Visitors can observe brown trout, Atlantic Salmon parr and other aquatic species through nine large underwater viewing windows into Nagle's Hill Brook as it flows by the building. The Fluvarium promotes education and environmental awareness for school groups, tourists and the general public.

St. John's Therapeutic Riding Association (Rainbow Riders)

This volunteer non-profit group operates a therapeutic horseback riding and animal care program for the benefit of physically and mentally challenged children. The facility is located on Mount Scio Road on property administered by the Commission. The Association participates in Provincial and National riding competitions.

Memorial University of Newfoundland and Labrador Botanical Garden

Memorial University operates the only botanical garden in the Province. The facility displays plants which are native to Newfoundland and Labrador and cultivated plants suitable to the local climate. The primary objective of the Garden is to stimulate public interest in the Province's natural history and to provide opportunities for education and research. The Garden provides a unique blend of horticulture and garden design throughout its colourful walkways and planting displays.

Autism Society of Newfoundland and Labrador (ASNL)

The Autism Society of Newfoundland and Labrador operates the Elaine Dobbin Centre for Autism at the Shamrock Farm facility located off Clinch Crescent near the Health Sciences Complex. This modern facility offers programs and support for individuals and families affected by autism spectrum disorders.

Easter Seals of Newfoundland and Labrador

The Easter Seals organization is dedicated to providing support and services to children with disabilities. For many years Easter Seals has operated an office in the former Pippy Park headquarters but in the autumn of 2007 it broke ground for a new facility in the Park located on Mt. Scio Road. It began operations there in 2010.

YM-YWCA

For several years the Newfoundland and Labrador YM-YWCA had been negotiating with the Commission and the City of St. John's for the purchase of land to construct a new community recreation facility. Late in 2007, it was announced that a site had been secured at the Higgins Line-Ridge Road intersection for the development of its new multi-use recreational complex. Construction began early in 2010 and the new Y is expected to open in the summer of 2011.

Sisters of Mercy Centre for Ecology and Justice

During the previous reporting period the Sisters of Mercy Congregation of St. John's purchased a former residence located on Mt. Scio Road with the intention of establishing a retreat and outreach facility. Over the past year, the Congregation completed renovating the building and began to offer programs and services for youth participants.

MacMorran Community Gardens

Located on Mt. Scio Road, The MacMorran Community Gardens offers vegetable growing plots to the public. The Garden is sponsored by the MacMorran Community Centre and its primary aim is to provide garden space for the production of local vegetables for the use of residents who patronize the Centre. During the reporting period, the community garden continued to operate during the May to October crop

growing season.

Friends of Pippy Park

This volunteer group is made up of private citizens that support and use the Park. The focus of the group consists mainly of organizing environmental programs such as Children's Gardening and Park Clean-ups. Its representatives sponsor work and research projects; serve on Park advisory committees; and promote the Park generally through various public programs. The Friends also organize summer and winter festivals; public lectures; and distribute information pamphlets about the Park.

Grand Concourse Authority (GCA) Trails

The Park contains a variety of hiking, walking, and cross country ski trails that connect areas of the Park with the City of St. John's and the surrounding area. The trails provide opportunities for wilderness hiking in the Three Pond Barrens or easy walking along the hardened trails at Kent's Pond, Long Pond and Rennie's River. There are also cross-country ski trails and a skiing program delivered by the City of St. John's Recreation Department. The many trails afford an opportunity to observe a variety of birds, animals and plants in their natural habitat.

The majority of the trails in the Park were developed in partnership with the Grand Concourse Authority and the City of St. John's. These trails are maintained by the GCA.

These organizations have contributed much to the community at large and, more specifically, to their individual clienteles over the years. Whether it is interpreting freshwater ecosystems or providing recreation for children with disabilities, these entities enjoy the natural and peaceful venues which the Pippy Park Commission is pleased to offer to each and every one of its community partners. While these organizations do not directly generate revenues for the Commission, they do contribute substantially to the mandate and goals for which Pippy Park was established. Some examples of their contributions include the following:

- Both the Fluvarium and the MUN Botanical Garden present for the public the striking variety and beauty of the natural environment that is characteristic of Pippy Park. The freshwater resources, vegetation, and wildlife features of the Park are promoted and interpreted for both residents and tourists who visit the Park.
- Tourist attractions, such as the Fluvarium and the Botanical Garden, act as an incentive for increasing Pippy Park Campground use by both resident and out of Province visitors. Visitors to the campground expend hundreds of thousands of dollars annually on services and facilities while in the St. John's area.
- The Rainbow Riders, the Autism Society and the Easter Seals organization all illustrate that Pippy Park is a place where caring for and serving those with disabilities can occur in a safe and stimulating outdoor environment. The physical activities that are so important to the overall programs offered by these organizations can be planned and operated all within the managed lands of the

Park.

- The numerous trails maintained by the Grand Concourse Authority and the new YM-YWCA facility under construction both contribute significantly to the recreational and physical activity needs of the citizens of the northeast Avalon region - many of whom work in and visit Pippy Park daily.
- The Friends of Pippy Park, through their advocacy work, ensure that the public is kept aware of the values of the Park both as a place for recreation and ecosystem sustainability.

The Pippy Park Commission anticipates a continued positive relationship with these organizations over the course of the next year as well as many more years to come.



HIGHLIGHTS & ACCOMPLISHMENTS

Campground Improvements

As part of the continuing effort by the Commission to enhance its very popular campground, the Loop 3 service improvements began in 2009 were completed in the summer of 2010. These improvements included the paving of the Loop 3 camp roadway and installation of new signage. With the completion of this work, the total number of full service camp sites offered to the public increased to 166. These additional sites resulted in an increase in the total number of campsites booked in 2010 to 16,061 and the resulting additional revenue generated.

Golf and Clubhouse Catering

Both the Captains Hill and Admirals Green Golf courses remained popular with the golfing public during the past year. The courses hosted various tournaments and corporate golfing events as well as accommodating league play.

Catering and bookings at the Admirals Green Clubhouse remained strong during the 2010/11 year with a total of 124 events with 9,580 people attending all managed by staff with the assistance of the contracted caterer during the reporting period.

North Bank Lodge Operations

The popular North Bank Lodge continued to offer increased numbers of bookings for meetings and social events during 2010/11. A total of 150 bookings were recorded earning total revenues of \$34,000.

Pippy Park Special Events and Promotions

The Pippy Park Promotions Committee and the Friends of Pippy Park, assisted by the Commission, continued to host the annual Pippy Park Summerfest and Winterfest events. These popular events helped to promote the various attractions and opportunities in Pippy Park. Unfortunately, the Summerfest activities were cancelled due to severe inclement weather. Winterfest, included activities such as sliding, skiing and snowshoeing, proceeded as scheduled with several hundred people attending.

Walking Trails and Cross Country Skiing Programs

The network of walking trails throughout the Park continued to be enjoyed by thousands of visitors during 2010/11. Excellent maintenance on all routes was performed by the Grand Concourse Authority.

The Cross Country Ski and Rental Program continued operations during the winter months of 2011 in partnership with the City of St. John's Recreation Department. Trails were groomed along the campground roads through the efforts of staff from the Grand Concourse Authority and volunteers from the Nordic Ski Club and a local sporting goods supply company, Outfitters Ltd. During the January to March, 2011 winter operating season, a total of 5,155 participants were recorded. This is more than double the number of participants in the previous year which shows that when the snow is falling the public want to avail of this popular winter activity hosted by the Park.

PROGRESS of MISSION

This annual report summarizes the work of the C. A. Pippy Park Commission toward the achievement of its overall mission as outlined in its 2008-2011 Business Plan. This report also outlines the contributions toward this mission that occurred in the past reporting period of 2010-11. Over the past three year planning cycle, the Commission implemented a prioritized series of initiatives that were designed to ensure the future viability of Pippy Park. These initiatives emanated from the oversight of the Department of Finance undertaken in 2006 during which time a thorough financial and operational review of the Commission was conducted. Discussions at the Board and staff levels within the Commission identified a list of priorities that formed the basis for the 2008-2011 Business Plan. These priorities, aimed at maintaining a sustainable Park, included: revising the Park Master Plan; maintaining financial sustainability; and increasing the park identify and public awareness.

Much progress has been made to realize the successful implementation of these priorities over the past three years. Some of the most relevant include: 1) the submission of a revised Master Plan for Government approval; 2) a sustainable stream of revenue has been maintained through commercial operations and administrative oversight; and 3) the initiation of new promotional devices such as a revised web site and visitor guide

Mission: By March 31, 2011, the C. A. Pippy Park Commission will have enhanced the viability of the Park.

Measure: Enhanced viability

Indicators:

- Improved financial position.
- Increased public awareness and identity.
- More definitive land management and operational policies are implemented.
- Additional grounds maintenance service contracting.
- Improvements to and upgrading of selected park infrastructure.
- Increased opportunities for outdoor recreational pursuits.

PROGRESS of MISSION ACHIEVED DURING 2008-2011:

During 2008-11 a number of activities and initiatives were developed and implemented which greatly assisted the Commission in fulfilling its overall mission. The following outlines the Commission's progress towards achieving its mission during the past three years:

Improved Financial Position:

- }> The financial position of the Commission was improved through a combination of

efforts ranging from increased revenue generation, particularly from Campground rate increases and infrastructure improvements, to the stricter adherence to administrative procedures aimed at reducing expenditures. In addition, over the past three years, the Provincial Government grant to the Commission has been increased by a substantial amount (from \$350 K to \$558 K) which greatly offset the reduction of potential revenue from land sales. The increased revenue from the grant increase provided much needed funds for annual increases in operating expenses which are often not easily forecasted. During 2010/11, the Commission increased campground fees which also contributed, although marginally, to financial sustainability.

Increased Public Awareness and Identity:

- }> The public awareness/identity of the Park continues to be enhanced through the public use of its website (www.PippyPark.com) which highlights the many amenities and attractions found in Pippy Park. The number of visitors to the website has gradually increased over the past three years as evidenced by monthly activity reports. In addition, the web site has generated additional telephone inquiries and booking dates for Park meeting and banquet facilities such as the North Bank Lodge and the Admiral's Green Clubhouse. Participation in Park organized annual events such as Summerfest, Winterfest, Heritage Lectures and Walking Tours increased over the past three years as more residents of the St.John's urban region became aware of the Park and its amenities. During the 2010/11 reporting period, the Commission partnered with the Friends of Pippy Park to compile a new Visitors Guide which will be printed and distributed in the spring of 2012.

More Definitive Land Management and Operational Policies:

- }> The implementation of more prescriptive regulatory policies was initiated with the completion of the draft 2009-2013 Pippy Park Master Plan. While the Commission awaits government approval of these policies, it has implemented various guidelines which are within the purview of its legislated mandate. For example, over the past three years the Commission has restricted the footprint size to a maximum of 185 square metres for any new home constructed to replace an existing structure. While very few applications have been processed over that time, the guideline helps protect the semi rural character of portions of the Park. As another example, the Commission has approved the establishment of two new community gardens since 2008. One is located behind Queens College on the MUN Campus and another on the former O'Brien Farm on Oxen Pond Road. The Commission believes that encouraging community farming in the Park is both a sustainable and environmentally sound initiative.

}> *Additional Grounds Maintenance Contracting:*

Since 2008 the Commission has engaged in an increased number of grounds maintenance contracts in addition to its usual activities around the Confederation Building Complex, Petten Building and the Arts and Culture Centre. These additional contracts have derived additional revenues as well as provided

valuable landscape improvements for these new clients. Examples include: 1) renewal of playground at the CNA; 2) liming and fertilization on Confederation Complex grounds; and 3) Additional grounds keeping for City of St.John's. While the Commission has sought new revenue generating grounds keeping contracts over the past three years it has also instituted measures to make these and existing contracts more cost effective. It has done this through the implementation of more frequent site inspections; re-scheduling of staff during inclement weather; and the purchase of new and more efficient equipment.

Improvements to Park Infrastructure:

Improving infrastructure is an on-going activity within any business planning cycle. Two years ago Commission initiated a review of its existing facilities with the aim of preparing a submission to Government of a multi-year capital improvement program commencing with the 2009/10 annual capital budget request. While new capital funds were not forthcoming, the Commission was still able to provide a variety of facility improvements utilizing funds from land sales.

PROGRESS ON GOALS:

In consideration of the Park's mission and mandate and the financial resources available to achieve this mission, the following specific goals were identified as key priorities. These goals reflected the long term vision and mission of the Commission and specifically defined the measures and indicators pertaining to the 2008-2011 reporting period.

ISSUE 1: Master Plan Implementation

The C. A. Pippy Park Commission Act stipulates that every five years the Master Plan for the Park must be revised and approved by the Lieutenant-Governor in Council. The current plan expired December 31, 2008. Generally, the Master Plan contains policies and procedures used by the Commission to make informed decisions on issues pertaining to the management of the Park. The Plan also contains information about new initiatives relating to facility development and heritage conservation under consideration by the Commission. As required by legislation, a revised plan was submitted to Government in late summer of 2009 for approval by the Lieutenant-Governor in Council.

Goal: By March 31, 2011, the C. A. Pippy Park Commission will have implemented its current five year Master Plan.

Measure: Master Plan Implemented

Indicators:

- Master Plan approved by participating parties and submitted to the Lieutenant-Governor in Council.

-
- Consistent and transparent decisions are made regarding land use.
 - Policies and procedures are specified and implemented to guide land management decisions.
 - General operational procedures, eg. public safety, security, accessibility and maintenance, are reviewed and implemented.
 - Level of service agreements with institutional clients for grounds maintenance are revised and implemented.

PROGRESS on GOAL:

Master Plan Approved by Participating Parties and Submitted:

During the spring of 2009, the draft 2009-2013 Master Plan was reviewed and approved by the Commission non government participating parties (Memorial University of Newfoundland and Labrador and the City of St. John's). These entities suggested some revisions which were incorporated into the draft Plan. The draft 2009-2013 Master Plan was then submitted for Government of Newfoundland and Labrador review and approval in late summer 2009.

Consistent and Transparent Land Use Decisions Made:

Policies and Procedures Guide Land Management Decisions:

-)> While awaiting Government Master Plan approval, the Commission used various non-regulatory guidelines contained in the draft 2009-2013 Master Plan to make consistent and transparent land use and management decisions concerning issues, requests and enquiries which had been tabled during the 2008-2011 reporting period.

General Operating Procedures and Service Agreements Revised and Implemented:

While the Commission was awaiting approval of the 2009-2013 Master Plan, it continued to revise and update its operating policies pertaining to public safety, grounds maintenance, accessibility, and security. These activities were standard procedures which concern the daily operating of the Park and not directly impacted upon by broader mission and goals contained within its Master Plan.

Service Agreements with Institutional Clients:

Over the past three year business planning cycle, the Commission has updated and revised, in collaboration with its various institutional clients, service agreements for grounds maintenance. In particular, work scheduling and monitoring was streamlined for the areas tended to by Commission staff for the City Of St. John's. In addition, the Commission entered into additional grounds keeping tasks, such as liming and fertilization, for lawns surrounding the Confederation Building Complex.

Objective:

- 1.1 By March 31, 2011, the C.A. Pippy Park Commission will have further implemented additional components of the Master Plan.

Measure: 2009-2013 Master Plan Approved and Implementation Begun.

Indicators:

- Master Plan is approved by the Lieutenant-Governor in Council
- Master Plan implementation schedule and action plan is compiled and approved by the Commission.
- Approved Master Plan is communicated to and made available to the public.
- Implementation of prioritized key elements initiated.

PROGRESS on OBJECTIVE:*Master Plan Approved:*

- Jo> Over the past three year business planning cycle, the Commission has worked on the 5 year cyclical master planning process by seeking public input, preparing preliminary drafts and submitting a revised document. Once approval is received, the Commission will commence implementation.

*Master Plan Implementation and Schedule:**Approved Master Plan Communication Plan Implemented:*

A Master Plan implementation schedule and communications plan will be initiated following approval, or otherwise, of its submitted draft.

Implementation of Key Non-regulatory Elements:

- Jo> In anticipation of formal approval of the revised Master Plan, the Commission adopted guidelines and procedures of the new plan which are non regulatory in nature but will serve as a means to ensure that consistent and transparent decisions were made regarding land management.

ISSUE 2: Financial Sustainability

The Pippy Park Commission operates a variety of commercial enterprises as part of its mandate. These enterprises include the campground, contracted grounds keeping, golf courses, banquet facilities, meeting space rentals, and rental of properties. While an annual Provincial Government grant is provided, the Commission is obligated to generate and sustain adequate revenue from its commercial operations. Throughout the 3 year planning cycle, the Commission endeavored to maintain its financial sustainability through a combination of initiatives that included the generation of new revenue and maximizing operational efficiencies.

Goal: By March 31, 2011, the C.A. Pippy Park Commission will have initiated revenue generation and operational processes to achieve financial sustainability.

Measure: Comprehensive mix of revenue generation and operational processes enhanced.

Indicators:

- Additional sources of revenue generation are identified and implemented.
- Operational costs saving opportunities are identified and implemented.
- Park facility upgrading and expansion projects are completed.

PROGRESS on GOAL:

Additional Sources of Revenue:

During the period 2008-2011, the Commission increased its revenue base through the implementation of fee for service changes for its major commercial operations. These included:

- 16% increase in the fees charges to institutional partners for grounds keeping services. This increase was made in response to additional funds the Commission paid to unionized employees.
- An average of 13% increase in the fees charged for campground sites in response to market norms and increased cost of supplies.

Operational Cost Savings:

As a means to modernize its vehicle fleet and save funds, the Commission, over the 2008-2011 period, obtained several used trucks from the Department of Transportation and Works Fleet Management depot. These vehicles were obtained at no cost to the Commission except for any required repairs.

During 2008-2011, the Commission availed of Provincial Government procurement programs for the purchase of supplies and materials. In addition, it

regularly bulk purchased essential supplies used for building cleaning and maintenance.

Park Facility Upgrading:

The Commission utilized funds obtained from land sales to upgrade campground facilities thus ensuring increased revenue growth from camping site sales. For example, from 2008-2011, an additional camping loop and an upgrade to an existing loop was completed. These additional campsites generated additional revenues from increased sales of both camper nights and commodities at its convenience store and laundromat.

Objective:

- 2.1 By March 31, 2011, the C.A. Pippy Park Commission will have completed planned revenue generation actions and operational processes, thus ensuring financial sustainability.

Measure: Revenue generation and operational processes completed.

Indicators:

- Compilation of a 3 Year data review of revenue generation results analysed as a means to assess financial benefits and costs.
- Review of the existing camping and related fee for service rates within Atlantic Canada as a means to determine future rate increases or otherwise.
- Annual review and assessment of operational procedures, at the end of each operating season, initiated to ensure continued operational efficiencies are maximized.

PROGRESS on OBJECTIVE:

3 Year Data Review:

- Based on a review of statistical information from the past three operating seasons, the Commission agreed to marginally increase camp site booking fees again during the 2010-11 camping season. Total sites booked at the Campground during the 2010 operating season were recorded at 16,061 which were on par with the previous year. Due to the small fee increase, revenues were slightly greater in comparison to the previous season.

Atlantic Canada Campground Fee Review:

- A review of fees charged at similar camping facilities within Atlantic Canada was completed in the spring of 2011. Based on the results of this survey and the usage of the Campground during the summer of 2011, the Commission will decide later in this current fiscal year whether or not to raise fees for the 2012 season.

Annual Review of Operational Procedures:

-)> The annual review of operational procedures, especially those relating to grounds keeping activities and contracts, was conducted and analyzed during the autumn of 2011. It was concluded that the Commission must invest financial resources in the acquisition of new mowing equipment and utility vehicles.

ISSUE 3: PARK IDENTITY AND PUBLIC AWARENESS

Pippy Park celebrated forty one years of operations in 2010/11. In the decades since its establishment, the Park grew to accommodate the expansion of the seat of the Provincial Government, Memorial University, and related institutional facilities. Thousands of people travel through the Park each day either along roadways or walking trails. Many of these individuals are unaware of the Park and the recreation and conservation benefits it provides. During the past 3 year planning cycle, the Commission continued to raise the profile and public appreciation of the Park through a variety of promotional and interpretive initiatives.

Goal: By March 31, 2011, the Commission will have completed new Park identity and public awareness initiatives.

Measure: Marketing and promotional actions initiated.

Indicators:

- Public access to and within Pippy Park is improved.
- Usage of the Park facilities is increased.
- Informational materials about the Park are enhanced.
- Value of the conservation role of the Park is more clearly defined and communicated.
- Computer mapping, using GIS technology, is improved and standardized as a means to aid land management processes.
- Expanded distribution of informational materials across the Province.

PROGRESS on GOAL:

Public Access Improved:

-)> Through the continued cooperation between the Commission and the Grand Concourse Authority, existing walking trails leading into and within the Park were continuously maintained and promoted on both the Commission and GCA websites.
-)> Utilizing the volunteers associated with the Friends of Pippy Park, various back country ski and hiking trails in the Barrenlands Zone of the Park were mapped, monitored and cleared of brush.

Usage of Park Facilities Increased:

- During the 2008-2011 period, campground usage continually increased over the previous three years by an average of 4% per year. This indicated a general satisfaction and awareness of the Campground among the resident and tourist population.
- Usage of the cross country ski program, operated from North Bank Lodge, in collaboration with the City of St. John's, continued to increase over the 2008-2011 period. The greatest increase was during the winter of 2010/11 with a 55% increase in the number of participants in comparison to the previous year.
- Rentals at both the North Bank Lodge and the Admiral's Green Clubhouse increased over the past three year period. North Bank Lodge, in particular, experienced a notable increase in bookings while bookings at the Clubhouse remained consistent.

Informational Materials Enhanced:

- During 2008-2011, the Commission initiated the publishing of a new website to replace one previously produced by volunteers. The new site (www.pippypark.com), provided a varied amount of information about the Park facilities, its partners, and its heritage resources.
- Acting on requests and input from Park users, the Commission published a new campground guide and map in 2008 and made updated revisions in 2009 and 2010.
- During 2011, the Commission joined in partnership with the Friends of Pippy Park to compile a new Visitors Guide for the Park. This project is on-going and the new guide is scheduled for distribution during 2012.

Park Conservation Role More Clearly Defined and Communicated:

- Commission staff regularly participated in a variety of committees which helped define and communicate the conservation role of Pippy Park during the past three year reporting period. For example, staff provided professional and technical advice to the Pippy Park Heritage Committee and the O'Brien Farm Historical Site Steering Committee. In addition, staff attended regular meetings of both the Friends of Pippy Park and the Pippy Park Promotions Committee to provide updates about land management issues and conservation practices.

Computer Mapping Improved and Standardized:

- From 2008-2010, the Commission engaged two contractual computer mapping specialists to assemble and analyze existing land use and biophysical data pertaining to Pippy Park. This data was utilized to update existing Geographical Information System (GIS) files and create new file layers.
- During 2010, the Commission contracted a GIS computer specialist to update previous data files and revise previously compiled data layers. At the end of fiscal period 2011, the Commission had assembled the most current

land mapping data for the Park which will be put to various uses in the next reporting period. It is important to stress that managing computer map data is an on-going endeavor due to changes that occur on the landscape over time.

Expanded Distribution of Informational Materials Across the Province:

This is one initiative which the Commission did not achieve during the reporting period. The Commission decided to wait until its new visitors guide was printed so that it could be placed in Provincial Government Visitor Centres, on Gulf ferries, and at other prime tourism locations throughout the Province.

Objective:

- 3.1 By March 31, 2011, the C.A. Pippy Park Commission will have initiated programs to increase public appreciation and interpretation of the natural and cultural features of the Park.

Measure: Marketing and promotional activities are on-going.

Indicators:

- Landscape Improvement and Park Signage Plan initiated for the Prince Philip Parkway.
- Initiation of Commission involvement in the Eastern Habitat Joint Venture Program as a means to raise awareness of the natural amenities of the Park.
- Commission participation on-going in the management of the O'Brien Farm provincial heritage site.
- Pippy Park archives data base compilation on-going assisted by the Friends of Pippy Park.
- Feasibility of seeking the designation of Pippy Park as a "Canadian National Urban Park" will be initiated.
- Feasibility of seeking the designation of Pippy Park as an "International Biosphere Reserve" will be initiated.

PROGRESS on OBJECTIVE:

Prince Philip Parkway Landscape and Signage Plan:

- > The Prince Philip Parkway Landscape Improvement and Signage Plan is currently under consideration but has not received high priority due to other more urgent projects which required attention. This Plan is still a priority and will be contingent upon discussions with the Provincial Government, Memorial University and the City of St. John's.

Involvement with Eastern Habitat Joint Venture Program:

-);> Discussions with and monitoring by staff from the Eastern Habitat Joint Venture Program proceeded during the 2010-11 period. Additional monitoring is scheduled for the summer of 2011.

O'Brien Farm Heritage Site:

-);> The Commission has been active in the initiative to preserve the O'Brien Farm heritage site. During the reporting period, the Provincial Government with the assistance of the Commission established the O'Brien Farm Foundation to manage the future development of the site as a Provincial Heritage Site. A member of the Commission staff is part of the Foundation Board and the Commission is donating office space in its headquarters building to the Foundation.

Pippy Park Archives:

-);> During the reporting period, Commission staff, assisted by members from the Friends of Pippy Park, conducted a review of archival material located in Pippy Park headquarters. Various printed materials and images have been recorded and are in the process of being catalogued and properly stored.

Designation as a Canadian National Urban Park:

Designation as an International Biosphere Reserve:

-);> The feasibility of seeking designations of "Canadian National Urban Park" and "International Biosphere Reserve" are still under consideration; however, the Commission prefers to wait until its current Master Plan has been approved by the Provincial Government. The Commission feels that these designation applications will become more credible if accompanied by the approval of its Master Plan by the Provincial Government.

OPPORTUNITIES & CHALLENGES

The C.A. Pippy Park Commission continues to embrace opportunities and face challenges. The following is a summary of the most salient:

Opportunities

- The demand for campground bookings continues to increase thus providing

opportunity for continued revenue generation directly for the Commission and tourism spin off benefits for the St. John's Urban Region.

- The continued popularity of the Admiral's Green and North Bank Lodge conference and catering facilities ensures annual increases in revenues.
- North Bank Lodge continued to be a popular rental venue by the general public. Bookings increased by 26% to 150 for the reporting period which represents a total increase in revenue of \$6,726.
- Relationships with our institutional and community services partners remain stable and cooperative. New partnerships continue to be forged with groups such as the Easter Seals, the YM-YWCA, and the O'Brien Farm Foundation.
- Public use of the lands and facilities of Pippy Park continues to increase as urbanization concentrates on the northeast Avalon Peninsula. Our recreation and conservation objectives serve the public well.
- The diverse ecosystems and historical resources within the Park increase its potential for natural and cultural heritage appreciation and interpretation. In the autumn of 2011 the heritage preservation mandate of the Commission was greatly enhanced by the completion of a Heritage Tree inventory, one of several other inventories planned for future years.
- The unspoiled wilderness lands located in its northern extremity provide exciting opportunities for future backcountry and passive tourism use of the Park.

Challenges

- Increases in the number of golf facilities during the past decade means that the Pippy Park courses must remain competitive and cost efficient.
- For a period of years the Commission was able to supplement its revenue base through the sale of lands held by the Commission which were outside the boundaries of the Park. Most of these excess properties have now been completely sold, and this revenue source will soon be depleted. The sale of Commission property for the construction of the new YM-YWCA represents one of the last opportunities to generate revenue from land sales.
- A key challenge in realizing financial self sufficiency is the realization that our prime business is operating a public park. Many of the regulatory and grounds-keeping activities undertaken, to achieve this mandate, simply do not generate significant income to meet all expenditure demands thus a sustainable government grant is required.
- The human resources and primary management focus for the Park continues to concentrate more on commercial activities rather than public recreation and conservation. The original intent of Pippy Park was to integrate institutional land development with public use. Finding this balance between parkland and the demands of urbanization will continue to be an ongoing challenge for the Park and the Commission

FINANCIAL STATEMENTS

The appended Consolidated Financial Statements (Appendix 1) details the results of the Government of Newfoundland and Labrador Auditors Report for the period ending March 31, 2011 received by the Commission from the Auditors General's office dated August 17, 2011.

Appendix 1 – FINANCIAL STATEMENTS

C.A. PIPPY PARK COMMISSION
CONSOLIDATED FINANCIAL STATEMENT
31 MARCH 2011



OFFICE OF THE AUDITOR GENERAL
St. John's, Newfoundland and Labrador

AUDITOR'S REPORT

To the Chairperson and Members
C.A. Pippy Park Commission
St. John's, Newfoundland and Labrador

Report on the Financial Statements

I have audited the accompanying consolidated financial statements of the C.A. Pippy Park Commission, which comprise the consolidated balance sheet as at 31 March 2011 and the consolidated statements of revenues, expenses and surplus, and cash flows 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, 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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Auditor's Report (cont.)

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the C.A. Pippy Park Commission as at 31 March 2011, and its financial performance and its cash flows for the ~~year~~ year ended in accordance with Canadian generally accepted accounting principles.



WAYNE R. LOVEYS, CMA
Auditor General (A)

17 August 2011
StJohn's, Newfoundland and Labrador

C.A. PIPPY !PARK COIViMISSION
 CONSOLIDATED BALANCE SHEET

31 March

2011

2010

ASSETS

Current

Cash	\$ 279,134	\$ 213,662
Accounts receivable (Note 2)	61,613	45,564
Merchandise inventory- at the lower of cost and net realizable value	20,333	17,012
Prepaid expenses	17,483	19,032
Prepaid supplies	12,177	11,154
	<u>390,740</u>	<u>306,424</u>
Capital assets (Note 3)	<u>1,973,550</u>	<u>1,992,474</u>
	<u>\$ 2,364,290</u>	<u>\$ 2,298,898</u>

LIABILITIES AND EQUITY

Current

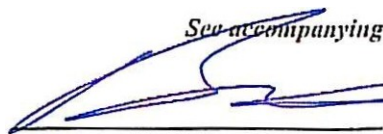
Accounts payable and accrued liabilities	\$ 204,916	\$ 189,402
Deferred revenue (Note 4)	61,823	134,259
Obligations under capital lease (Note 5)	<u>39,379</u>	<u>49,950</u>
	306,118	373,611
Obligations under capital lease (Note 5)	71,671	91,604
Accrued severance pay	160,881	145,315
Advance from Province of Newfoundland and Labrador (Note 6)	<u>250,000</u>	<u>250,000</u>
	<u>788,670</u>	<u>860,530</u>


Equity

Surplus	<u>1,575,620</u>	<u>1,438,368</u>
	<u>1,575,620</u>	<u>1,438,368</u>
	<u>\$ 2,364,290</u>	<u>\$ 2,298,898</u>

Contingent liabilities (Note 7)

See accompanying notes


 Chairperson


 Member

Signed on behalf of the Board:

C.A. PIPPY PARK COMMISSION
CONSOLIDATED STATEMENT OF REVENUES, EXPENSES AND SURPLUS
For the Year Ended 31 March

2011

2010

	Actual	Budget	Actual
REVENUES			
Province of Newfoundland and Labrador			
Operating grant (Note 8)	\$ 558,000	\$ 558,000	\$ 350,000
Golf Course (Note 9)	682,006	863,297	756,912
Trailer park (Note 10)	511,611	516,500	502,571
Services	236,463	232,000	223,431
Clubhouse (Note 11)	208,889	217,000	216,216
Rental	69,235	53,000	69,021
Miscellaneous	25,731		5,019
Advertising	16,664	20,000	19,061
Interest	3,054		671
Gain on sale of capital assets			15
	<u>2,311,653</u>	<u>2,459,797</u>	<u>2,142,917</u>
EXPENSES			
Advertising and promotion	14,200	18,000	18,330
Amortization	245,721	242,000	256,044
Bad debts	3,178		323
Bank charges	35,981	42,000	35,388
Building maintenance	93,163	105,000	76,914
Course maintenance	71,280	75,000	89,480
Donation	50	1,000	
Equipment maintenance	75,105	61,300	75,456
Fuel	53,547	68,000	54,467
Heat, light and telephone	139,789	154,500	141,002
Honoraria	210	7,500	980
Insurance	59,712	58,000	56,220
Interest on capital lease obligations	10,476	8,300	12,578
Loss on disposal of capital assets	889		300
Miscellaneous	14,584	17,000	11,820
Office	11,861	14,000	10,031
Professional fees	27,067	35,000	43,665
Salaries and employee benefits	1,647,861	1,640,000	1,557,803
Supplies	42,308	49,000	45,907
Training	600	3,000	200
Travel	2,569	4,000	
	<u>2,550,151</u>	<u>2,602,600</u>	<u>2,486,908</u>
Excess of expenses over revenues from operations	(238,498)	(142,803)	(343,991)
Other revenues			
Property sales	375,750	375,500	11,700
Excess of revenues over expenses (expenses over revenues)	137,252	232,697	(332,291)
Surplus, beginning of year	<u>1,438,368</u>	<u>1,438,368</u>	<u>1,770,659</u>
Surplus, end of year	\$ 1,575,620	\$ 1,671,065	\$ 1,438,368

See accompanying notes

Office of the Auditor General

C.A. PIPPY PARK COMMISSION
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended 31 March

2011

2010

Cash flows from operating activities		
Excess of revenues over expenses (expenses over revenues)	\$ 137,252	\$ (332,291)
Adjustment for non-cash items		
Amortization	245,721	256,044
Loss on disposal of capital assets	889	300
Gain on sale of capital assets		(15)
Bad debts	3,178	323
	387,040	{75,639}
Changes in non-cash working capital		
Accounts receivable	(19,227)	45,433
Merchandise inventory	(3,321)	(2,247)
Prepaid expenses	1,549	2,221
Prepaid supplies	(1,023)	1,080
Accounts payable and accrued liabilities	15,514	47,268
Deferred revenue	{72,436}	68,801
	{78,944}	162,556
Increase in accrued severance :J28Y	15,566	21,677
	323,662	108,594
Cash flows from investing activities		
Additions to capital assets - purchased from operations	(203,861)	(93,795)
Additions to capital assets - purchased under capital lease	(23,825)	(54,490)
Sale of capital assets		2,196
	{227,686}	(146,089)
Cash flows from financing activities		
Increase in capital lease obligations	23,825	54,490
Regaffient of capital lease obligations	{54,329}	{37,618}
	{30,504}	16,872
Net increase (decrease) in cash	65,472	(20,623)
Cash, beginning of year	213,662	234,285
Cash, end of year	\$ 279,134	\$ 213,662

See accompanying notes.

C.A. PIPPY PARK COMMISSION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
31 March 2011

Authority

The C.A. Pippy Park Commission (the Commission) was incorporated in 1968 and operates under authority of the *Pippy Park Commission Act*. The purpose of the Commission is to provide a park-like setting to house the headquarters of the Provincial Government, as well as various government, cultural, educational facilities and Memorial University of Newfoundland. Its affairs are managed by a Board of Commissioners, the majority of whom are appointed by the Lieutenant-Governor in Council.

The C.A. Pippy Park Golf Course Limited (the Golf Course) was incorporated on 6 January 2006 under the *Corporations Act*. It is a wholly owned subsidiary of the Commission, incorporated in accordance with Section 25(b)(i) of the *Pippy Park Commission Act*. Its purpose is to manage the Pippy Park Golf Course.

1. Summary of significant accounting policies

These consolidated financial statements have been prepared by the Commission's management in accordance with Canadian generally accepted accounting principles. Outlined below are the significant accounting policies followed.

(a) Principles of consolidation

The consolidated financial statements include the assets, liabilities and equity of the C.A. Pippy Park Commission and its subsidiary corporation, C.A. Pippy Park Golf Course Limited. Inter-entity transactions and balances have been eliminated in these consolidated financial statements.

(b) Capital assets

- (i) All capital assets are capitalized at cost at the time of acquisition. Government assistance towards the acquisition of capital assets is deducted from the related capital asset cost with any amortization calculated on the net amount. Amortization is calculated using the declining balance method based on the expected future life of all assets as follows:

Furniture and equipment	30%
Vehicles	30%
Equipment under capital lease	30%
Buildings	10%
Park improvements	10%
Golf course improvements	10%

- (ii) Many capital assets have been financed through capital grants from the Province of Newfoundland and Labrador. The expended portion of these grants has been deducted from the applicable capital assets on the consolidated balance sheet and amortization has been calculated on the net amount.

C.A. PIPPY PARK COMMISSION
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 31 March 2011

1. Summary of significant accounting policies (cont.)

(iii) The cost of building acquisitions is included with land where the primary reason for purchasing the properties is to acquire the land. Where the Commission intends to maintain the buildings for Park use, cost is allocated between land and buildings.

(c) Severance pay

Severance pay is calculated based on years of service and current salary levels for management employees of the Commission and those employees represented by the Newfoundland and Labrador Association of Public and Private Employees. The entitlement to severance pay vests after nine years of continual service, and accordingly no provision has been made in the accounts for employees with less than nine years of continual service. For employees of the Commission, the amount is payable when the employee ceases employment in the public service. If an employee of the Commission transfers to another entity included in the public service, then the liability is transferred with the employee to the other entity. For Golf Course employees represented by the Newfoundland and Labrador Association of Public and Private Employees the amount is payable when the employee ceases employment with the Corporation unless they transfer to another entity of the Province. Other Golf Course employees do not qualify for severance pay.

(d) Deferred revenue

Deferred revenue represents revenue related to future operating periods. The revenue will be reported in the applicable future period to which it relates.

(e) Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined on a first-in, first-out basis.

2. Accounts receivable

	2011	2010
Trade	\$ 40,728	\$ 52,790
Harmonized sales tax	22,610	5,202
	<u>63,338</u>	<u>57,992</u>
Less: allowance for doubtful accounts	<u>1,725</u>	<u>12,428</u>
Net accounts receivable	<u>\$ 61,613</u>	<u>\$ 45,564</u>

C.A. PIPPY PARK COMMISSION
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 31 March 2011

3. Capital assets

	2011				2010
	Cost	Capital Grants	Accumulated Amortization	Net Book Value	Net Book Value
Park					
Land (Note 3(n) and 3(b))	\$ 6,035,850	\$ 6,030,728	\$	\$ 5,122	\$ 5,122
Furniture and equipment	311,233	111,237	158,916	41,080	20,096
Vehicles	122,842	122,842			
Equipment under capital lease	109,593		76,682	32,911	42,446
Buildings	932,482	706,507	149,804	76,171	79,083
Park improvements	1,771,258	951,058	257,090	563,110	554,337
Assets under construction	139,621			139,621	65,517
	<u>9,422,879</u>	<u>7,922,372</u>	<u>642,492</u>	<u>858,015</u>	<u>766,601</u>
Golf Course					
Land (Note 3(a) and 3(b))	1,809,696	1,809,696			
Golf course improvements	1,346,311	99,999	545,574	700,738	778,597
Buildings	517,469	5,301	224,070	288,098	320,109
Equipment under capital lease	78,314		25,642	52,672	62,809
Furniture and equipment	353,671	34,662	244,982	74,027	64,358
	<u>4,105,461</u>	<u>1,949,658</u>	<u>1,040,268</u>	<u>1,115,535</u>	<u>1,225,873</u>
	<u>\$ 13,528,340</u>	<u>\$ 9,872,030</u>	<u>\$ 1,682,760</u>	<u>\$ 1,973,550</u>	<u>\$ 1,992,474</u>

(a) Capital assets not included in consolidated financial statements

Land purchased directly by the Provincial Government and forming part of C.A. Pippy Park is not recorded in these consolidated financial statements. The land recorded in these consolidated financial statements represents land purchased directly by the Commission.

Capital improvements made by third parties are not recorded in these consolidated financial statements.

(b) Title to Commission property and value of land

Under Section 10(4) of the *Pippy Park Commission Act*, title to property of the Commission is vested in the name of the Minister of Environment and Conservation, for the Crown. Therefore, capital grants received from the Province for the purchase of land have been deducted from the total cost of the land purchased.

C.A. PIPPY PARK COMMISSION
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 31 March 201t

4. Deferred revenue

	2011	2010
Golf course	\$ 39,822	\$ 55,111
Clubhouse	20,748	13,616
Rental	1,253	2,508
Trailer park		7,105
Property sales		54,165
<u>Advertising</u>		
<u>1,754</u>		
	<u>\$ 61,823</u>	<u>\$ 134,259</u>

Golf course deferred revenue relates to golf packages and gift certificates sold during the fiscal year that relate to the 2011 golf season. Clubhouse deferred revenue relates to deposits received on Salon rentals for future periods. Rental deferred revenue relates to deposits received on reservations at the Northbank Lodge for future periods.

5. Obligations under capital lease

	2011	2010
Obligations under capital lease	\$ 111,050	\$ 141,554
Less: current portion	<u>39,379</u>	<u>49,950</u>
	<u>\$ 71,671</u>	<u>\$ 91,604</u>

Future minimum lease payments under capital leases are:

2012	\$ 43,318
2013	59,864
2014	17,147
2015	<u>5,699</u>
	126,028
Less: interest portion of payments	<u>14,978</u>
	<u>\$ 111,050</u>

The capital leases are secured by equipment having a net book value of \$85,583.

C.A. PIPPY PARK COMMISSION
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 31 March 2011

6. Advance from Province of Newfoundland and Labrador

On 30 March 2001, the Commission received a repayable advance in the amount of \$250,000 from the Province of Newfoundland and Labrador. There are no set terms of repayment. The advance payable remained outstanding at year end.

7. Contingent liabilities

In 1997, a Statement of Claim was served on the Commission in dispute of conveyance of property situated at Nagle's Place. The property, within the boundary of Pippy Park, was purchased in 1997 by the Department of Works, Services and Transportation (now the Department of Transportation and Works). After the owners passed away, there was a dispute over share of the estate between the remaining children. The status of the issue between the parties is unclear, even though this issue was dropped from the trial list by consent of the parties some time ago. This matter has not been formally closed and action had been initiated to formally discontinue this matter during the 2008 calendar year.

8. Related party transactions

- (a) During the year, the Commission received an operating grant of \$558,000 (2010- \$350,000) from the Province.
- (b) Services and rental revenue include revenues from the Province in the amount of \$198,934 (2010- \$197,015) as a result of ongoing contracts.

9. Golf Course revenue

	2011		2010
	Actual	Budget	Actual
Green fees	\$ 547,137	\$ 695,297	\$ 609,080
Rentals	126,789	156,000	139,010
	673,926	851,297	748,090
Proshop sales	28,022	27,000	20,955
Less: cost of goods sold	19,942	15,000	12,133
	8,080	11,000	8,822
	\$ 682,006	\$ 863,297	\$ 756,912

C.A. PIPPY J?ARK COMMISSION
 NOTES TO CONSO LIDATED FINANCIAL STATEMENTS
 3I March 2011

10. Trailer park revenue

	<u>2011</u>		<u>2010</u>
	<u>Actual</u>	Budget	Actual
Registration fees	\$ 501,182	\$ 502,000	\$ 476,259
<u>Mini golf</u>	<u>5,948</u>	<u>14,500</u>	<u>14,455</u>
	<u>507.130</u>	<u>516.500</u>	<u>490.714</u>
Sales	30,048		36,691
Less: cost of goods sold	<u>25,567</u>		<u>24,834</u>
	4,481		11,857
	<u>\$ 511,611</u>	<u>\$ 516,250</u>	<u>\$ 502,571</u>

11. Clubhouse revenue

	<u>2011</u>		<u>2010</u>
	<u>Actual</u>	Budget	Actual
Salon rentals	\$ 45,538	\$ 50,000	\$ 49,469
<u>Catering commissions</u>	<u>54,539</u>	<u>52,000</u>	<u>51,238</u>
	<u>100,077</u>	<u>102,000</u>	<u>100,707</u>
Salon sales	184,507	195,000	190,915
Less: cost of goods sold	<u>75,695</u>	<u>80,000</u>	<u>75,406</u>
	<u>108,812</u>	<u>115,000</u>	<u>115,509</u>
	<u>\$ 208,289</u>	<u>\$ 217,000</u>	<u>\$ 216,216</u>

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12. Pensions

Management staff and staff represented by the Newfoundland and Labrador Association of Public and Private Employees are subject to the *Public Service Pensions Act*. Employee contributions are matched by the Commission and then remitted to the Province of Newfoundland and Labrador Pooled Pension Fund from which pensions will be paid to employees when they retire. The Commission's share of these pension contributions for 2011 was \$57,054 (2010 - \$54,104).

Commission staff represented by the United Food and Commercial Workers' Union participate in the Canadian Commercial Workers' Industry Plan from which pensions will be paid to employees when they retire. Employee contributions are matched by the Commission and then remitted to the Canadian Commercial Workers' Industry Plan. The Commission's share of these pension contributions for 2011 was \$7,861 (2010 - \$4,350).

13. Operating lease obligations

The Commission has operating lease obligations totalling \$8,099.

Future payments under these operating leases are:

2012	\$	4,859
2013		4,567
		9,426
Less: interest portion of payments		1,327
	\$	__8,099

14. Financial instruments

The Commission's financial instruments recognized on the consolidated balance sheet consist of cash, accounts receivable, accounts payable and accrued liabilities, and obligations under capital lease. The carrying values of these instruments approximate current fair value due to their nature and the short-term maturity associated with them. Any estimated impairment of accounts receivable has been provided for through an allowance for doubtful accounts and no further credit risk exists in relation to these receivables.

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15. Economic dependence

As a result of its reliance on future transfers from the Province of Newfoundland and Labrador to fund its operations, the Commission's ability to continue operations is dependent on the decisions of the Province.

16. Measurement uncertainty

The preparation of these consolidated financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the year.

17. Income taxes

The Commission is a Crown entity of the Province of Newfoundland and Labrador and as such is not subject to Provincial or Federal income taxes.