



**Newfoundland and Labrador  
Environmental Industry Association**



Annual Report  
**2017-2018**

April 1, 2017 - March 31, 2018



# 2017-2018 BOARD OF DIRECTORS



**J. Alex Templeton**  
*Chair*  
McInnes Cooper



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Auto Recycling



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Resource Innovations Inc.



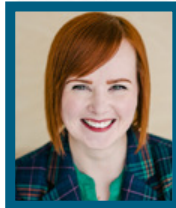
**Al Ducey**  
*Director*  
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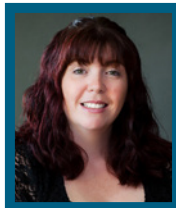


**Abdul Zubair**  
*Director*  
Newfoundland Soiltec

## 2017-2018 STAFF



**Kieran Hanley**  
*Executive Director*



**Joanne Strugnell**  
*Manager of  
Operations*



**Abbie Lacey**  
*Manager of  
Business  
Development*



**Matt Rumboldt**  
*Marketing and  
Communications  
Coordinator*



# Message from the Chair of NEIA

It is an exciting time in Canada for firms with environmental products and services. The federal government's focus on clean technology development and adoption – and the aggressive supports being provided – are helping position Canada as an international leader in this space.

And this investment is warranted. A recent report from the Atlantic Provinces Economic Council (APEC) "Growing Atlantic Canada's Clean Technology Firms" (February, 2018) provided important insight in to the clean technology opportunity. The report found that the global market for clean technologies is forecast to grow to \$2.5 trillion by 2022, up from \$1.1 trillion in 2012. It found that clean technology firms are international market-oriented, with about 78% of them in Canada exporting. It identified that clean technology firms provide high-wage employment with average payrolls over 40% higher than in other industries. For Newfoundland and Labrador the attraction here should be obvious – clean technology firms are not just tech-focused, but are export-driven, high-wage firms that operate in a market with strong growth prospects we need to foster economic development. It is clear that our province needs to do whatever is in its power to support the growth of this sector.

Things are moving in the right direction.

Throughout 2017/18, NEIA had the opportunity to work with the Provincial government and stakeholders across multiple sectors on the *Cabinet Committee on Jobs to Drive Economic Growth in the Technology Sector*. This collaboration between government, industry, and academia was an intensive process that ran from June, 2017 until its launch in February, 2018 to develop a sector work plan. As one of the Co-Chairs of the committee, NEIA appreciated having the opportunity to put forth its ideas and priorities, is proud of the contribution it made throughout the process, and believes that many of the 27 recommendations will benefit NEIA's members in the short term. The key now lies in the implementation of this workplan, and NEIA will be hard at work with its partners over the course of the next two years in that pursuit.

The other primary area NEIA focused its advocacy efforts on in 2017/18 was around

regulation. As part of its *Way Forward* plan, the provincial government committed in March 2017 to reforming its environmental assessment and permitting processes. This is an undertaking that is desperately needed for industry and one that NEIA has been advocating for quite some time – as the clean technology sector is much more reliant and responsive to government intervention than others. Regulations can at worst be a barrier for growth, and at best help drive it – at the very least the outcome of reform should enable sector growth.

To this end, NEIA embarked on the development of a comprehensive series of recommendations so that it was in a position to provide the best possible perspective from industry. This effort began in September with a workshop for environmental practitioners to discuss issues and opportunities related to the effectiveness and efficiency of environmental assessment and permitting – an engagement that was supplemented by an interactive session at our Newleaf conference in October, meetings with government officials in December, and a series of one-on-one meetings with particularly interested members and stakeholders. NEIA believes that a new environmental regulatory framework can increase efficiency for both the public and private sectors, create more certainty around processes for all parties, while maintaining a high environmental standard. NEIA will submit its recommendations very soon.

Important to consider is that the relationship between governance and clean technology extends far beyond environmental regulations. Development and adoption is significantly impacted by legislation, regulation, policies, and procedures, across government departments from energy to procurement. In 2018/19, NEIA will be working with to address existing barriers and identify opportunities to enable and facilitate the growth of the sector. In 2018/19 we intend to work with our partners to create a support ecosystem specific to our sector in Newfoundland and Labrador.

The fact or the matter is that clean technology represents an enormous opportunity for economic growth for our province. By applying



**J. Alex Templeton**  
*Chair*  
**McInnes Cooper**

an environmental lens to our key industries, whether that be in oil and gas, aquaculture, mining, and son on, we can use the pursuit of clean technology as an agent of diversification for our economy; the solutions we develop here can be exported within these industries worldwide, and our competitive advantage can be built.

We look forward to working closely in collaboration with our industry partners towards these ends. There is lots of work ahead if we are going to take advantage of this window of opportunity for clean technology – so let's get to it.

A handwritten signature in black ink, appearing to read "J. Alex Templeton". The signature is fluid and cursive.

# Message from the Executive Director

At the end of 2017-2018, NEIA had the pleasure to support one of its members in announcing that the first ever carbon credits to be generated, certified, and sold in Newfoundland and Labrador. Revenues from the sales of these credits is to be shared between the firm that invested in the carbon emissions reductions validation, and the municipalities in the province that had the foresight to invest in a clean technology solution.

In many ways, this development exemplifies the opportunity before us in this province related to clean technology. Not only have residents of these municipalities acquired an environmentally sound and cost-effective solution for their wastewater, but they are also benefitting financially from a growing recognition of the value of operating in a low-carbon fashion and from the positive press associated with being a first-mover.

As Canada ambitiously pursues its carbon emissions reductions targets, it is viewing the development and adoption of clean technologies as being critical to reaching its goals. NEIA is working hard to connect emerging funding opportunities with firms and projects in the province, and is recognizing an enormous opportunity before Newfoundland and Labrador to view its key natural resource industries through a clean technology lens. The solutions that we develop here in industries like oil and gas, aquaculture, forestry, mining, etc. to make them more efficient and less risky from an environmental perspective can be exported worldwide in these global industries. It is this vision that is driving NEIA's activities and the development of its new strategic plan.

Collaboration amongst stakeholders is required to make this happen. And collaboration has been the name of the game in 2017-2018. In working towards a sector growth strategy for the province's technology sector and an international business development plan for clean technology firms in the Atlantic region, NEIA has worked closely with not just its provincial

and federal partners but also key decision-makers from other industries across the region. This spirit of collaboration took shape in a tangible form with the creation of *TradeNL*, a partnership between eight industry groups – representing multiple sectors of Newfoundland and Labrador's economy – working towards job creation and economic development in the province through the support of increased trade and investment activities. Facilitating the sharing of information and resources between industries, from opportunities and initiatives to market intelligence and strategy, *TradeNL* represents what is possible when different groups can work together towards common objectives.

In 2017-2018, NEIA has made significant strides forward with respect to its six 'lines of business' – providing a support framework for entrepreneurs and startups, helping firms increase their productivity and competitiveness, encouraging and fostering innovation in the sector, delivering export and international business development programming, providing training and professional development opportunities tailored to environmental practitioners, and playing a leadership role for the sector on policy and advocacy issues. Some of our achievements are highlighted in this annual report, but this is just a snapshot of our activities over the course of the year; much of what has been accomplished are bits and pieces towards longer-term objectives. For example, since the adoption of its strategic plan in 2013, NEIA has been build towards a more more robust training and professional development program. A key component of this long-term plan was the development and first-delivery in 2017-2018 of our in-house *Environmental Regulatory Compliance and Project Management* course. In that continued pursuit, we look forward to rounding out our annual training schedule with the development of another new course in 2018-2019.

All of this work, of course, would not be possible without the relentless efforts of



**Kieran Hanley**  
*Executive Director*

our staff – Abbie Lacey, Joanne Strugnell, and Matt Rumboldt. NEIA is very lucky to have a small team of passionate employees working on its behalf that can punch well above its weight, and I thank them for their hard work this past year. Their fingerprints are all over everything that you will see here in this report.

On behalf of our membership I would like to thank the Government of Newfoundland and Labrador and the Atlantic Canada Opportunities Agency. The support that these entities provides our organization allows us to do the work that we do. Plans are well underway to continue with the momentum NEIA has built over the course of these past few years, and to do what we can as an association to drive development of clean technology and the growth of the green economy in this province in 2018-2019.

A handwritten signature in blue ink that reads "Kieran Hanley". The signature is stylized and cursive.



# 2017-2018 Highlights

## Environmental Regulatory Reform

On March 27, 2017 the provincial government committed in its *Way Forward* strategy to reviewing its environmental assessment (EA) and permitting processes in 2017/18. NEIA engaged its membership extensively throughout the year to develop a set of specific recommendations for the provincial government to consider in its reform.

In September NEIA held a workshop for private sector EA practitioners to begin exploring opportunities for regulatory improvement or enhancement. In October NEIA hosted an interactive session with a

broader audience of green economy stakeholders at its annual Newleaf conference to validate feedback acquired at the workshop.

On December 5th, NEIA staff, board, and members met with Hon. Eddie Joyce, Minister of Municipal Affairs and Environment, to discuss the provincial government's commitment to review EA and permitting processes in the province, and to introduce a series of preliminary recommendations.

Following a number of one-on-one engagement with members, NEIA finalized a formal policy paper

outlining specific EA and permitting process changes. This submission will be made in early April, 2018 and will be publicly available at [www.neia.org](http://www.neia.org).

NEIA contends that there are opportunities to reform EA and permitting in the province to increase efficiency for both the public and private sectors, create more certainty around processes for all parties, while maintaining a high environmental standard. The association is looking forward to further discussion with the province on its recommendations.



## WORKSHOP

### Reforming Environmental Regulations and Processes in Newfoundland and Labrador

# 2017-2018 Highlights

## International Business – The Caribbean



This year NEIA and its firms continued to build relationships and develop business partnerships in the Caribbean region. In 2017, NEIA engaged in its fourth and fifth trade missions to the region, an ongoing campaign of activities that began in 2014 and has resulted in projects and exports for Newfoundland and Labrador firms.

Markets in the Caribbean are an excellent fit for Newfoundland and Labrador firms. The environmental challenges being faced by these small and primarily island nations – from coastal erosion to wastewater management to their distance from

major markets – are very similar to the challenges faced within this province. The solutions developed in Newfoundland and Labrador are relevant, at the right scale, and can in many cases be adapted for use in those markets. NEIA's work in the region only continues what has been a long history of trade with Caribbean nations, a relationship that began over 500 years ago with the trade of salt fish for rum.

Since 2015 mission participants have explored business opportunity in Barbados, Trinidad and Tobago, Saint Lucia, Guyana, Jamaica, and more.

NEIA is working hard towards the development and implementation of the next phase of its international programming for firms pursuing business the region – and hopes to be able to share exciting opportunities with its members for 2018-2020 soon.



# 2017-2018 Highlights

## International Business – Guyana



A significant offshore project sanctioned for first oil as early as 2020 – and the prospect of future development in the region – are providing firms operating in Newfoundland and Labrador’s oil and gas industry the opportunity to bring their expertise international. This includes members of NEIA with expertise in the application of clean technology and environmental products and services within the industry.

Informed by the independent participation of several members at a conference in Guyana in Spring 2017, NEIA facilitated – in partnership with Noia – a trade mission to Georgetown

in September. This experience helped highlight a series of unique similarities between what is occurring in Guyana today and what Newfoundland and Labrador experienced in the early days of its own industry.

Following up on the relationships established during this mission, NEIA welcomed a delegation of firms from Guyana to St. John’s in November and helped coordinate a series of meetings, tours, and workshops for the visitors. This week-long event culminated in the signing of a Memorandum of Understanding (MOU) between NEIA and the Georgetown Chamber of Commerce and Industry (GCCCI)

to work together on initiatives of mutual benefit to their memberships (see photo above).

NEIA firms were able to leverage this MOU in February, 2018 when a delegation of firms from the province attended the Guyana International Petroleum Business Summit and Exhibition (GIPEX).

Newfoundland and Labrador firms are showing they are committed to building lasting relationships in the region, a commitment that has been noticed and is well received in the market. NEIA is working to continue to explore opportunities in Guyana and provide mechanisms to help its members exploit them.

# 2017-2018 Highlights

## Sector Development

NEIA engaged its partners on a number of key issues in 2017/18. The association advocated on subjects of importance to its members, and also facilitated engagement between governments and the private sector in various planning and strategic processes. Activities in 2017/18 in this regard included:

- Engagement of environmental professionals in the development of a series of detailed recommendations for the reform of provincial environmental regulations and permitting processes
- Co-chaired the Cabinet Committee on Jobs and Economic Growth for the Technology Sector; chaired the Clean Technology Working Group
- Participated in the development of a clean technology sector plan for the Atlantic Trade and Investment Growth Strategy
- Joined the CanadaCleantech Alliance in April, 2017 to give Newfoundland and Labrador's clean technology industry a voice on the national stage
- Partnered with Municipalities Newfoundland and Labrador at its symposium on May 5th in Gander to deliver a panel discussion on wastewater treatment solutions and opportunities in Newfoundland and Labrador.
- Provided support to the Bay St. George Chamber of Commerce for its EnviroSummit event in Stephenville on July 27, 2017
- Met with the Standing Senate Committee on Energy, the Environment, and Natural Resources
- Kept members informed on the reform of environmental assessment and other associated processes at the Federal level, and encouraged participation
- Encouraged its members and green economy stakeholders to participate in regional government engagement
- Lead the creation of TradeNL, a collaboration between industry groups – representing multiple sectors of Newfoundland and Labrador's economy – working towards job creation and economic development in the province through the support of increased trade and investment activities.
- Participated on the province's Regional Trade Network
- Participated on an adhoc public/private committee to identify projects and stimulate submissions for federal clean technology development/adoption funds
- Participated on a provincially led working group exploring possible actions to accelerate adoption of Electric Vehicles
- Participated on the City of St. John's Environmental Advisory Committee and its Department of Community Services Energy Efficiency Team
- Participated on a number of funding committees with the Multi-Materials Stewardship Board and Harris Centre
- Launched a new website in May, 2017



# 2017-2018 Highlights

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## Offshore Wind Energy

It is expected that global offshore wind energy capacity is to grow by over 650% by 2030, and this means rapidly expanding supply chains and many billions of dollars worth of investment in the industry. NEIA believes that many firms in Newfoundland and Labrador are well placed to engage in the offshore wind energy industry. This is the driving force behind NEIA's work to educate the local market on the offshore wind energy industry.

In the Spring of 2017 the association commissioned a piece of work to (1) identify aspects of the offshore wind supply chain, and (2) identify what capacity exists within the province to service the industry. The report concluded that many synergies exist between the supply chains of offshore oil and gas and wind energy, and the region's

domestic expertise in oil and gas positioned its firms well to engage in offshore wind energy.

NEIA built on this report by highlighting the industry at its annual *Newleaf* conference in 2017. Sessions zeroed in on themes related to the growth and investment climate of the industry, the possibility of the emergence of a local offshore wind industry and the associated economic development benefits, and the regulatory considerations both nationally and provincially which must be considered. This was followed up in February with an offshore wind energy workshop focusing on the supply chain's relation to offshore oil and gas and the experience in Scotland and Norway, energy markets in Canada and the United States, and current

federal programming to support local development.

NEIA believes that, given the rapid expansion of the offshore wind energy industry worldwide, there are opportunities for local firms to diversify their activities and the markets in which they are engaged. In addition, there are benefits to being a first-mover in the region. If expertise is built in Newfoundland and Labrador, this can be exported for years to come as the industry grows in North America.

NEIA will continue to explore opportunities within the offshore wind energy industry and educate the local business community on its findings on behalf of its membership.



# 2017-2018 Highlights

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## NEIA's 25th Anniversary



With growing interest across the country in the development and adoption of clean technologies, NEIA believes that the challenges faced reconciling economic and environmental interests is capturing the imagination of entrepreneurs across the province.

NEIA was incorporated in September of 1992 and, in celebration of its 25th year of operations, NEIA's Board of Directors decided the time was right to add a new addition to the organization's five 'lines of business' and focus on providing supports for entrepreneurs and

startups. Activities in 2017-18 in support of this initiative included:

- A new focus on engaging with the startup and entrepreneurship community at events and through social media
- Positioning elements of the Newleaf 2017 conference towards the startup community, and highlighting those that are a part of that community
- Entering in to a formal partnership with the Genesis Centre

- Supporting and participating in the Town of Holyrood's Startup Weekend in Newfoundland & Labrador – Startups From the Sea
- Participation in Futurpreneur's Global Entrepreneurship Week
- Partnering with Common Ground Coworking to create benefits for startups

NEIA looks forward to continuing to expand its efforts in this space.



# 2017-2018 List of Activities

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- *April, 2017* – NEIA leads its fourth international business development mission to the Caribbean region
- *May 5, 2017* – PRESENTATION: Wastewater treatment solutions at Municipalities Newfoundland and Labrador Symposium
- *May 8, 2017* – RESEARCH MATCHING BUSINESS: CleanTech Innovation Connector
- *May 17, 2017* – SPEAKER SERIES: Delivering the world's first global distribution of innovative, sustainable, electric transportation
- *May 18, 2017* – LUNCHEON: Let's Talk Exports
- *May 31 - June 2, 2017* – TRAINING: Erosion and Sediment Control: Practitioner
- *June 6, 2017* – SPEAKER SERIES: SME's in the supply chain – the value and lessons learned
- *June 12, 2017* – SPEAKER SERIES: Offshore Wind Energy Development – Supply chain identification and capacity within NL
- *June 16, 2017* – WORKSHOP: Environmental Managers' Roundtable
- *June 28, 2017* – MEETINGS: One-on-Ones w/ Build In Canada Innovation Program officials
- *July 27, 2017* – PARTNER: Bay St. George Chamber of Commerce's EnviroSummit
- *September, 2017* – NEIA leads its fifth international business development mission to the Caribbean region, and first to Guyana
- *September 25, 2017* – WORKSHOP: Reforming Environmental Regulations in NL
- *October 11-12, 2017* – ANNUAL CONFERENCE: Newleef 2017
- *October 11, 2017* – NETWORKING – Newleef Social
- *October 16, 2017* – PARTNER: Symposium on Persistent and Emerging Organic PoLlution in Cold and Coastal Environments (PEOPLE 2017)
- *October 23-30, 2017* – TRAINING: Contaminated Sites Health & Safety (HAZWOPER)
- *October 31 - November 1, 2017* – PARTNER: Atlantic Canada Aerospace and Defence Association's (ACADA) conference Maritime Arctic Security and Safety Conference (MASS)

# 2017-2018 List of Activities

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- *November, 2017* – NEIA hosts delegation of Guyanese firms to Newfoundland and Labrador
- *November 30, 2017* – WORKSHOP: Cleantech International Business Development Strategy
- *December 13, 2017* – PRESENTATION: Clean technology and supports at the Canadian Manufacturers and Exporters' (CME) workshop Preparing to Compete and Win in a Low Carbon Economy
- *December 13, 2017* – NETWORKING: Christmas Social
- *January 10-12, 2018* – TRAINING: Erosion and Sediment Control: Planning and Design
- *January 16, 2018* – SPEAKER SERIES: Sustainable Masterplanning – Building Green Infrastructure into Town Planning
- *February, 2018* – NEIA participates, with group of firms from NL, in GIPEX conference in Guyana
- *February 6, 2018* – WORKSHOP: Offshore Wind – Energy Markets and Supply Chains
- *February 15-16, 2018* – TRAINING: Chlorine Handling and Response
- *February 27, 2018* – PRESENTATION: Clean technology and supports at Canadian Manufacturers and Exporters' (CME) Manufacturing Insights - Green Sustainability for Profit
- *March 1, 2018* – WORKSHOP: Bio-Economy (Forestry Innovation Day)
- *March 12, 2018* – TECHNICAL BRIEFING: Changes to Fisheries Act and Navigable Waters Act
- *March, 2018* – NEIA attends GLOBE 2018 international conference in Vancouver, BC
- *March 21, 2018* – NETWORKING: Environmental Professionals Networking Event (w/ ECO Canada)
- *March 21, 2018* – WORKSHOP/NETWORKING: Creating and Selling Carbon Credits (Carbon Credits Celebration)
- *March 22-23, 2018* – TRAINING: Environmental and Regulatory Compliance Project Management





**Deborah A. Muir**  
**Chartered Professional Accountant**

**INDEPENDENT AUDITOR'S REPORT**

To the Members of:  
Newfoundland and Labrador Environmental Industry Association

I have audited the accompanying financial statements of Newfoundland and Labrador Environmental Industry Association which comprise the statement of financial position as at October 31, 2017 and the statements of operations and net assets 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 accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of the 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 whether the financial statements are free of 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.

*Opinion*

In my opinion, these financial statements present fairly, in all material respects, the financial position of Newfoundland and Labrador Environmental Industry Association as at October 31, 2017 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

  
CHARTERED PROFESSIONAL ACCOUNTANT

March 22, 2018  
St. John's, NL

**P.O. Box 1102 Goulds, NL A1S 1H2**

**Phone: 709-745-2499 Fax: 745-2402 E-mail: [dmuir@nf.sympatico.ca](mailto:dmuir@nf.sympatico.ca)**

NEWFOUNDLAND AND LABRADOR ENVIRONMENTAL INDUSTRY ASSOCIATION

STATEMENT OF FINANCIAL POSITION  
AS AT OCTOBER 31, 2017

ASSETS

	2017	2016
<b>CURRENT</b>		
Cash	\$ 44,348	\$ 16,329
Guaranteed investment certificates (Note 4)	85,533	84,849
Accounts receivable (Note 2)	65,972	86,901
Prepaid expenses	4,104	4,095
	<b>199,957</b>	<b>192,174</b>
<b>CAPITAL ASSETS (Notes 1 &amp; 3)</b>	<b>12,500</b>	<b>16,023</b>
	<b>\$ 212,457</b>	<b>\$ 208,197</b>

LIABILITIES

<b>CURRENT</b>		
Accounts payable and accruals (Note 5)	\$ 15,828	\$ 9,318

NET ASSETS

<b>UNRESTRICTED NET ASSETS</b>	<b>196,629</b>	<b>198,879</b>
	<b>\$ 212,457</b>	<b>\$ 208,197</b>



# NEWFOUNDLAND AND LABRADOR ENVIRONMENTAL INDUSTRY ASSOCIATION

## STATEMENT OF OPERATIONS AND NET ASSETS FOR THE YEAR ENDED OCTOBER 31, 2017

	2017	2016
<b>REVENUES</b> (Note 6)	<b>\$ 776,021</b>	<b>\$ 664,971</b>
<b>EXPENSES</b>		
Advertising and promotion	8,437	36,478
Amortization	4,047	5,856
Conferences, workshops, seminars	87,016	95,762
Fees and dues	2,958	2,888
Insurance	4,514	3,900
Interest	3,487	3,435
International consultants	155,637	159,172
Municipal taxes	4,375	3,567
Office and administration	14,624	15,955
Professional development	6,034	3,582
Professional fees	112,257	37,685
Rent	62,700	67,308
Salaries and benefits	245,037	265,919
Travel	67,834	56,721
	<b>778,957</b>	<b>758,228</b>
<b>EXCESS OF RECEIPTS OVER EXPENDITURES</b>	<b>(2,936)</b>	<b>(93,257)</b>
<b>OTHER INCOME (EXPENSES)</b>		
Interest income	686	660
<b>NET LOSS</b>	<b>(2,250)</b>	<b>(92,597)</b>
<b>NET ASSETS , beginning of year</b>	<b>198,879</b>	<b>291,476</b>
<b>NET ASSETS , end of year</b>	<b>\$ 196,629</b>	<b>\$ 198,879</b>

**NEWFOUNDLAND AND LABRADOR ENVIRONMENTAL INDUSTRY ASSOCIATION**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED OCTOBER 31, 2017**

	2017	2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Excess of revenues over expenses	\$ (2,250)	\$ (92,597)
Adjustments for:		
Amortization of tangible assets	4,047	5,856
Other	690	636
	<b>2,487</b>	<b>(86,105)</b>
<b>CHANGES IN NON-CASH WORKING CAPITAL BALANCES</b>		
Increase in marketable securities	(685)	(637)
Decrease in accounts receivable	20,929	97,654
(Increase) decrease in prepaid expenses	(9)	12,404
Increase (decrease) in accounts payable and accruals	6,506	(21,399)
Increase in deferred revenue	-	-
	<b>26,741</b>	<b>88,022</b>
	<b>29,228</b>	<b>1,917</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Increase in capital assets	(525)	(739)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>28,703</b>	<b>1,178</b>
<b>NET CASH AND CASH EQUIVALENTS, beginning of year</b>	<b>101,178</b>	<b>100,000</b>
<b>NET CASH AND CASH EQUIVALENTS, end of year</b>	<b>\$ 129,881</b>	<b>\$ 101,178</b>
<b>CASH IS COMPRISED OF:</b>		
Cash on hand	\$ 125	\$ 125
Cash in bank	44,223	16,204
Guaranteed Investment Certificates	85,533	84,849
	<b>\$ 129,881</b>	<b>\$ 101,178</b>



# NEWFOUNDLAND AND LABRADOR ENVIRONMENTAL INDUSTRY ASSOCIATION

## NOTES TO FINANCIAL STATEMENTS OCTOBER 31, 2017

2017

2016

### GENERAL

The Newfoundland and Labrador Environmental Industry Association is a provincial organization offering programs to promote the growth and development of the environmental industry in Newfoundland and Labrador. It is incorporated under the laws of the Province of Newfoundland and Labrador and is exempt from income taxes as a not-for-profit organization pursuant to paragraph 149 (1)(l) of the Canadian Income Tax Act.

### 1. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the organization are in accordance with Canadian accounting standards for not-for-profit organizations applied on a basis consistent with that of the proceeding year. Outlined below are those policies considered particularly significant.

(a) Government funding is recognized as revenue when funding is approved by the respective government agency.

Funds received from sponsorship and event funding and luncheon and seminar registrations are recorded as revenue immediately upon receipt.

Member fees are recognized as revenue over the fiscal year to which they relate.

Rental income is recognized in the period covered by the rental payment which is on a monthly basis.

(b) Newfoundland and Labrador Environmental Industry Association follows the restricted fund method of accounting for contributions.

The General Fund accounts for all of the organization's program delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants.

(c) Marketable securities are accounted for at market value. Changes in fair value are recorded through the statement of operations.

(d) Amortization of Capital assets is recorded on a declining balance basis at the undernoted rates except in the year of acquisition when one half such rates are applied to the cost of additions. No amortization is recorded in the year of disposition.

Furniture & fixtures	20%
Computer equipment	55%

(e) Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired.

(f) The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations 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. Actual results could differ from these estimates. Estimates included in these financial statements relate to the determination of the useful lives of capital assets.

# NEWFOUNDLAND AND LABRADOR ENVIRONMENTAL INDUSTRY ASSOCIATION

## NOTES TO FINANCIAL STATEMENTS OCTOBER 31, 2017

	2017	2016		
<b>2. ACCOUNTS RECEIVABLE</b>				
Trade and other receivables	\$ 26,051	\$ 7,713		
Funding receivable	29,338	72,812		
Receivable from employees	6,510	-		
HST receivable	<u>4,073</u>	<u>6,376</u>		
	<u>\$ 65,972</u>	<u>\$ 86,901</u>		
<b>3. CAPITAL ASSETS</b>				
	<b><u>Cost</u></b>	<b><u>Accumulated Depreciation</u></b>	<b><u>Net 2017</u></b>	<b><u>Net 2016</u></b>
Furniture & fixtures	\$ 23,803	\$ 12,578	\$ 11,225	\$ 14,026
Computer equipment	<u>15,755</u>	<u>14,480</u>	<u>1,275</u>	<u>1,997</u>
	<u>\$ 39,558</u>	<u>\$ 27,058</u>	<u>\$ 12,500</u>	<u>\$ 16,023</u>
<b>4. GUARANTEED INVESTMENT CERTIFICATES</b>				
The balance consists of the following:				
(a) A guaranteed investment certificate with a principal balance of \$31,782 at an interest rate of 0.65% per annum, maturing on May 12, 2018.				
(b) A guaranteed investment certificate with a principal balance of \$53,751 at an interest rate of 0.9% per annum, maturing on May 12, 2018.				
<b>5. ACCOUNTS PAYABLE AND ACCRUALS</b>				
Trade and other payables	<u>\$ 15,828</u>	<u>\$ 9,318</u>		
	<u>\$ 15,828</u>	<u>\$ 9,318</u>		
<b>6. RECEIPTS</b>				
Atlantic Canada Opportunities Agency - BDP	\$ 206,794	\$ 171,694		
Conferences, workshops and seminars	155,042	70,496		
Labour Market Partnerships funding	100,000	90,000		
Memberships	57,015	51,491		
Miscellaneous	1,151	2,457		
Project grants, Globe/Caribbean	211,249	244,199		
Rental income	<u>44,770</u>	<u>34,634</u>		
	<u>\$ 776,021</u>	<u>\$ 664,971</u>		





**NEWFOUNDLAND AND LABRADOR ENVIRONMENTAL INDUSTRY ASSOCIATION**

**NOTES TO FINANCIAL STATEMENTS**

**OCTOBER 31, 2017**

**2017**                      **2016**

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**7. ECONOMIC DEPENDENCE**

The Association's Core Funding is received from the Atlantic Canada Opportunities Agency, the loss of funding from this Agency could have a material adverse effect on operations.

**8. FINANCIAL INSTRUMENTS RISKS**

Credit risk

The organization is exposed to credit risk with respect to term deposits, trade and other receivables and funding receivable. The funding was received soon after the fiscal year end. The organization assesses, on a continuous basis, trade and other receivables on the basis of amounts it is virtually certain to receive. The credit risk with respect to term deposits is insignificant since they are held in large financial institutions.

Interest rate risk

Interest rate risk is the risk that the value of financial instrument might be adversely affected by a change in the interest rates. The organization is exposed to interest rate risk primarily through its floating interest rate guaranteed investment certificates.

