

RECYCLING
COUNCIL
OF ALBERTA



annual report

2017 - 2018

Table of Contents

2017-2018 RCA Board of Directors.....	3
RCA Conference “It Takes A Village”	4
Waste Reduction Week.....	5
RCA Honours 2017 Rs of Excellence Award Winners.....	6
Pay-As-You-Throw Workshops with Lisa Skumatz.....	8
Textile Diversion	8
Outreach.....	9
ReThink Red Deer’s Climate Literacy Lab Workshop.....	9
Workshop “The China Market: A New Reality”	10
Feeding the 5000 Calgary.....	11
Calgary Composting & MRF Tour & Seminar.....	11
2018 Ambassadors	12
Ag Plastics	14
Economic Impacts of Waste Management and Recycling.....	15
RCA Project Teams.....	16
2017-2018 Financial Statements.....	17

2017-2018 RCA Board of Directors



President: Leah Seabrook, Strathcona County

Vice-President: Lorenzo Donini, GFL Environmental Inc.

Secretary: Jessie Kwasny, University of Alberta

Treasurer: Guy West, Alberta Beverage Container Recycling Corporation

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- Mason Austen, Rocky View County
- Sean Dann, Capital Paper Recycling Ltd.
- Don Francis, GFL Environmental Inc.
- Ian Gregory, Re-Matt Inc
- Pamela Haggarty, Technical Services Advisory Group
- Jennifer Koole, Rocky View County
- Mikhael Metauro, Cascades Recovery+
- Anne Ruzicka, Beaver Municipal Solutions
- Darryl Wolski, Merlin Plastics Alberta Inc.

RCA Conference “It Takes A Village”

Lake Louise was the backdrop for the 2017 RCA conference, themed “It Takes A Village” October 11th – 13th. Over 300 delegates travelled to the Chateau Lake Louise to experience this premier annual waste reduction event.



The conference kicked off Wednesday morning with the “Chinese Sword Market Restriction Update” workshop, updating delegates on the recent market restrictions of plastics and mixed paper in China. The afternoon featured a tour of the Chateau Lake Louise’s environmental programs and guided nature walk through the fresh snow. Delegates also had the choice of attending a workshop on Extended Producer Responsibility (EPR)



featuring updates on Alberta’s previous municipal workshop, as well as insight into BC and Ontario’s programs. This workshop offered an opportunity for attending municipalities to provide additional input into the future of stewardship and EPR in Alberta. The afternoon sessions concluded with the first plenary session of the conference: Training the Village – Successful Education Techniques. This informative session was followed by the feature BBQ and Dialogue with the DAOs, giving attendees the opportunity to ask representatives from Alberta’s DAOs questions about their programs.

Thursday brought the first full day of conference sessions, beginning with a highlight of the conference; the inspiring “Young Guns – Waste Reduction Innovators” session. Delegates noted the passion, innovation and inspiration the seven “Young Guns” brought to the morning session. The motivating innovation only continued throughout the day with the keynote address from Sudhir Suri of L’OEUF Architects on sustainable design. Afternoon concurrent sessions highlighted important, relevant topics such as food waste, waste reuse, problematic materials and featured a cross-country check-up. The day concluded with the Box Social Banquet, featuring Rs of Excellence Awards and Sponsor Tribute.

Friday sessions focused on industrial, commercial and institutional (ICI) waste, hearing from champion businesses and institutions about their successful ICI waste reduction and diversion programs. After a full program of sessions, displays, networking and fun, everyone left Lake Louise feeling inspired, informed and rewarded.



Waste Reduction Week

Waste Reduction Week in Canada was held October 16 – 22, 2017.

This annual week-long celebration empowers and engages individuals, municipalities, businesses and schools to lead by example and take action to reduce waste.

Each day of Waste Reduction Week had an associated theme, allowing participants to have the option to support areas that are most important to them or learn about a new issue:

Monday	Circular Economy
Tuesday	Textiles
Wednesday	Celebrating Champions & Innovators
Thursday	Plastics
Friday	Food Waste
Saturday/Sunday	Swap, Share, Repair



A number of proclamations and events were held throughout Alberta during Waste Reduction Week, including:

Goodwill Industries of Alberta

Goodwill stores in Calgary dressed blue and green to create awareness about WRW. They also partnered with RCA to host an event during Tuesday Textiles to raise awareness about the importance of keeping textiles out of the landfills and donating clothes.

City of Airdrie - It Starts at the Store

City of Airdrie developed the Smart Shopper Pledge forms, to have their community commit to making smart environmental purchasing decisions by signing the pledge and encourages to make more conscious decisions while shopping

Town of Drayton Valley - Shred it and forget it

Town of Drayton Valley hosted the Community Shred-it Event where members of the community and non-profit organizations could come shred documents free of charge. They also featured recycle awareness presentations at Aurora Elementary School and H.W. Pickup Junior High School on reducing waste and proper recycling.

Textile Awareness Event

On October 17, the RCA hosted an event at the Calgary Tower together with Goodwill to promote textile diversion. Together with Goodwill the RCA gave out Goodwill's recycled Cleaning Cloth packages at the Calgary Tower.

Drop N Swap Event

On October 21, Clean Conscience Recycling hosted a Drop N Swap event to encourage community members to reduce waste in Sylvan Lake. The RCA attended the event to support and encourage community members to reduce waste in Sylvan Lake.

RCA Honours 2017 Rs of Excellence Award Winners

The 2017 Rs of Excellence Awards were presented at the RCA's Waste Reduction Conference "It Takes a Village" Oct 12 at the Fairmont Chateau Lake Louise. The following awards were presented:

2017 Disaster Waste Reduction Award:

Staff of the Regional Municipality of Wood Buffalo's Solid Waste Branch



In 2016, during the Horse River Wildfire event and subsequent recovery period, the Regional Municipality of Wood Buffalo Solid Waste branch was evacuated, returned to firefight on the landfill, make good on essential repairs, and reopened within ten days. The collections group cleared a city's worth of residential and commercial waste on a skeleton crew before the residents could return. The landfill crew then went on to receive more than double the annual amount of waste in eight months of which over 70% was reused or recycled. This award recognized the Herculean efforts and sacrifice all staff provided to assist with the recovery, and at the same time produce a very commendable level of waste reduction.

2017 3Rs Innovation Award:

Beaver Municipal Solutions' Upcycle Challenge

Beaver Municipal Solutions sponsored an Upcycle Challenge for residents, businesses, institutions and community groups located in Beaver County. They were asked to create a new, saleable product from materials in the waste stream. After registering, entrants tracked the process they used to create their product. An external judging panel determined the winners. In addition to the prize money, Beaver Municipal Solutions provided an additional award to the first prize winner for the development of a new cottage industry. First prize was awarded to Morley Knudslien for his tire covers made from old bill boards. "Got It Covered" was launched during Environment Week.



2017 Rural Recycling Award:

Wheatland County Grain Bag Rolling Program

In Wheatland County, many grain bags were burned or sent to landfill. In the fall of 2015, Wheatland County Agricultural Services began implementation of a grain bag recycling pilot program. A County seasonal employee took the County's rental grain-bag roller out to farms to provide proper cleaning and rolling of grain bags. A partnership was forged between the County, Merlin Plastics & Crowfoot Plastics – to collect and recycle grain bags into products like garbage bags. The newly offered

municipal service was so well-received by the community that in 2017 the Wheatland County Agricultural Services Board voted to recommend to council that the program be incorporated into the regular, permanent services of the County.



2017 Municipal Program Award:

Town of Taber Municipal Solid Waste Initiative

For many years, large commercial-sized bins were used for all waste in Taber, with few options for recycling or composting, and a diversion rate of only 6%. The Town implemented the Municipal Solid Waste Initiative (MSWI) in 2016, introducing three carts for recycling, organic waste and residual waste. Recycling is the largest bin, followed by organics, with residual waste the smallest, in order to provide the necessary momentum for residents to switch to recycling and composting. The project led to an entire culture shift in Taber, and a diversion rate close to 70%. The Town of Taber is proud to be the frontrunner for organics inclusion in Southern Alberta and has since been able to aid other municipalities as they research cart-based systems as well as organics collection.



2017 Corporate Leadership Award:

Centennial Place, Oxford Properties

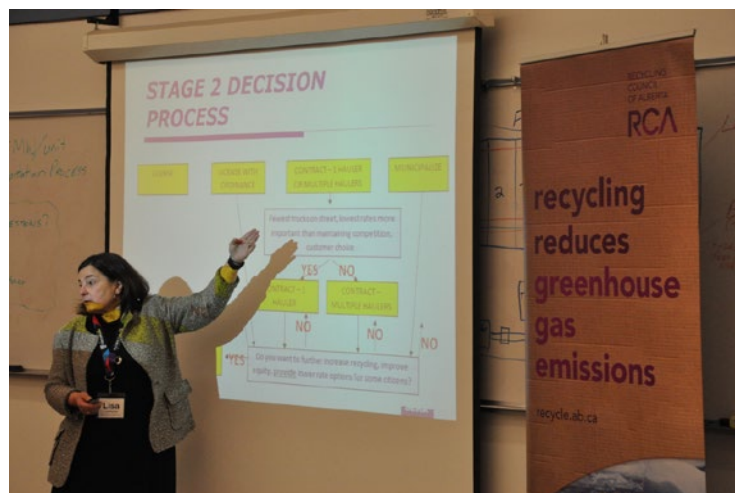


Centennial Place is a 1.3 million square foot office complex located in the heart of Calgary's Eau Claire District, operated by Oxford Properties Group. Centennial Place opened in 2010 with a LEED Gold certification and was the first Alberta building to achieve LEED Platinum O&M in 2015. Centennial Place had a diversion rate of 90% in 2017, working to become a Zero Waste Building. Communication, education and extensive programming are key success elements. The property includes a waste sorting station where discarded materials are inspected to maximize diversion. The program includes Organics, Mixed Recycling, Specialty Items (cigarette butts, electronics, pens and markers, and coffee pods). They also work closely with agencies to recover as many reusable items as possible and donate them into the community.

Pay-As-You-Throw Workshops with Lisa Skumatz

38 workshop participants attended Pay-as-you-Throw Workshops with international Pay-As-You-Throw expert Dr. Lisa Skumatz November 15, 2017 in Edmonton and November 16 in Calgary. Attendees were able to learn more about cost effective diversion programs, PAYT, user fees, and variable rates, and how these programs can encourage recycling, source reduction and recycling in their municipality. Essentially, how to get more diversion “bang” for a municipality’s “buck”.

Dr. Skumatz specializes in economic, policy and evaluation analysis for solid waste clients, developing effective programs and strategies for her clients and improving program performance and cost-effectiveness. She has specifically worked with a wide range of municipalities in North America and the UK to tailor design PAYT options best suited to their situation.



Textile Diversion

The clothing industry is currently the world’s second biggest polluter with roughly 84% of textiles still heading to landfills. Given the social, economic, and environmental benefits that textile recovery has the potential to create, the RCA has partnered with Diabetes Canada to work together to support the development of textile recycling programs in communities across Alberta

These textile diversion programs will include educating the public about reuse/recyclability of textiles and make textile diversion opportunities convenient and accessible to the public. This partnership can be beneficial for RCA and municipal members, as Diabetes Canada has the capacity and infrastructure to manage the used textile generation and can supply equipment and staff to perform services. This program could also become a good platform to improve RCA’s social media strategies and media coverage.

The RCA has kicked off the initiative with a pilot project in partnership with Rocky View County and is also working on developing a pilot with Calgary Board of Education.



Outreach

RCA attended a number of conferences and events to discuss waste reduction and recycling issues, including:

- Alberta Urban Municipalities Association (AUMA) trade show November 22-23, 2017 in Calgary.
- Rural Municipalities of Alberta (RMA) tradeshow March 19, 2018 in Edmonton.
- Alberta Urban Municipalities Association (AUMA) Convention March 15 in Edmonton.
- ReThink Red Deer's Garbage-Free February kick off campaign - the goal of this campaign is to have discussions to help citizens navigate a waste-free month in February.
- Career and Sustainability forum hosted at the University of Calgary in February, where 150 students attended to learn about careers in environment and sustainability.
- STREAM career fair for High schools in Edmonton in April.



ReThink Red Deer's Climate Literacy Lab Workshop

The Climate Literacy Lab is a new initiative on climate literacy hosted by ReThink Red Deer in partnership with The Natural Step Canada. The RCA was invited to join with other leading organizations March 23, 2018 in Red Deer to form the Climate Literacy Lab. This lab explored new opportunities to more effectively work together to address climate literacy.



Workshop "The China Market: A New Reality"



The RCA welcomed over 100 participants to Strathcona County April 3, 2018 to explore the current recycling market situation, solutions and a look toward the future. The National Sword in China has imposed strict restrictions on scrap paper and plastic imports into the country that have had widespread impact on North American access to recycling markets. Municipalities' markets and pricing for recyclable materials have been impacted by China's ban and are also affected by new, and currently unattainable, quality standards.

Sponsored by APRA & CPIA, this session featured presentations from brokers and waste processors who discussed the new reality of recycling markets, explained the market changes in China and why the ban was implemented, and provided guidance to waste and recycling generators for accessing new markets and improving sorting and quality standards. The strong panel of experts assembled for this event included:

Tom Baranowski (Seaport International)
Lorenzo Donini (GFL Environmental)
Al Metauro (Cascades Recovery+)
Tony Moucachen (Merlin Plastics)
Mark Badger (Canada Fibers)
Rob Rennie (SUEZ Canada Waste Services Inc.)
Karl Tiemstra (Can-Cell Industries)
Grant Harrington (West Can Marketing)
Tammy Schwass (Alberta Plastics Recycling Association)



Feeding the 5000 Calgary

The second annual F5KYYC event, June 14, 2108, brought together a coalition of organisations that envision a future without food waste. In partnership with The City of Calgary, LeftOvers, and the RCA, Feeding the 5000 Calgary's goal was to raise awareness about food waste through providing a free meal for 5000 people with food that would have otherwise gone to waste. The event included free food, cooking demonstrations, community tables and a station to pledge to reduce food waste. Grant funding for the event was received from Alberta EcoTrust and Community Natural Foods.



Calgary Composting & MRF Tour & Seminar

PAC Packaging Consortium, RCA and City of Calgary partnered on this one-day seminar and facility tour June 18, 2018 in Calgary that included insights from a panel of experts and the opportunity to tour Calgary's MRF and new composting facility. The session welcomed 26 delegates, and included the following panel of experts and topics:

Kayley Fesko, Waste Diversion Specialist, City of Calgary - "Waste Diversion for Calgary Businesses & Organizations"

Carlson Yepes, Waste Diversion Specialist, City of Calgary - "Packaging Trends and Processing Challenges"

Dave Pullar, CEO, Left Field Foods - "The balance and challenge of optimizing packaging"

2018 Ambassadors

Each summer, since 1999, teams of RCA Ambassadors have worked with partners in Alberta to promote recycling and waste reduction. The RCA hires a group of university/college students to carry out important education and technical projects from May through August. The students travel throughout Alberta delivering these projects, while gaining valuable experience that assists them in their education and career pursuits. RCA Ambassadors bring an environmental, marketing, or technical background, combined with a keen interest in applying their educational experience.



This year eight summer students were hired, and they completed several projects, including waste and oil filter audits, public education and outreach, surveys, and promoted/educated attendees on electronics and paint diversion programs at roundup events throughout the Province.

Summary of projects:

Alberta Used Oil Management Association (AUOMA) - Collection Site Practices Review

Two teams of Ambassadors completed a 'collection site practices review'. Students conducted a collection site review at targeted drop-off locations to obtain insight on current average practices and identify gaps using standards and guidelines of best practices for oil collection.



Alberta Used Oil Management Association - Filter Audit

Three Ambassadors completed an oil filter study at three oil filter processors in Alberta, collecting data on approximately 225 drums. The students determined the breakdown of the drum contents and weight of residual oil.



Alberta Used Oil Management Association - Event

Two Ambassadors worked at AUOMA's Red Deer collection event and engaged with the public dropping off used oil materials and handed out materials.

Alberta Recycling - Municipal and Commercial Paint Roundup

Two teams of Ambassadors were responsible for attending Roundups throughout the Province to promote/educate attendees on electronics and paint diversion programs and were available to respond to questions regarding Alberta Recycling programs.



City of Calgary - Compost Giveaway

Two teams of Ambassadors assisted the City of Calgary with its 'compost giveaway' initiative. Ambassadors provided free compost to the community and were available to answer common compost waste questions to the public.

Green for Life Environmental Inc (GFL)

Two Ambassadors assisted GFL with its summer environmental programs which included a Green Cart Audit, electronic large-item pickup, and recycling promotion events.

City of Red Deer - Composting at Home Study

Two Ambassadors assisted the City of Red Deer with their Composting at Home study by conducting site visits to participants and providing information on common composting questions to residents.

City of Red Deer - Green Cart Waste Audit

Two Ambassadors performed a waste composition study of City of Red Deer's green cart program. Students conducted visual audits of green bins and gathered information on common organic waste issues.



Rocky View County - Survey

Two Ambassadors conducted a customer survey to visitors who use the 'Springbank' recycle center, and Rocky View County's recycling trailers ("Chuckwagons"). Ambassadors retrieved information regarding convenience, frequency, expectations, and ways to improve.



Rocky View County - Waste Audit

Two Ambassadors assisted Rocky View County with its green cart audit and black cart waste stream composition study. The information obtained will support contamination and participation campaigns.

AET Group - Litter Audit

Two Ambassadors assisted AET Group Inc. with a litter audit in Edmonton, Alberta and in Winnipeg, Manitoba.

Ag Plastics

In December 2016, the RCA and other key stakeholders formed a working group to advance discussion and action on diverting agricultural plastics. The Agricultural Plastics Recycling Group's (APRG) goal is to establish a province-wide program for the recycling of agricultural plastics.

The working group started to reach out to stakeholder groups (including producer groups representing dairy, beef and crop farmers, Ag Service Boards and municipalities, among others) that use these products and help manage them at the end of their life. The group met to set their problem statement and program outcomes in April 2018. A meeting with the Assistant Deputy Ministers for Agriculture and Environment was subsequently held in July. The next steps are to assess a path forward with a potential pilot program and GAP analysis for the implementation of a provincial program (Fall of 2018).



Economic Impacts of Waste Management and Recycling

To build a more complete knowledge of the waste diversion sector in Alberta, the RCA, in partnership with Alberta Recycling, Alberta Used Oil Management Association, BCMB and SWANA, has developed a project to assess the economic impacts of waste management and recycling in the Province.

The project will address the issue that Alberta-specific data is required to quantify the economic value Alberta's current recycling programs provide and extrapolate this to the value that could be created by expanding these programs or adding new programs.

Waste management and recycling are important sectors of Alberta's economy; they contribute both economically and environmentally to the province. A strong recycling sector captures the value of materials before they are disposed in the waste stream and capitalizes on the economic opportunities related to processing and manufacturing those materials. Growing Alberta's recycling industries would contribute to a diversified, green, and circular economy that will unleash new economic potential by capturing resources that would otherwise be disposed and creating new products from those commodities.

To enable Alberta's transition to a circular economy, data is required. The first step is to quantify the current economic benefit of Alberta's existing programs. Once this is known, this analysis can be expanded to quantify the economic opportunity available to Alberta if existing programs were expanded and new programs added (i.e., job creation, capital and investment attraction, and diversification of the economy).

This project will be initiated in the Fall of 2018. Grant funding for this project is provided by the Community and Regional Economic Support (CARES). Supporting funding is also provided by Alberta Recycling, AUOMA and BCMB, with additional support from SWANA.



RCA Project Teams

The concept of project teams is to launch projects that will be actionable and achievable in a relatively short time frame to help support the larger goal, related to and aligned with RCA objectives.

RCA's 2017/2018 Project Teams include:

Recycling and Waste Management Outreach to Small Towns and Rural Municipalities

Project Sponsor: Darryl Wolski

Project Description: The project team believes that to most effectively support rural municipalities to expand their waste and recycling diversion programs, we need to provide positive examples of successful recycling implementation. We also need to identify where the problems exist. Once we more fully understand where the barriers exist within the groups, either regarding economics, communications with elected officials, transportation, processing, education or others, we can then develop tactics to help best meet their needs and extend the opportunities for recycling in smaller rural areas.

Institutional Waste Diversion

Project Sponsor: Jessie Kwasny

Project Description: The intent of the project is to encourage institutions to implement better waste diversion programs, engage the institutional sector to improve education on available resources, create conversation around ideas/strategies that can be tied into their processes, and connect institutions to share information.

ICI& C&D Sector – Waste Generation Reporting

Project Sponsor: Mikhael Metauro, and Lorenzo Donini

Project Description: This project will investigate regulatory and industry partnership models used successfully in other jurisdictions to facilitate exchange of data regarding waste diversion and disposal with the goal of informing municipal and provincial waste planning, evaluating programs, and allowing for optimization of resource use to improve environmental outcomes. The goal of this project will be to recommend a method or methods, which are legally within the jurisdiction of municipalities that allows for the sharing of this data while ensuring security of commercially sensitive information.

RCA Communication Review

Project Sponsor: Jennifer Koole and Pamela Haggarty

Project Description: A review of the RCA's current communications tools and practices to identify what tools and methods are currently being utilized to connect with specific target audiences, to what degree, how successfully they are working, and at what effort.

Promoting Printed Paper and Packaging EPR in Alberta

Project Sponsor: Jason London

Project Description: Bring Stakeholders together through a collaborative approach that provides a positive atmosphere for EPR to take hold in Alberta. Create a collaborative groundswell of support for Printed Paper and Packaging EPR in Alberta that represents the voices of municipalities and stewards. Develop a united front and propose a custom-built "Made in Alberta" EPR approach to the Alberta government, ensuring that all stakeholders' voices are heard.

2017-2018 Financial Statements

RECYCLING COUNCIL OF ALBERTA

Financial Statements

Year Ended March 31, 2018

(Unaudited)

RECYCLING COUNCIL OF ALBERTA
Index to Financial Statements
Year Ended March 31, 2018
(Unaudited)

	Page
INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Revenues and Expenditures	3
Statement of Changes in Net Assets	4
Statement of Cash Flow	5
Notes to Financial Statements	6 - 9
Service Revenues (<i>Schedule 1</i>)	10
Subcontracting Expenses (<i>Schedule 2</i>)	10
Travel Expenses (<i>Schedule 3</i>)	10

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Recycling Council of Alberta

We have reviewed the accompanying financial statements of Recycling Council of Alberta that comprise the statement of financial position as at March 31, 2018 and the statements of revenues and expenditures, changes in net assets and cash flow 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 financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Recycling Council of Alberta as at March 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with the Canadian accounting standards for not-for-profit organizations.

VKO LLP

Edmonton, Alberta
August 28, 2018

VKO LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

RECYCLING COUNCIL OF ALBERTA**Statement of Financial Position****March 31, 2018***(Unaudited)*

	2018	2017
ASSETS		
CURRENT		
Cash	\$ 166,353	\$ 146,575
Accounts receivable	44,776	14,122
Goods and services tax recoverable	6,597	211
Prepaid expenses	36,792	13,986
	<u>254,518</u>	<u>174,894</u>
PROPERTY AND EQUIPMENT <i>(Note 2)</i>	34,353	36,357
LONG TERM INVESTMENTS <i>(Note 3)</i>	<u>152,225</u>	<u>154,988</u>
	<u>\$ 441,096</u>	<u>\$ 366,239</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 18,171	\$ 17,644
Payroll taxes payable	671	920
Deferred income <i>(Note 4)</i>	72,178	53,122
	<u>91,020</u>	<u>71,686</u>
NET ASSETS		
Unrestricted	315,723	258,196
Invested in property and equipment	<u>34,353</u>	<u>36,357</u>
	<u>350,076</u>	<u>294,553</u>
	<u>\$ 441,096</u>	<u>\$ 366,239</u>

ON BEHALF OF THE BOARD_____
*Director*_____
Director

See notes to financial statements

RECYCLING COUNCIL OF ALBERTA
Statement of Revenues and Expenditures
For the Year Ended March 31, 2018
(Unaudited)

	2018	2017
REVENUES		
Sponsorship	\$ 201,567	\$ 144,424
Registration	142,091	114,994
Project personnel income	70,601	27,869
Membership dues	69,241	65,513
Project disbursement income	54,219	51,466
Advertising	33,164	45,469
Grants and funding	15,665	11,890
Donations	15,066	4,709
Service revenues <i>(Schedule 1)</i>	14,353	26,632
Interest income	3,517	1,589
	619,484	494,555
EXPENSES		
Subcontracting expenses <i>(Schedule 2)</i>	142,248	156,072
Meals and entertainment	113,416	121,556
Salaries, wages and benefits	86,117	71,888
Office	49,844	48,555
Advertising	41,127	21,041
Meeting expenses	40,146	14,723
Travel expenses <i>(Schedule 3)</i>	32,466	25,307
Telephone, fax and internet	16,829	6,748
Equipment rentals	14,605	21,269
Printing and graphic design	11,690	11,245
Interest and bank charges	6,489	5,346
Professional fees	4,100	4,100
Insurance	2,403	1,886
Amortization	2,004	2,121
Postage	477	592
Display and trade show	-	11,622
Donations	-	600
	563,961	524,671
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ 55,523	\$ (30,116)

RECYCLING COUNCIL OF ALBERTA**Statement of Changes in Net Assets****Year Ended March 31, 2018***(Unaudited)*

	Unrestricted		Invested in property and equipment		2018	2017
NET ASSETS - BEGINNING OF YEAR	\$	258,196	\$	36,357	\$ 294,553	\$ 324,669
Excess of revenues over expenses		57,527		(2,004)	55,523	(30,116)
NET ASSETS - END OF YEAR	\$	315,723	\$	34,353	\$ 350,076	\$ 294,553

See notes to financial statements

RECYCLING COUNCIL OF ALBERTA**Statement of Cash Flow****Year Ended March 31, 2018***(Unaudited)*

	2018	2017
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ 55,523	\$ (30,116)
Item not affecting cash:		
Amortization of property and equipment	2,004	2,121
	<u>57,527</u>	<u>(27,995)</u>
Changes in non-cash working capital:		
Accounts receivable	(30,654)	(715)
Accounts payable	527	(7,589)
Deferred income	19,056	3,878
Prepaid expenses	(22,806)	(853)
Goods and services tax payable	(6,386)	1,368
Payroll taxes payable	(249)	920
	<u>(40,512)</u>	<u>(2,991)</u>
Cash flow from (used by) operating activities	<u>17,015</u>	<u>(30,986)</u>
INVESTING ACTIVITY		
Long term Investments	2,763	(1,004)
INCREASE (DECREASE) IN CASH FLOW	19,778	(31,990)
Cash - beginning of year	<u>146,575</u>	<u>178,565</u>
CASH - END OF YEAR	\$ 166,353	\$ 146,575

See notes to financial statements

RECYCLING COUNCIL OF ALBERTA

Notes to Financial Statements

Year Ended March 31, 2018

(Unaudited)

PURPOSE OF THE ORGANIZATION

Recycling Council of Alberta (the "council") is an organization that promotes and facilitates waste reduction, recycling and resource conservation in the Province of Alberta. The council was formed in 1987 and was registered as a charity in 1995.

The council incorporated under the Societies Act of Alberta and is a registered charity under the Income Tax Act and therefore is not subject to income tax.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPPO).

Fund accounting

Recycling Council of Alberta follows the deferral method of accounting for contributions.

Revenues and expenses related to program delivery and administrative activities are reported in the Unrestricted Fund.

The Invested in Property and Equipment Fund reports the assets, liabilities, revenues, and expenses related to Recycling Council of Alberta's capital assets.

Cash and cash equivalents

Cash and cash equivalents are comprised of cash on hand, balances with banks and guaranteed investment certificates with an original maturity at date of purchase less than 90 days.

Property and equipment

Property and equipment is stated at cost or deemed cost less accumulated amortization. Property and equipment is amortized over its estimated useful life on a declining balance basis at the following rates and methods:

Computer equipment	55%	declining balance method
Office and other equipment	20%	declining balance method
Website	25%	declining balance method

Property and equipment acquired during the year but not placed into use are not amortized until they are placed into use.

Long term investments

Long term investments are comprised of guaranteed investment certificates with an original maturity at date of purchase greater than 90 days. Long term investments are carried at cost plus accrued interest which approximates fair value.

(continues)

RECYCLING COUNCIL OF ALBERTA

Notes to Financial Statements

Year Ended March 31, 2018

(Unaudited)

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

Revenue recognition

Revenue from conference fees is recognized in the year the conference is held. Revenue from membership and other fees is recognized in the year to which the fees apply if the amounts have been received or collection is reasonably assured. All other revenue, including interest income, is recognized on an accrual basis in the year earned.

Contributed goods and services

The operations of the council depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

Measurement uncertainty

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.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

2. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	2018 Net book value	2017 Net book value
Computer equipment	\$ 501	\$ 498	\$ 3	\$ 7
Office and other equipment	14,705	12,905	1,800	2,250
Website	37,200	4,650	32,550	34,100
	<u>\$ 52,406</u>	<u>\$ 18,053</u>	<u>\$ 34,353</u>	<u>\$ 36,357</u>

RECYCLING COUNCIL OF ALBERTA

Notes to Financial Statements

Year Ended March 31, 2018

(Unaudited)

3. LONG TERM INVESTMENTS

	2018	2017
Guaranteed investment certificate bearing interest at 1.50% per annum, maturing Oct 4, 2018.	\$ 152,225	\$ -
Guaranteed investment certificate bearing interest at 0.50% per annum, maturing April 1, 2018.	-	127,999
Guaranteed investment certificate bearing interest at 1.50% per annum, maturing March 22, 2018.	-	26,989
	<u>\$ 152,225</u>	<u>\$ 154,988</u>

4. DEFERRED INCOME

	2018	2017
Conference	\$ 5,000	\$ 1,210
Memberships	35,009	30,744
Summerhill Impact grant	14,369	14,368
Workshops	17,800	6,800
	<u>\$ 72,178</u>	<u>\$ 53,122</u>

5. FINANCIAL INSTRUMENTS

The council is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of March 31, 2018.

(a) Credit risk

Credit risk is the risk that a third party to a financial instrument might fail to meet its obligations under the terms of the financial instrument. The council's financial assets that are exposed to credit risk consist primarily of cash and cash equivalents, long term investments and accounts receivable. The centre's cash and cash equivalents and long term investments are maintained with a large federally regulated financial institution. The centre, in its normal course of operations, is exposed to credit risk from its customers. The amounts are due from a variety of customers and government agencies. The centre is not subject to significant concentration of credit risk with respect to its customers.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The council is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources and accounts payable.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant other price risks arising from these financial instruments.

RECYCLING COUNCIL OF ALBERTA

Notes to Financial Statements

Year Ended March 31, 2018

(Unaudited)

6. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

RECYCLING COUNCIL OF ALBERTA**Service Revenues****(Schedule 1)****Year Ended March 31, 2018***(Unaudited)*

	2018	2017
Project management	\$ 11,956	\$ 9,414
Technical and advisory services	-	13,324
Program administration	<u>2,397</u>	<u>3,894</u>
	\$ 14,353	\$ 26,632

Subcontracting Expenses**(Schedule 2)****Year Ended March 31, 2018***(Unaudited)*

	2018	2017
Consulting and contractors	\$ 122,168	\$ 132,164
Accounting and bookkeeping	<u>20,080</u>	<u>23,908</u>
	\$ 142,248	\$ 156,072

Travel Expenses**(Schedule 3)****Year Ended March 31, 2018***(Unaudited)*

	2018	2017
Mileage/fuel	\$ 13,608	\$ 12,215
Accommodations	<u>9,099</u>	<u>8,310</u>
Travel expense	<u>9,759</u>	<u>4,782</u>
	\$ 32,466	\$ 25,307