

# **C.A. Pippy Park Commission**

Annual Report 2023-24



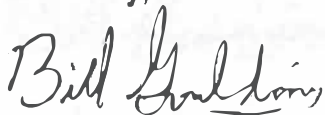
## Message from the Chair

As Chair of the C.A. Pippy Park Commission, I am pleased to present the Annual Report for the fiscal year 2023-24 as a category 2 entity in accordance with the **Transparency and Accountability Act**. This report outlines the accomplishments of the Commission in relation to the objectives established in the second year of its 2023-26 Business Plan. As Chairperson of the Board, my signature indicates the Board's accountability for the preparation of the report and results reported throughout this document.

Thousands of people visit the Park annually to walk, run, snowshoe, cross-country ski, bike, golf, camp, garden, read, and relax. In anticipation of the 2025 Canada Games, the Park received \$900,000 in Budget 2024 to make key improvements and an additional \$450,000 in Budget 2025 to complete the work. With this funding we are upgrading the four comfort stations in the campground, paving roads in the park, upgrading the electrical system, installing additional Wi-Fi in the campgrounds so that free internet access is available throughout, and improving recreational services.

The Commission continues to have excellent relationships with partner organizations such as Memorial University of Newfoundland and the City of St. John's. In consultation with our partners, the Commission is striving to provide a modern and sustainable park environment while meeting the needs of visitors and clients. I would also like to thank our partners, park users, and the Provincial Government for its continued support. Notably, as the majority of their terms expired during the reporting period, I wish to extend thanks to the previous Board and my predecessor for providing thoughtful insight and direction in making decisions while maintaining the core values on which Pippy Park was established.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Goulding". The signature is fluid and cursive, with the first name "Bill" being more prominent.

**Bill Goulding, P.Eng.**

Chairperson for the C.A. Pippy Park Commission





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## Entity Overview

### Organizational Structure

The C.A. Pippy Park Commission (PPC) is a Crown corporation established under the **Pippy Park Commission Act** which reports to the House of Assembly through the Minister of Tourism, Culture, Arts and Recreation. Members of its Board of Directors are responsible for the administration of the PPC's business affairs. The Chairperson of the Board assumes responsibility as the official head of the PPC in accordance with section 8 of the **Pippy Park Commission Act**.

For additional information on the Park's Mandate, Vision, and Lines of Business visit the 2023-26 Business Plan at the following link: [PPC-2023-26-Business-Plan.pdf](#).

### Staff and Budget

The PPC employs six full-time employees for administration and maintenance. During peak operations, the PPC employs up to 35 employees, both seasonal and student staff, for grounds maintenance and operation of the Pippy Park Campground. Its subsidiary, the C.A. Pippy Park Golf Course Limited, employs up to an additional 25 employees to operate the golf operations and the Admirals Green Clubhouse. Two of these employees are employed full-time with remaining employees employed seasonally.



#### Commission Employees

Six full-time  
Up to 35 Seasonal Employees



#### Golf Operations Employees

Two full-time  
Up to 23 Seasonal Employees

The fiscal year of the PPC is April 1 - March 31. During fiscal 2023-24, the PPC operated primarily from revenue of \$3,683,060, whereas expenses during the same period were \$3,081,576. Audited financial statements are provided at the end of the annual report.

## Board of Directors

The PPC Board of Directors is comprised of eight members. Board members are appointed in accordance with section 4 of the **Pippy Park Commission Act**. Six of the eight members are appointed by the Lieutenant-Governor in Council through a merit-based process in accordance with the **Independent Appointments Commission Act**. Of those positions, one is appointed in consultation with the Pippy Family. The remaining two members, which are not appointed by the Lieutenant-Governor in Council, include one individual appointed by the City of St. John's and one individual appointed by Memorial University of Newfoundland's Board of Regents. Below is a list of Board members, as of March 31, 2024, and their affiliation:

1. Mr. Sean Kelly, Chairperson
2. Ms. Pam Pippy, Vice-Chairperson and Pippy Family Representative
3. Mr. Rick Gill
4. Mr. Jason Brown
5. Mr. Jerry English
6. Ms. Rayna Luther, Memorial University Representative
7. Mr. Jamie Korab, City of St. John's Representative
8. Mr. Brent Meade

## Physical Location

Located within the City of St. John's, the Park 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. The area of Pippy Park is approximately 1,375 hectares, making it one of the largest urban parks in Canada. To see detailed maps of the Park, please visit:

<https://www.pippypark.com/maps/>

## Highlights and Partnerships

### Highlights

Since 2022, Pippy Park has seen a large increase in bookings at the campground and in the use of its rental facilities where numbers have almost doubled since our first year post-pandemic. The Park's open spaces and trails continued to be heavily utilized by the public as they looked for ways to remain active. In particular, the Three Pond Barrens area saw increased numbers of walkers, skiers, snowshoers, and bikers. The COVID-19 pandemic has highlighted the importance of the Park's open spaces and the desire to be active.

An exciting highlight that occurred during 2023-24 was the commitment between the City of St. John's, the 2025 Canada Games Committee and the PPC, to incorporate the Three Pond Barren Trail network into the Canada Games framework of activities, to create a Mountain Bike course that would be used as part of the races but then also left as a legacy from the games for users beyond the life of the Canada Games.

Another highlight for 2023-24 is the commitment by the Pippy Park Golf Course (PPGC) Committee to install a new driving range to enhance the golfer experience for both the 18-hole Admiral's Green and 9-hole Captain's Hill golf course. Since the 2023 season, the Golf Courses at Pippy Park have seen a combined increase of over 34 percent in rounds played from 25,583 to 34,284 rounds. Most of these rounds are attributed to the PPGC offering free golf to its junior golfers that play the Admiral's Green 9-hole course.

### Partnerships

A key partnership during 2023-24 was with the City of St. John's. Throughout the winter, the City of St. John's operates the winter activity program from the North Bank Lodge, which includes cross-country skiing and snowshoeing. Despite poor winter weather conditions, over 1,500 people rented equipment this past year.

## Report on Performance

### Issue # 1: Enhanced Experience for Park Visitors

The PPC aims to enhance its user experience by providing accessible information on Park activities to the public and undertaking significant work for the overall improvements in the Park infrastructure to service its clients better. The Park has seen an increase in the use of its facilities, from camping and golfing to use of its open spaces and multi-use trail networks. This is an exciting time for Pippy Park as the 2025 Canada Summer Games are being hosted by the City of St. John's for the first time since 1977 with the mountain biking portion of the games to be held in Pippy Park. This will also be an opportunity to display all the Park has to offer and to celebrate the fact that the campground was constructed in 1977 to provide accommodations for the Canada Games.

### Goal

By March 31, 2026, PPC will have implemented a number of initiatives aimed at providing an enhanced visitor experience.

### 2023-24 Objective

By March 31, 2024, the C.A. Pippy Park Commission will have completed improvements toward overall visitor experiences.

**Indicator 1: Enhanced the PPC's social media and online presence in an effort to better communicate with its clients and make available the option for online campsite reservations.**

The PPC continued its partnership with the Office of the Chief Information Officer (OCIO) to upgrade computer systems and information technology support to provide a more efficient means to access the Park's activities. An example of this was the implementation of a new online booking system to book golf tee-times at Pippy Park's two golf courses: the 9-hole Captain's Hill and 18-hole Admiral's Green.

**Indicator 2: Acquired new software for the campground to allow the ability to make online reservations.**

During the reporting period, the PPC incorporated a new upgrade in 2023 from the previous ROS 2006 software. The new software called Rez Expert, allowed for online reservations with the ability for customers to make payments securely. The software also provides 24-hour tech support, which the former no longer provided, while also providing the ability to distribute marketing and promotion emails.

**Indicator 3: Additional use of social media to attract users to the Campground.**

Throughout the 2023 season, great emphasis was placed on general public outreach regarding the park camp grounds and amenities within. The PPC placed advertisements with NTV, Explore RV Travel Guide, Travel Tourism Guide (NL) and Rustic Campground, which is a magazine distributed throughout Atlantic Canada.

**Indicator 4: Worked towards improving the multi-use trail systems to enhance the user experience.**

The PPC continued to make improvements and supported groups such as Bicycle Newfoundland and Labrador, Avalon Mountain Bike Association, and Avalon Nordic by enhancing the multi-use trail systems in Pippy Park. Improvement examples include grooming trails for skiers, snowshoers, and snow bikers.

The groups listed above have leveraged funding and volunteer efforts to enhance the trail systems for all seasons and make the trails safer and more accessible.

**Indicator 5: Upgraded the infrastructure and facilities to provide improved service and amenities.**

In 2023-24, the PPC upgraded infrastructure and facilities, including:

- The North Bank Lodge underwent a number of upgrades that included the installation of high speed internet and Wi-Fi for guests and customers, structural repairs to the outside traditional charcoal BBQ, and the installation of energy efficient LED lighting and new security cameras.
- The PPC installed a new air exchanger at one of its rental properties at 213 Mt. Scio Road.

**Indicator 6: Improved signage to easily navigate the Parks and its amenities; and provide easy to understand directions for visitors.**

The PPC installed additional signage throughout the Campground and at various locations in the Park. This new signage will inform visitors on how to find services and which activities are not permitted in the Park.

The trail signage, in particular, informed users that Pippy Park trails are multi-use, and therefore no ATV's are permitted, that loitering and hunting are prohibited, and that trail users must be respectful of others and their surroundings.

**Discussion of the Results**

During 2023-24, the PPC was successful in achieving all of its intended outcomes. The PPC's goal aims at enhancing the user experience via accessible information on Park activities to the public while undertaking significant work for the overall improvements in the Park infrastructure to serve its clients better. With the increased demand for open space for activities such as family camping, hiking, cycling, skiing, the importance of Pippy Park and its multi-use trail networks is increasing in demand. The reporting period saw the PPC provide enhancements to the Wi-Fi service in the campground, improved multi-use trail systems, and make information about the park and services more accessible online.



## 2024-25 Objective and Indicators

By March 31, 2025, the C.A. Pippy Park Commission will have completed improvements toward overall visitor experiences.

**Indicator 1:** Strategically leveraged the PPC's online and social media presence to enhance communication and awareness for new and returning visitors.

**Indicator 2:** Implemented new software for the campground to allow for efficient user-friendly services.

**Indicator 3:** Improved the multi-use trail systems to enhance the user experience.

**Indicator 4:** Advanced upgrades to infrastructure and facilities to enhance park services and amenities.

**Indicator 5:** Improved signage to easily navigate the Parks and its amenities, and provide easy to understand directions for visitors.

## Opportunities and Challenges

As we have progressed beyond the COVID-19 pandemic, the PPC has seen an increase in campground usage and North Bank Lodge rental requests. The North Bank Lodge offers a unique user experience for customers availing of its location and amenities. The Lodge further provides an intimate setting for gatherings within the lodge but also provides multiple opportunities for outdoor functions. Even though the North Bank Lodge provides many amenities to its customers, there is an opportunity to further enhance the visitor experience and expand its rental usage. With the addition of a Heating Ventilation and Air Conditioning unit, the Lodge is anticipated to provide a more comfortable user experience for its visitors. An anticipated challenge with this opportunity is maintaining the current customer rental bookings while ensuring the installation of the unit or units is completed with minimal disruption. With proper planning for the review and installation of the unit or units, this challenge can be addressed, and result in further use of the Lodge.

## **Financial Information**

**C.A. PIPPY PARK COMMISSION  
CONSOLIDATED FINANCIAL STATEMENTS  
MARCH 31, 2024**

## **Management's Report**

### **Management's Responsibility for the C.A. Pippy Park Commission Consolidated Financial Statements**

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the consolidated financial statements, and for ensuring that this information is consistent, where appropriate, with the information contained in the consolidated financial statements.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that transactions are properly authorized, assets are safeguarded and liabilities are recognized. Management is also responsible for ensuring that transactions comply with relevant policies and authorities and are properly recorded to produce timely and reliable financial information.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial information periodically and external audited consolidated financial statements yearly.

The Auditor General conducts an independent audit of the annual consolidated financial statements of the Corporation in accordance with Canadian generally accepted auditing standards, in order to express an opinion thereon. The Auditor General has full and free access to financial management of the C.A. Pippy Park Commission.

On behalf of the C.A. Pippy Park Commission.



Mr. Keith O'Driscoll  
Manager of Park Operations



OFFICE OF THE AUDITOR GENERAL  
NEWFOUNDLAND AND LABRADOR

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
C.A. Pippy Park Commission  
St. John's, Newfoundland and Labrador

### Opinion

I have audited the consolidated financial statements of C.A. Pippy Park Commission and its subsidiary (the Group), which comprise the consolidated statement of financial position as at March 31, 2024, and the consolidated statements of operations, change in net financial assets (debt) and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2024, and the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of my report. I am independent of the Group in accordance with the ethical requirements that are relevant to my audit of the consolidated financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.



### **Independent Auditor's Report (cont.)**

In connection with my audit of the consolidated financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated. When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance.

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

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

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

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

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

My objectives are to obtain reasonable assurance about whether the consolidated 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 my 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 my 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.

### **Independent Auditor's Report (cont.)**

- 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 Group'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 Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I 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 I identify during my audit.



**DENISE HANRAHAN, CPA, MBA, ICD.D**  
**Auditor General**

April 25, 2025  
St. John's, Newfoundland and Labrador

**C.A. PIPPY PARK COMMISSION**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As at March 31**

**2024**

**2023**

**FINANCIAL ASSETS**

Cash	<b>\$ 1,659,901</b>	\$ 1,151,479
Accounts receivable (Note 3)	<b>88,777</b>	61,018
Inventories held for resale	<b>19,890</b>	13,095
	<b>1,768,568</b>	1,225,592

**LIABILITIES**

Accounts payable and accrued liabilities	<b>238,367</b>	180,430
Deferred revenue (Note 4)	<b>348,008</b>	382,110
Asset retirement obligation (Note 5)	<b>472,503</b>	472,503
Long term debt (Note 6)	<b>125,029</b>	64,659
Employee future benefits (Note 7)	<b>44,844</b>	50,226

**1,228,751**      1,149,928

**Net financial assets**      **539,817**      75,664

**NON-FINANCIAL ASSETS**

Prepaid expenses	<b>5,182</b>	2,952
Inventories held for use	<b>96,720</b>	50,985
Tangible capital assets (Note 8)	<b>8,452,464</b>	8,363,098

**8,554,366**      8,417,035

**Accumulated surplus**      **\$ 9,094,183**      \$ 8,492,699

**Contractual obligations (Note 13)**

**Contractual rights (Note 14)**

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

Signed on behalf of the Board:

  
Chairperson

  
Member

**C.A. PIPPY PARK COMMISSION**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
**For the Year Ended March 31**

	<b>2024 Budget</b>	<b>2024 Actual</b>	<b>2023 Actual</b>
	<b>Unaudited (Note 16)</b>		
<b>REVENUES (Note 10)</b>			
Province of Newfoundland and Labrador			
Operating grant	\$ 305,400	\$ 305,400	\$ 263,500
Golf course (Note 11)	1,661,510	1,957,777	1,546,400
Campground (Note 12)	773,500	774,562	713,348
Services	333,000	332,492	315,857
Rental	128,000	122,839	131,009
Government of Canada	18,000	19,492	110,216
Miscellaneous	53,333	56,934	54,801
Interest	60,000	106,470	57,551
Advertising	15,000	7,094	7,244
	<b>3,347,743</b>	<b>3,683,060</b>	<b>3,199,926</b>
<b>EXPENSES (Note 10)</b>			
Golf course	1,352,460	1,482,859	1,339,146
Campground	357,275	362,066	352,799
General park	563,225	560,528	670,092
Administration	677,079	676,123	680,701
	<b>2,950,039</b>	<b>3,081,576</b>	<b>3,042,738</b>
<b>Annual surplus before gain on disposal of tangible capital assets</b>	<b>397,704</b>	<b>601,484</b>	<b>157,188</b>
<b>Gain on disposal of tangible capital assets</b>	<b>-</b>	<b>-</b>	<b>2,519</b>
<b>Annual surplus</b>	<b>397,704</b>	<b>601,484</b>	<b>159,707</b>
<b>Accumulated surplus, beginning of year</b>	<b>8,492,699</b>	<b>8,492,699</b>	<b>8,332,992</b>
<b>Accumulated surplus, end of year</b>	<b>\$ 8,890,403</b>	<b>\$ 9,094,183</b>	<b>\$ 8,492,699</b>

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



**C.A. PIPPY PARK COMMISSION**  
**CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (DEBT)**  
For the Year Ended March 31

	2024 Budget	2024 Actual	2023 Actual
	Unaudited (Note 16)		
Annual surplus	\$ 397,704	\$ 601,484	\$ 159,707
<b>Changes in tangible capital assets</b>			
Acquisition of tangible capital assets	(142,874)	(311,489)	(201,694)
Net book value of tangible capital asset disposal	-	-	959
Amortization of tangible capital assets	198,916	222,123	190,320
	56,042	(89,366)	(10,415)
<b>Changes in other non-financial assets</b>			
Net (acquisition) use of prepaid expenses	-	(2,230)	26,087
Net acquisition of inventories held for use	-	(45,735)	(26,802)
	-	(47,965)	(715)
<b>Increase in net financial assets</b>	<b>453,746</b>	<b>464,153</b>	<b>148,577</b>
<b>Net financial assets (debt), beginning of year</b>	<b>75,664</b>	<b>75,664</b>	<b>(72,913)</b>
<b>Net financial assets, end of year</b>	<b>\$ 529,410</b>	<b>\$ 539,817</b>	<b>\$ 75,664</b>

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

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

	2024	2023
<b>Cash flows from operating activities</b>		
Annual surplus	\$ 601,484	\$ 159,707
Adjustment for non-cash items		
Amortization	222,123	190,320
Gain on disposal of tangible capital assets	-	(2,519)
	<b>823,607</b>	<b>347,508</b>
Changes in non-cash working capital		
Accounts receivable	(27,759)	1,335
Inventories held for resale	(6,795)	946
Prepaid expenses	(2,230)	26,087
Inventories held for use	(45,735)	(26,802)
Accounts payable and accrued liabilities	57,937	13,951
Deferred revenue	(34,102)	109,463
Employee future benefits	(5,382)	1,325
<b>Cash provided from operating transactions</b>	<b>759,541</b>	<b>473,813</b>
<b>Capital transactions</b>		
Proceeds from disposal of tangible capital assets	-	3,478
Acquisition of tangible capital assets	(311,489)	(201,694)
<b>Cash applied to capital transactions</b>	<b>(311,489)</b>	<b>(198,216)</b>
<b>Financing transactions</b>		
Proceeds from bank loan	109,000	-
Repayment of bank loan	(48,630)	(26,831)
<b>Cash provided from (applied to) financing transactions</b>	<b>60,370</b>	<b>(26,831)</b>
<b>Net increase in cash</b>	<b>508,422</b>	<b>248,766</b>
<b>Cash, beginning of year</b>	<b>1,151,479</b>	<b>902,713</b>
<b>Cash, end of year</b>	<b>\$ 1,659,901</b>	<b>\$ 1,151,479</b>

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

**C.A. PIPPY PARK COMMISSION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**March 31, 2024**

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**1. Nature of operations**

The C.A. Pippy Park Commission (the Commission) was incorporated in 1968 and operates under the 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 January 6, 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.

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.

**2. Summary of significant accounting policies**

**(a) Basis of accounting**

The Commission is classified as an Other Government Organization as defined by Canadian public sector accounting standards (CPSAS). These consolidated financial statements are prepared by management in accordance with CPSAS for provincial reporting entities established by the Public Sector Accounting Board (PSAB). The Commission does not prepare a statement of remeasurement gains and losses as the Commission does not enter into relevant transactions or circumstances that are addressed by that statement.

The consolidated financial statements include the assets, liabilities and accumulated surplus 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. Outlined below are the significant accounting policies followed.

**(b) Financial instruments**

The Commission's financial instruments recognized in the consolidated statement of financial position consist of cash, accounts receivable, accounts payable and accrued liabilities and long-term debt. The Commission generally recognizes a financial instrument when it enters into a contract which creates a financial asset or financial liability. Financial assets and financial liabilities are initially measured at cost, which is the fair value at the time of acquisition.



**C.A. PIPPY PARK COMMISSION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**March 31, 2024**

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**2. Summary of significant accounting policies (cont.)**

**(b) Financial instruments (cont.)**

The Commission subsequently measures all of its financial assets and financial liabilities at cost or amortized cost. Of the financial assets, cash is measured at cost while accounts receivable is measured at amortized cost. Financial liabilities measured at cost include accounts payable and accrued liabilities. Long-term debt is measured at amortized cost.

The carrying values of cash, accounts receivable, accounts payable and accrued liabilities and long-term debt approximate current fair value due to their nature and/or the short-term maturity associated with these instruments.

Interest attributable to financial instruments is reported on the consolidated statement of operations.

**(c) Cash**

Cash includes cash in bank and cash on hand.

**(d) Tangible capital assets**

All tangible capital assets are recorded at cost at the time of acquisition, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets.

The cost, less residual value, of the tangible capital assets, is amortized using the declining balance method over the expected useful lives, except in the year of acquisition when one half of the rate is used. Rates are as follows:

Furniture and equipment	30%
Vehicles	30%
Buildings and building improvements	10%
Park improvements	10%
Golf course improvements	10%

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 Commission use, cost is allocated between land and buildings.

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**2. Summary of significant accounting policies (cont.)**

**(d) Tangible capital assets (cont.)**

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Commission's ability to provide services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations.

**(e) Inventories held for resale**

Inventories held for resale, including confectionary and golf supplies, are recorded at the lower of cost and net realizable value. Cost is determined on a first-in, first-out basis.

**(f) Inventories held for use**

Inventories held for use include supplies and are recorded at the lower of historical cost and replacement cost.

**(g) Prepaid expenses**

Prepaid expenses are recorded as an expense over the periods expected to benefit from the prepayment.

**(h) Employee future benefits**

- (i) The employees of the Commission are subject to the Public Service Pensions Act, 2019. Employee contributions are matched by the Commission and remitted to Provident<sup>10</sup> from which pensions will be paid to employees when they retire. This pension plan is a multi-employer defined benefit plan, providing a pension on retirement based on the member's age at retirement, length of service and the average of their best six years of earnings for service on or after January 1, 2015, and, for service before January 1, 2015, the higher of the average of the frozen best five years of earnings up to January 1, 2015, or the average of the best six years of earnings for all service.

The matched contributions paid by the Commission are recorded as an expense for the year.

- (ii) The Commission provides accumulating, non-vesting sick leave benefits to its employees. The Commission has made a provision in the accounts for the payment of accumulating non-vesting sick leave benefits for employees which is based upon the Commission's best estimate of the probability of the employees utilizing the benefits and current salary levels. The accumulating non-vesting sick leave benefits cease upon termination of employment with the Commission.



**2. Summary of significant accounting policies (cont.)**

**(i) Revenues**

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Revenue related to fees or services received in advance of the fee being earned or the service being performed is deferred and recognized as revenue in the fiscal year the fee is earned or the service is performed.

The Commission recognizes government transfers as revenues when the transfer is authorized and any eligibility criteria are met, except when and to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the consolidated statement of operations as the stipulations related to the liabilities are settled. Government transfers consist of an operating grant from the Province of Newfoundland and Labrador and a grant from the Government of Canada.

Revenue from clubhouse rentals is recorded when the performance obligation of hosting the event has been satisfied.

There is no revenue from non-recurring activities presented in these financial statements.

**(j) Expenses**

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is recorded as an expense in that year.

**(k) Measurement uncertainty**

The preparation of consolidated financial statements in conformity with CPSAS requires management to make estimates and assumptions that affect the reporting amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the consolidated financial statements and the reported amounts of the revenues and expenses during the period. Items requiring the use of significant estimates include the expected future life of tangible capital assets, asset retirement obligations and estimated employee future benefits.

Estimates are based on the best information available at the time of preparation of the consolidated financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these consolidated financial statements. Actual results could differ from these estimates.

**C.A. PIPPY PARK COMMISSION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**2. Summary of significant accounting policies (cont.)**

**(I) Asset retirement obligations**

Asset retirement obligations are legal obligations associated with the retirement of tangible capital assets, such as asbestos removal in retired buildings. The asset retirement obligation is initially measured using the best estimate of the amount required to retire a tangible capital asset at the financial statement date.

The Commission reconsiders the carrying amount of the liability for an asset retirement obligation at each financial reporting date as new information becomes available regarding the estimated cost to settle the liability.

Due to the uncertainty of building retirement dates and the large range of retirement for other assets, the Commission has not discounted the costs associated with asset retirement obligations and cannot reliably estimate the timing of expenditures.

**3. Accounts receivable**

	<u>2024</u>	<u>2023</u>
Trade	\$ 54,157	\$ 26,985
Harmonized sales tax	34,620	34,033
	<u>\$ 88,777</u>	<u>\$ 61,018</u>

**4. Deferred revenue**

	<u>2024</u>	<u>2023</u>
Golf course	\$ 239,393	\$ 269,154
Clubhouse	89,361	94,092
Rental	18,591	17,990
Other	663	874
	<u>\$ 348,008</u>	<u>\$ 382,110</u>

Golf course deferred revenue relates to golf packages and gift certificates sold during the fiscal year that relate to the 2024 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 and property lease payments received that relates to the 2024-25 fiscal year. Other deferred revenue relates to deposits received on reservations at the Courtyard for future periods.

**C.A. PIPPY PARK COMMISSION**  
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**5. Asset retirement obligations**

	<u><b>2024</b></u>	<u><b>2023</b></u>
Golf course Improvements	\$ <b>503</b>	\$ 503
Buildings – Golf Course	<b>19,670</b>	19,670
Fuel Tanks – Golf Course	<b>10,000</b>	10,000
Buildings – Commission	<b>432,330</b>	432,330
Fuel Tanks – Commission	<b>10,000</b>	10,000
	<hr/> <b>\$ 472,503</b>	<hr/> <b>\$ 472,503</b>

The Commission has recorded asset retirement costs related to ten local buildings and five fuel tanks owned by the Commission. The Golf Course has recorded asset retirement costs related to three local buildings and five fuel tanks owned by the Golf Course.

**6. Long-term debt**

	<u><b>2024</b></u>	<u><b>2023</b></u>
Non-revolving Demand Instalment Loan repayable in 30 regular principal payments of \$1,833, to be made July 31 to December 31 of each year. Interest paid monthly at the prime rate. Maturing December 2025.	<b>\$ 21,998</b>	\$ 32,996
Non-revolving Demand Instalment Loan repayable in 24 regular principal payments of \$2,639, to be made May 30 to October 30 of each year. Interest paid monthly at the prime rate. Maturing October 2024.	<b>15,831</b>	31,663
Non-revolving Demand Instalment Loan repayable in 30 regular principal payments of \$3,633, to be made May 1 to October 1 of each year. Interest paid monthly at the prime rate. Maturing October 2027.	<b>87,200</b>	-
	<hr/> <b>\$ 125,029</b>	<hr/> <b>\$ 64,659</b>



**C.A. PIPPY PARK COMMISSION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**6. Long-term debt (cont.)**

Future long-term debt principal repayments

2024 - 2025	\$ 48,630
2025 - 2026	32,799
2026 - 2027	21,800
2027 - 2028	<u>21,800</u>
	<u>\$ 125,029</u>

Total interest paid and expensed during the year was \$7,657 (2023 - \$3,787).

**7. Employee future benefits**

	<u>2024</u>	<u>2023</u>
Provision for accumulating, non-vesting, sick leave	\$ 44,844	\$ 50,226

**Pension contributions**

The employees of the Commission represented by NAPE and certain management employees are subject to the Public Service Pensions Act, 2019 (the Act). The pension plan is administered by Provident<sup>10</sup>, including payment of pension benefits to employees to whom the Act applies.

The plan provides a pension upon retirement based on the age of its members at retirement, length of service and rates of pay. The maximum contribution rate for eligible employees was 11.85% (2023 - 11.85%). The Commission contributes an amount equal to the employee contributions to the plan.

Total pension expense for the Commission for the year ended March 31, 2024 was \$66,312 (2023 - \$67,616).

**C.A. PIPPY PARK COMMISSION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**8. Tangible capital assets**

**Original cost**

	<b>Balance March 31, 2023</b>	<b>Additions</b>	<b>Disposals</b>	<b>Balance March 31, 2024</b>
Park				
Land	\$ 5,416,462	\$ -	\$ -	\$ 5,416,462
Furniture and equipment	448,364	1,589	-	449,953
Vehicles	238,800	-	-	238,800
Buildings	1,795,439	-	-	1,795,439
Park improvements	1,852,187	-	-	1,852,187
Golf course				
Land	1,809,696	-	-	1,809,696
Golf course improvements	1,346,814	-	-	1,346,814
Vehicle	-	52,526	-	52,526
Buildings	688,261	18,000	-	706,261
Furniture and equipment	1,036,707	213,374	-	1,250,081
Sub-total	\$14,632,730	\$ 285,489	-	\$14,918,219
Work in progress	\$ -	\$ 26,000	-	\$ 26,000
<b>Total</b>	<b>\$14,632,730</b>	<b>\$ 311,489</b>	<b>\$ -</b>	<b>\$14,944,219</b>

**C.A. PIPPY PARK COMMISSION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**8. Tangible capital assets (cont.)**

**Accumulated amortization**

	Balance March 31, 2023	Amortization	Accumulated amortization on disposals	Balance March 31, 2024	Net book value March 31, 2024	Net book value March 31, 2023
<b>Park</b>						
Land	\$ -	\$ -	\$ -	\$ -	\$ 5,416,462	\$ 5,416,462
Furniture and equipment	390,125	17,774	-	407,899	42,054	58,239
Vehicles	118,575	36,068	-	154,643	84,157	120,225
Buildings	1,589,844	20,560	-	1,610,404	185,035	205,595
Park improvements	1,594,251	25,657	-	1,619,908	232,279	257,936
<b>Golf course</b>						
Land	-	-	-	-	1,809,696	1,809,696
Golf course improvements	1,140,445	20,657	-	1,161,102	185,712	206,369
Vehicle	-	7,879	-	7,879	44,647	-
Buildings	558,632	13,885	-	572,517	133,744	129,629
Furniture and equipment	877,760	79,643	-	957,403	292,678	158,947
<b>Sub-total</b>	<b>\$ 6,269,632</b>	<b>\$ 222,123</b>	<b>\$ -</b>	<b>\$ 6,491,755</b>	<b>\$ 8,426,464</b>	<b>\$ 8,363,098</b>
<b>Work in progress</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 26,000</b>	<b>\$ -</b>
<b>Total</b>	<b>\$ 6,269,632</b>	<b>\$ 222,123</b>	<b>\$ -</b>	<b>\$ 6,491,755</b>	<b>\$ 8,452,464</b>	<b>\$ 8,363,098</b>

**C.A. PIPPY PARK COMMISSION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**8. Tangible capital assets (cont.)**

**(a) Tangible 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**

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 Tourism, Culture, Arts and Recreation for the Crown.

**9. Related party transactions**

- (a) During the year, the Commission received an operating grant of \$305,400 (2023 - \$263,500) from the Province. Accounts Receivable includes \$23,754 (2023 - \$0) due from the Province in the normal course of business.
- (b) Services and rental revenue include revenues from the Province in the amount of \$301,938 (2023 - \$286,668) as a result of ongoing contracts. These revenues are recorded at the exchange amount through the normal course of business.



**C.A. PIPPY PARK COMMISSION**  
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**10. Segmented information**

The Commission reports its revenue and expenses by program area.

	Golf Course		Campground		General Park		Administration		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>Revenues</b>										
Province of Newfoundland and Labrador operating grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 305,400	\$ 263,500	\$ 305,400	\$ 263,500
Golf course (Note 11)	1,957,777	1,546,400	-	-	-	-	-	-	1,957,777	1,546,400
Campground (Note 12)	-	-	774,562	713,348	-	-	-	-	774,562	713,348
Services	-	-	-	-	332,492	315,857	-	-	332,492	315,857
Rental	-	-	-	-	-	-	122,839	131,009	122,839	131,009
Government of Canada	-	-	19,492	39,507	-	70,709	-	-	19,492	110,216
Miscellaneous	1,500	-	-	-	-	-	55,434	54,801	56,934	54,801
Interest	57,233	29,376	-	-	-	-	49,237	28,175	106,470	57,551
Advertising	7,094	7,244	-	-	-	-	-	-	7,094	7,244
	<b>2,023,604</b>	<b>1,583,020</b>	<b>794,054</b>	<b>752,855</b>	<b>332,492</b>	<b>386,566</b>	<b>532,910</b>	<b>477,485</b>	<b>3,683,060</b>	<b>3,199,926</b>
<b>Expenses</b>										
Advertising and promotion	4,280	7,800	11,191	3,048	-	495	268	274	15,739	11,617
Amortization	122,064	88,209	-	-	-	-	100,059	102,111	222,123	190,320
Bank charges	43,726	35,870	-	-	-	-	19,737	17,908	63,463	53,778
Building maintenance	95,407	100,446	23,984	52,235	2,027	3,597	12,479	12,324	133,897	168,602
Course maintenance	62,993	97,538	-	-	-	-	-	-	62,993	97,538
Equipment maintenance	76,641	87,108	-	-	39,023	30,017	-	-	115,664	117,125
Fuel	46,347	51,193	-	-	27,349	28,170	-	-	73,696	79,363
Heat, light and telephone	52,549	51,656	46,082	40,756	9,858	10,993	23,102	22,146	131,591	125,551
Honoraria	-	-	-	-	-	-	3,335	760	3,335	760
Insurance	39,058	42,315	-	-	23,292	5,371	25,963	35,457	88,313	83,143
Interest on long-term debt	7,657	3,787	-	-	-	-	-	-	7,657	3,787
Miscellaneous	16,025	19,397	9,277	10	64,469	169,789	1,463	1,103	91,234	190,299
Office	15,104	9,664	400	250	-	-	12,345	12,220	27,849	22,134
Professional fees	22,453	6,782	-	1,190	-	-	26,148	1,743	48,601	9,715
Salaries and employee benefits	860,547	727,215	256,350	243,924	383,300	409,581	444,654	470,957	1,944,851	1,851,677
Supplies	18,008	10,166	14,782	11,015	10,810	10,735	6,570	3,523	50,170	35,439
Training	-	-	-	371	400	1,344	-	175	400	1,890
	<b>1,482,859</b>	<b>1,339,146</b>	<b>362,066</b>	<b>352,799</b>	<b>560,528</b>	<b>670,092</b>	<b>676,123</b>	<b>680,701</b>	<b>3,081,576</b>	<b>3,042,738</b>
<b>Annual surplus (deficit) before loss on disposal of tangible capital assets</b>										
	\$ 540,745	\$ 243,874	\$ 431,988	\$ 400,056	\$ (228,036)	\$ (283,526)	\$ (143,213)	\$ (203,216)	\$ 601,484	\$ 157,188
<b>Gain (Loss) on disposal of tangible capital assets</b>										
	\$ -	\$ 2,839	\$ -	\$ (258)	\$ -	\$ (62)	\$ -	\$ -	\$ -	\$ 2,519
<b>Annual surplus (deficit)</b>	<b>\$ 540,745</b>	<b>\$ 246,713</b>	<b>\$ 431,988</b>	<b>\$ 399,798</b>	<b>\$ (228,036)</b>	<b>\$ (283,588)</b>	<b>\$ (143,213)</b>	<b>\$ (203,216)</b>	<b>\$ 601,484</b>	<b>\$ 159,707</b>

**C.A. PIPPY PARK COMMISSION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**11. Golf course revenue**

**Course operations**

	<b><u>2024</u></b> <b><u>Budget</u></b> <b>Unaudited</b> <b>(Note 16)</b>	<b><u>2024</u></b> <b><u>Actual</u></b>	<b><u>2023</u></b> <b><u>Actual</u></b>
Green fees	\$ 1,018,400	\$ 1,114,641	\$ 913,783
Rentals	313,000	388,636	289,837
	<u>1,331,400</u>	<u>1,503,277</u>	<u>1,203,620</u>
Proshop sales	25,500	41,590	23,640
Less: cost of goods sold	(13,140)	(18,504)	(11,951)
	<u>12,360</u>	<u>23,086</u>	<u>11,689</u>
<b>Course operations</b>	<b>1,343,760</b>	<b>1,526,363</b>	<b>1,215,309</b>

**Clubhouse operations**

Catering commissions	55,000	81,723	62,213
Salon rentals	59,500	75,870	67,033
	<u>114,500</u>	<u>157,593</u>	<u>129,246</u>
Salon sales	313,350	408,435	308,258
Less: cost of goods sold	(110,100)	(134,614)	(106,413)
	<u>203,250</u>	<u>273,821</u>	<u>201,845</u>
<b>Clubhouse operations</b>	<b>317,750</b>	<b>431,414</b>	<b>331,091</b>
	<u>\$ 1,661,510</u>	<u>\$ 1,957,777</u>	<u>\$ 1,546,400</u>

**C.A. PIPPY PARK COMMISSION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**12. Campground revenue**

	<b>2024 Budget Unaudited (Note 16)</b>	<b>2024 Actual</b>	<b>2023 Actual</b>
Registration fees	\$ 773,500	\$ 747,790	\$ 691,582
Sales	-	51,299	47,045
Less: cost of goods sold	-	(24,527)	(25,279)
	-	26,772	21,766
	<b>\$ 773,500</b>	<b>\$ 774,562</b>	<b>\$ 713,348</b>

**13. Contractual obligations**

The Commission has entered into an agreement for trail maintenance. Minimum payments over the term of the agreement are:

2025	<u>\$ 54,000</u>
	<u>\$ 54,000</u>

**14. Contractual rights**

The Commission has entered into agreements for the lease of property. Under the terms of the lease agreements, the Commission will receive rental income as follows:

2025	\$170,925
2026	59,030
2027	<u>52,599</u>
	<u>\$282,554</u>

**15. Financial risk management**

The Commission recognizes the importance of managing risks and this includes policies, procedures and oversight designed to reduce risks identified to an appropriate threshold. The risks that the Commission is exposed to through its financial instruments are credit risk, liquidity risk and market risk. There was no significant change in the Commission's exposure to these risks or its processes for managing these risks from the prior year.



**15. Financial risk management (cont.)**

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Commission's main credit risk relates to cash and accounts receivable. The Commission's maximum exposure to credit risk is the carrying amounts of these financial instruments. The Commission is not exposed to significant credit risk with its cash because this financial instrument is held with a Chartered Bank. Also, it is not exposed to significant credit risk related to the accounts receivable from the Province or the harmonized sales tax receivable due to their nature. The Commission is exposed to credit risk related to its trade accounts receivable. Any estimated impairment of accounts receivable has been provided for through an allowance. At the present time there is no provision for an allowance for doubtful accounts as all amounts are considered collectible.

Liquidity risk

Liquidity risk is the risk that the Commission will be unable to meet its financial liabilities and contractual obligations. The Commission's exposure to liquidity risk relates mainly to its accounts payable and accrued liabilities, long-term debt (Note 6), and its contractual obligations (Note 13). The Commission manages liquidity risk by monitoring its cash flows and ensuring that it has sufficient resources available to meet its financial liabilities.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency (foreign exchange) risk, interest rate risk and other price risk. The Commission is not exposed to significant foreign exchange or other price risk. In addition, the Commission is not exposed to significant interest rate risk on its long-term debt as a change in the variable interest rate of one percent would not result in a significant change in the annual interest expense on long-term debt.

**16. Budgeted figures**

Budgeted figures are unaudited. They have been provided for comparison purposes and have been derived from estimates approved by the Board of Directors of the Commission.

**17. Non-financial assets**

The recognition and measurement of non-financial assets is based on their service potential. These assets will not provide resources to discharge liabilities of the Commission. For non-financial assets, the future economic benefit consists of their capacity to render service to further the Commission's objectives.



**C.A. PIPPY PARK COMMISSION**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**18. Change in significant accounting policy**

The Commission adopted PS 3400 Revenue, effective 1 April 2023, which establishes standards on how to account for and report on revenue. The Section sets out general guidance for how entities recognize, measure, present and disclose revenue arising from transactions that include performance obligations (exchange transactions) and transactions that do not have performance obligations (non-exchange transactions). There are two approaches to recognizing revenue with performance obligations: at a point in time or over a period of time. This determination is made based on when a performance obligation is satisfied.

PS 3400 has been applied prospectively to these financial statements and, as permitted by the transitional provisions, prior periods were not restated.

The implementation of this new Section did not have a material impact on the financial statements.