

EASTERN REGIONAL SERVICE BOARD
Financial Statements
Year Ended December 31, 2023

STATEMENT OF RESPONSIBILITY

The accompanying financial statements are the responsibility of the management of the Eastern Regional Service Board (the Board) and have been prepared in compliance with legislation, and in accordance with Canadian Public Sector Accounting Standards (PSAS) established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

In carrying out its responsibilities, management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that financial information produced is relevant and reliable.

The Board of Directors of the Board met with management and its external auditors to review a draft of the financial statements and to discuss any significant financial reporting or internal control matters prior to their approval of the finalized financial statements.

Harris Ryan Chartered Professional Accountants, as the Board's appointed external auditors, have audited the financial statements. The Auditor's report is addressed to the members of the Board and appears on the following page. Their opinion is based upon an examination conducted in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the financial statements are free of material misstatement and present fairly the financial position and results of the Board in accordance with Canadian Public Sector Accounting Standards.



Mr. Stephen Tessier

Chairperson



Ms. Lynn Tucker

Chief Administrative Officer

EASTERN REGIONAL SERVICE BOARD
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Year Ended December 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Members of Eastern Regional Service Board

Qualified Opinion

We have audited the financial statements of Eastern Regional Service Board (the organization), which comprise the statement of financial position as at December 31, 2023, and the statements of changes in annual surplus (deficit), operations, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2023, and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAS)

Basis for Qualified Opinion

Eastern Regional Service Board derives revenue from waste management fees the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to revenue, annual surplus, and cash flows for the year ended December 31, 2023, or to assets and net financial assets as at December 31, 2023. Our audit opinion on the financial statements for the year ended December 31, 2022 was modified accordingly because of the possible effects of this limitation of scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the organization in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PSAS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

(continues)

Independent Auditor's Report to the Members of Eastern Regional Service Board *(continued)*

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Marie Lyster Professional Corporation

St. John's, Newfoundland and Labrador
May 8, 2024

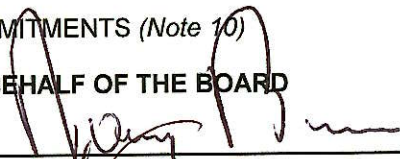
CHARTERED PROFESSIONAL ACCOUNTANTS


EASTERN REGIONAL SERVICE BOARD
Statement of Financial Position
December 31, 2023

| | 2023 | 2022 |
|------------------------------------|----------------------|---------------------|
| ASSETS | | |
| Cash and cash equivalents (Note 3) | \$ 5,318,825 | \$ 3,657,346 |
| Accounts receivable (Note 4) | 1,177,608 | 912,513 |
| Harmonized sales tax recoverable | 533,526 | 989,261 |
| | 7,029,959 | 5,559,120 |
| LIABILITIES | | |
| Accounts payable (Note 6) | 618,988 | 598,721 |
| Employee deductions payable | 17,981 | 19,104 |
| Deferred revenue (Note 8) | 1,020,000 | 20,000 |
| Bid and performance bonds | 241,541 | 293,951 |
| Accrued severance (Note 7) | 298,434 | 259,651 |
| | 2,196,944 | 1,191,427 |
| NET FINANCIAL ASSETS | 4,833,015 | 4,367,693 |
| NON-FINANCIAL ASSETS | | |
| Prepaid expenses | 147,358 | 149,284 |
| Tangible capital assets (Note 5) | 5,327,718 | 5,366,283 |
| | 5,475,076 | 5,515,567 |
| ACCUMULATED SURPLUS | \$ 10,308,091 | \$ 9,883,260 |

COMMITMENTS (Note 10)

ON BEHALF OF THE BOARD


 _____ Director


 _____ Director

EASTERN REGIONAL SERVICE BOARD
Statement of Changes in Net Financial Assets
Year Ended December 31, 2023

| | Budget 2023 | 2023 | 2022 |
|--|----------------|--------------|--------------|
| ANNUAL SURPLUS (DEFICIT) | \$ (762,188) | \$ 424,829 | \$ (676,547) |
| Amortization of tangible capital assets | 512,188 | 512,188 | 621,922 |
| Purchase of tangible capital assets | - | (473,623) | (136,705) |
| Decrease (increase) in prepaid expenses | - | 1,927 | (34,595) |
| | 512,188 | 40,492 | 450,622 |
| INCREASE (DECREASE) IN NET FINANCIAL ASSETS | (250,000) | 465,321 | (225,925) |
| NET FINANCIAL ASSETS - BEGINNING OF YEAR | 4,367,694 | 4,367,693 | 4,593,618 |
| NET FINANCIAL ASSETS - END OF YEAR | \$ 4,117,694 | \$ 4,833,014 | \$ 4,367,693 |

See notes to financial statements

EASTERN REGIONAL SERVICE BOARD
Statement of Changes in Annual Surplus (Deficit)
Year Ended December 31, 2023

| | 2023 | 2022 |
|--|----------------------|----------------------|
| ACCUMULATED SURPLUS - BEGINNING OF YEAR | \$ 9,883,260 | \$ 10,559,807 |
| ANNUAL SURPLUS (DEFICIT) | 424,829 | (676,547) |
| ACCUMULATED SURPLUS (DEFICIT) - END OF YEAR | \$ 10,308,091 | \$ 9,883,260 |

EASTERN REGIONAL SERVICE BOARD
Statement of Operations
Year Ended December 31, 2023

| | Budget 2023 <i>(Note 13)</i> | Total 2023 | Total 2022 |
|--|------------------------------------|-------------------|---------------------|
| REVENUES | | | |
| Clarenville transfer station | \$ 404,697 | \$ 497,925 | \$ 470,211 |
| Government grants | 75,000 | 80,000 | 160,000 |
| Tipping fees | 4,000,000 | 4,000,000 | 3,300,000 |
| Waste management fees | 4,525,800 | 4,361,102 | 4,272,748 |
| Metals recycling revenue | 160,840 | 57,892 | 57,597 |
| Fire and emergency services revenue | 105,000 | 19,191 | 19,802 |
| | 9,271,337 | 9,016,110 | 8,280,358 |
| EXPENSES | | | |
| Advertising and promotion | 50,000 | 25,449 | 11,588 |
| Amortization | 512,188 | 512,188 | 621,922 |
| Bad debts (recovery) | 90,000 | 290,435 | (59,306) |
| Business taxes, licenses and memberships | 28,800 | 28,065 | 37,236 |
| Directors fees | 100,000 | 72,348 | 84,429 |
| Insurance | 174,000 | 176,932 | 145,239 |
| Interest and bank charges | 44,100 | 28,505 | 27,016 |
| Office | 111,410 | 64,219 | 45,565 |
| Professional fees | 177,838 | 62,756 | 98,057 |
| Regional waste management operations | 461,941 | 417,824 | 397,426 |
| Rental | 86,000 | 80,313 | 80,313 |
| Repairs and maintenance | 150,943 | 86,130 | 33,669 |
| Salaries and wages | 2,418,149 | 2,017,450 | 1,919,265 |
| Telephone | 136,500 | 51,612 | 36,935 |
| Tipping fees Clarenville | 462,870 | 442,714 | 507,993 |
| Training | 79,500 | 27,991 | 67,335 |
| Travel | 42,500 | 26,070 | 33,655 |
| Vehicle | 919,173 | 719,303 | 789,781 |
| Waste collection operations | 4,117,613 | 3,852,514 | 4,368,155 |
| | 10,163,525 | 8,982,818 | 9,246,273 |
| SURPLUS (DEFICIT) FROM OPERATIONS | (892,188) | 33,292 | (965,915) |
| OTHER INCOME | | | |
| Interest income | 90,000 | 390,266 | 277,858 |
| Miscellaneous revenue | 40,000 | 1,271 | 11,510 |
| | 130,000 | 391,537 | 289,368 |
| ANNUAL SURPLUS (DEFICIT) | \$ (762,188) | \$ 424,829 | \$ (676,547) |

See notes to financial statements

EASTERN REGIONAL SERVICE BOARD
Statement of Cash Flows
Year Ended December 31, 2023

| | 2023 | 2022 |
|---|---------------------|---------------------|
| OPERATING ACTIVITIES | | |
| Annual surplus (deficit) | \$ 424,829 | \$ (676,547) |
| Item not affecting cash: | | |
| Amortization of tangible capital assets | 512,188 | 621,922 |
| | 937,017 | (54,625) |
| Changes in non-cash working capital: | | |
| Accounts receivable | (265,095) | (69,659) |
| Accounts payable | 20,269 | 23,626 |
| Deferred revenue | 1,000,000 | (80,000) |
| Prepaid expenses | 1,926 | (34,594) |
| Harmonized sales tax receivable | 455,735 | (488,201) |
| Employee deductions payable | (1,123) | (12,020) |
| Bid and performance bonds | (52,410) | 21,581 |
| Accrued severance | 38,783 | 30,636 |
| | 1,198,085 | (608,631) |
| Cash flow from (used by) operating activities | 2,135,102 | (663,256) |
| INVESTING ACTIVITY | | |
| Purchase of tangible capital assets | (473,623) | (136,705) |
| Cash flow used by investing activity | (473,623) | (136,705) |
| INCREASE (DECREASE) IN CASH FLOW | 1,661,479 | (799,961) |
| Cash - beginning of year | 3,657,346 | 4,457,307 |
| CASH - END OF YEAR | \$ 5,318,825 | \$ 3,657,346 |
| CASH FLOWS SUPPLEMENTARY INFORMATION | | |
| Interest received | \$ (390,266) | \$ (277,858) |
| Interest paid | \$ 28,503 | \$ 27,016 |

See notes to financial statements

EASTERN REGIONAL SERVICE BOARD

Notes to Financial Statements

Year Ended December 31, 2023

1. PURPOSE OF THE ORGANIZATION

The Eastern Regional Service Board (the "organization") was established in September of 2011 by the Province of Newfoundland under the authority of the Regional Services Board Act, 2012. The organization has been given the mandate to modernize the waste management system in the region, develop regional fire protection and work with several clusters of communities to improve drinking water and waste water treatment under the Community Sustainability Partnership.

In order to fulfill these mandates the organization has completed a network of infrastructure for the waste management system including a transfer station in Clarenville and ten waste recovery facilities (including one at the Clarenville site). To assist communities with drinking water and waste water treatment the organization has hired an engineer to provide advice to communities. As a service provider for fire protection the organization has contracted with one municipality to provide services through their volunteer fire department in the unincorporated area adjacent to the municipality.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian public sector accounting standards (PSAS).

Revenue recognition

Government transfers with stipulations restricting their use are recognized as revenue when the transfer is authorized and the eligibility criteria are met, except when and to the extent the transfer gives rise to an obligation that constitutes a liability. When the transfer gives rise to an obligation that constitutes a liability, the transfer is recognized in revenue when the liability is settled.

Tipping and waste management fees are recognized as revenues as the services are provided in the related period, and when collection is reasonably assured.

Interest is recognized as earned. Other revenues are recognized when earned, collection is reasonably assured and a reasonable estimate can be determined of the amounts.

Cash and cash equivalents

Cash and cash equivalents include balances with the bank and investments held in cashable guaranteed investment certificates. Cashable guaranteed investment certificates are valued at cost plus accrued interest.

(continues)

EASTERN REGIONAL SERVICE BOARD

Notes to Financial Statements

Year Ended December 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives at the following rates and methods:

| | | |
|-------------------------|---------|--------------------------|
| Land | | non-depreciable |
| Buildings | 4% | declining balance method |
| Furniture and equipment | 20% | declining balance method |
| Computer equipment | 55% | declining balance method |
| Computer software | 100% | declining balance method |
| Heavy equipment | 30% | declining balance method |
| Leasehold improvements | 5 years | straight-line method |
| Motor vehicles | 30% | declining balance method |

The organization regularly reviews its tangible capital assets to eliminate obsolete items. Government grants are treated as a reduction of tangible capital assets cost.

Impairment of long lived assets

The organization tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

Non-financial assets

Non-financial assets include tangible capital assets and prepaid expenses used to provide services in future periods. These assets do not normally provide resources to discharge the liabilities of the organization unless they are sold.

Deferred revenue

Deferred revenue is comprised of revenue amounts that are received in advance of the services being provided.

Severance

The organization accounts for severance pay on an accrual basis. Severance benefits are provided to employees upon cessation of employment.

Measurement uncertainty

The preparation of financial statements in conformity with PSAS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Significant items subject to estimates include amortization of tangible capital assets and valuation of accounts receivable. Actual results could differ from these estimates.

EASTERN REGIONAL SERVICE BOARD

Notes to Financial Statements

Year Ended December 31, 2023

3. CASH AND CASH EQUIVALENTS

| | 2023 | 2022 |
|------------------------------------|---------------------|---------------------|
| Cash in bank | \$ 2,913,573 | \$ 1,336,167 |
| Guaranteed investment certificates | 2,405,252 | 2,321,179 |
| | \$ 5,318,825 | \$ 3,657,346 |

Cash and cash equivalents are internally restricted to:

| | | |
|----------------------------------|---------------------|------------------|
| Capital reserve - Regional | 2,376,234 | 2,376,234 |
| Capital reserve - Curbside | 430,000 | 430,000 |
| Operational reserve | 1,740,000 | 1,740,000 |
| Unappropriated surplus (deficit) | 772,591 | (888,888) |
| | \$ 5,318,825 | 3,657,346 |

4. ACCOUNTS RECEIVABLE

| | 2023 | 2022 |
|----------------------------------|---------------------|-------------------|
| Waste management fees receivable | \$ 3,175,367 | \$ 2,619,837 |
| Allowance for doubtful accounts | (1,997,759) | (1,707,324) |
| | \$ 1,177,608 | \$ 912,513 |

5. TANGIBLE CAPITAL ASSETS

| | Cost | Accumulated amortization | 2023 Net book value | 2022 Net book value |
|-------------------------|----------------------|-----------------------------|------------------------------------|------------------------------------|
| Land | \$ 2,288,126 | \$ - | \$ 2,288,126 | \$ 2,288,126 |
| Buildings | 2,256,075 | 520,697 | 1,735,378 | 1,707,183 |
| Motor vehicles | 304,435 | 224,544 | 79,891 | 114,130 |
| Computer equipment | 67,645 | 64,718 | 2,927 | 6,504 |
| Computer software | 5,544 | 5,544 | - | - |
| Heavy equipment | 6,341,897 | 5,203,434 | 1,138,463 | 1,171,683 |
| Furniture and equipment | 191,061 | 108,128 | 82,933 | 78,657 |
| Leasehold improvements | 3,106 | 3,106 | - | - |
| | \$ 11,457,889 | \$ 6,130,171 | \$ 5,327,718 | \$ 5,366,283 |

EASTERN REGIONAL SERVICE BOARD

Notes to Financial Statements

Year Ended December 31, 2023

6. ACCOUNTS PAYABLE

| | 2023 | 2022 |
|----------------|-------------------|-------------------|
| Trade payables | \$ 426,921 | \$ 391,123 |
| Other accruals | 192,067 | 207,598 |
| | \$ 618,988 | \$ 598,721 |

7. ACCRUED SEVERANCE

| | 2023 | 2022 |
|-------------------|-------------|------------|
| Accrued severance | \$ 298,434 | \$ 259,651 |

The organization provides severance benefits to employees upon cessation of employment. Permanent employees become eligible following 5 years of service. The amount of severance is obtained by multiplying the number of years of continuous service by the employee's weekly salary to a maximum of twenty (20) weeks' pay, unless otherwise negotiated by an employment contract.

8. DEFERRED REVENUE

| | 2023 | 2022 |
|--|---------------------|------------------|
| Regional Water/Wastewater Operator Program | \$ 20,000 | \$ 20,000 |
| Tipping fees - 2024 | 1,000,000 | - |
| | \$ 1,020,000 | \$ 20,000 |

In 2023, the organization received \$80,000 from the Provincial government to fund a Regional Water/Wastewater Operator Pilot Program. At December 31, 2023, \$20,000 of this funding was deferred.

EASTERN REGIONAL SERVICE BOARD

Notes to Financial Statements

Year Ended December 31, 2023

9. ACCUMULATED SURPLUS

In addition to investments in tangible capital assets, the board has set up reserves from the accumulated surplus to ensure future obligations of the organization can be met. These reserves are internally restricted by the board to be used only for the purpose for which they are set up. The board allocates funds to these reserves as deemed necessary.

| | 2023 | 2022 |
|---|----------------------|---------------------|
| <u>The accumulated surplus consists of the following:</u> | | |
| Invested in tangible capital assets | \$ 5,327,718 | \$ 5,366,283 |
| Capital reserve - Regional | 2,376,234 | 2,376,234 |
| Capital reserve - Curbside | 430,000 | 430,000 |
| Operational reserve | 1,740,000 | 1,740,000 |
| Unappropriated surplus (deficit) | 434,139 | (29,256) |
| | <u>\$ 10,308,091</u> | <u>\$ 9,883,261</u> |

- The regional capital reserve was established for building and equipment replacements and future site closures for waste recovery facilities, transfer station and regional equipment.
- The curbside capital reserve was established for equipment replacement and unforeseen expenses for the curbside collection program. The organization ceased the curbside collection program during fiscal 2020.
- The operational reserve was established for funding of operating deficits and for unbudgeted/unforeseen expenses.

10. COMMITMENTS

a) During the year, the organization committed to the purchase of a trailer totaling \$292,229, of which \$175,337 is outstanding at December 31, 2023 and due on delivery of the unit in 2024.

b) The organization has a long term lease with respect to its premises, which expires March 31, 2024. Future minimum lease payments, excluding HST, as at December 31, 2023, are as follows:

| | |
|------|-----------|
| 2024 | \$ 19,252 |
|------|-----------|

11. TIPPING FEES

The Government of Newfoundland and Labrador has officially designated the Robin Hood Bay Waste Management Facility, which is owned and operated by the City of St. John's, as the site for the Eastern Region's Integrated Waste Management Facility. Eastern Regional Service Board contracts with the City of St. John's to provide waste disposal services for other municipalities in the Eastern Region.

Tipping fees charged per tonne at the Robin Hood Bay Waste Management Facility are determined annually by Eastern Regional Service Board based on estimated tonnage and budgeted costs to operate both Eastern Regional Service Board and the Robin Hood Bay Waste Management Facility. Operational funding is provided to Eastern Regional Service Board from tipping fees collected from facility users to the extent required in its annual budget.

EASTERN REGIONAL SERVICE BOARD

Notes to Financial Statements

Year Ended December 31, 2023

12. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of December 31, 2023.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from customers. In order to reduce its credit risk, the organization reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The organization has a significant number of customers which minimizes concentration of credit risk.

13. BUDGET

The organization approves a budget each fiscal year which is prepared on a revenue and expenditure basis, so does not meet the requirements of PSAS. The reconciliation of the organization's cash based budget to the PSAS accrual based budget presented in these financial statements is disclosed in Schedule 1.

EASTERN REGION SERVICE BOARD

Reconciliation of Board Budget to PSAS Budget

(Schedule 1)

Year Ended December 31, 2023

| | Board Budget | Amortization | Reserves | PSAS Budget |
|--|---------------------|---------------------|------------------|----------------------|
| REVENUES | | | | |
| Clarenville transfer station | \$ 404,697 | \$ | \$ | \$ 404,697 |
| Government grants | 75,000 | | | 75,000 |
| Tipping fees | 4,000,000 | | | 4,000,000 |
| Waste management fees | 4,525,800 | | | 4,525,800 |
| Metals recycling revenue | 160,840 | | | 160,840 |
| Fire and emergency services revenue | 105,000 | | | 105,000 |
| Interest | 90,000 | | | 90,000 |
| Reserve funding | 250,000 | | (250,000) | - |
| Miscellaneous revenue | 40,000 | | | 40,000 |
| | 9,651,337 | - | (250,000) | 9,401,337 |
| EXPENSES | | | | |
| Advertising and promotion | 50,000 | | | 50,000 |
| Amortization | | 512,188 | | 512,188 |
| Bad debts | 90,000 | | | 90,000 |
| Business taxes, licenses and memberships | 28,800 | | | 28,800 |
| Directors fees | 100,000 | | | 100,000 |
| Insurance | 174,000 | | | 174,000 |
| Interest and bank charges | 44,100 | | | 44,100 |
| Office | 111,410 | | | 111,410 |
| Professional fees | 177,838 | | | 177,838 |
| Regional waste management operations | 461,941 | | | 461,941 |
| Rental | 86,000 | | | 86,000 |
| Repairs and maintenance | 150,943 | | | 150,943 |
| Salaries and wages | 2,418,149 | | | 2,418,149 |
| Tipping fees Clarenville | 462,870 | | | 462,870 |
| Telephone | 136,500 | | | 136,500 |
| Training | 79,500 | | | 79,500 |
| Travel | 42,500 | | | 42,500 |
| Vehicle | 919,173 | | | 919,173 |
| Waste collection operations | 4,117,613 | | | 4,117,613 |
| | \$ 9,651,337 | \$ 512,188 | \$ - | \$ 10,163,525 |
| DEFICIT FROM OPERATIONS | | | | \$ (762,188) |