

RECYCLING
COUNCIL
OF ALBERTA



annual report

2018 - 2019

Table of Contents

2018-2019 RCA Board of Directors.....	3
RCA Conference “Rolling Out the Recycling Red Carpet”	4
RCA Honours 2018 Rs of Excellence Award Winners.....	6
Rural Recycling Workshop	8
Single-Use Items Reduction Strategies Workshop.....	8
Illegal Dumping Prevention and Management Workshops	9
Agricultural Plastics Recycling.....	9
Circular Cities Webinar.....	10
Economic Impacts of Waste Management and Recycling.....	11
2019 Ambassadors	12
RCA Project Teams.....	14
2018-2019 Financial Statements.....	16
2018-2019 Audit Letter.....	27

2018-2019 RCA Board of Directors



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- Pamela Haggarty, Technical Services Advisory Group
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- Anne Ruzicka, Beaver Municipal Solutions
- David Schaaf
- Darryl Wolski, Merlin Plastics Alberta Inc.

RCA Conference "Rolling Out The Recycling Red Carpet"

The 2018 RCA Conference "Rolling out the Red Carpet" was hosted at the beautiful Banff Centre from September 19-21. Over 370 attendees traveled to the scenic campus for three days of networking and engaging on recycling and waste reduction topics.

The conference kicked off Wednesday morning with golfing on the Fairmont Banff Springs Golf Course and an Open House at the Francis Cooke Landfill (Canmore). The afternoon offered tours to the Canmore Transfer Station, and highlights of Banff's own waste management including bear-proof recycling bins, N-Viro biosolids processing facility, and the Fenlands LEED Silver certified recreation centre that houses the largest solar installation in the Bow Valley. Others also got a taste of the area at the RAW Distillery, and Banff Centre Walk of Fame that toured the inspirational facility where participants learned about the variety of Arts programs offered on campus.



The first plenary session featured a discussion about legal issues in the industry including the Municipal Government Act, cannabis disposal and contracts. The afternoon concluded with the RCA AGM, a stewardship discussion, and a special guest appearance by the Honorable Shannon Phillips, Minister of Alberta Environment and Parks who talked about the great work done by the sector.



Thursday morning, the attendees heard from some of the industry's leaders and legends when they highlighted changes they had seen and predictions for future growth in the industry. The opening keynote speaker, Glen Murray, delighted the audience with his natural presentation style as he talked about building the circular economy. The afternoon featured topics on industry updates, plastics, recycling and the arts, and organizations promoting sustainable lifestyles. The red carpet was rolled out for the banquet for guests dressed in their finest attire and the chance to pose with Marilyn Monroe.



The sessions concluded on Friday morning with an EPR Bearpit as experts from municipalities, DAOs, businesses and policy makers discussed the future of EPR. The final wrap-up session explored global examples of best practices with examples in waste management and circular economy initiatives from Italy, the UK and Finland.



RCA Honours 2018 Rs of Excellence Award Winners

The 2018 Rs of Excellence Awards were presented at the RCA's Waste Reduction Conference "Rolling Out the Recycling Red Carpet" banquet evening at The Banff Centre for Arts and Creativity on September 20, 2018. The following awards were presented:

2018 Municipal Program Award: Green Cart Program – City of Calgary

The City of Calgary launched its Green Cart Composting Program in July 2017, servicing over 330,000 households. Food and yard waste collected in the green carts is processed at the city's industrial-scale composting facility, which can turn organic waste into nutrient-rich soil in 60 days. 75% of households are participating in the Green Cart program, diverting over 72 million kg of food and yard waste in the first 10 months of the program. The program will cut residential waste to landfill by almost 50%! Over 13,000 households received over 1.5 million kg of compost at giveaways in May 2018.



2018 Small Business Leadership Award: Cornerstone Cooperative



Cornerstone Cooperative, with retail facilities in 7 communities in northeast Alberta, recycled over 300 tonnes of cardboard and paper in 2017, and are also diverting shrink wrap, oily rags, oil and windshield washer jugs. They also donated 24,000 kg of produce and bakery products to Second Harvest. During a major renovation, Cornerstone was able to repurpose items like used shelving and refrigeration equipment to organizations in need, like a food bank and animal shelter. This renovation also incorporated extensive energy savings features. Cornerstone also has a Bag for Breakfast program that reduced over 45,000 grocery bags in the first quarter of 2018, and provided \$5000 to the School Division's Breakfast Program.

2018 Non-Profit Award: Goodwill Industries of Alberta – Goodwill Impact Centre

The Impact Centre, which opened in January 2017, is home to Goodwill's first outlet thrift store in Alberta. The idea behind the outlet store is to give customers one last chance to re-use and purchase items at a great price thus reducing the volume of items diverted into recycling, re-sale, and waste management operations. The Impact Centre outlet store sold over 250,000 kg in 2017.

The Goodwill Impact Centre ships unsold products to its partners for recycling and reuse. Goodwill's diversion from landfill now sits at 78%. They are continuously improving their recycling and reuse operations in order to become a Zero Waste organization by 2021.



2018 Community Leadership Award: Westerner Park



Westerner Park hosts over 1500 events in Red Deer each year. In 2017, a waste audit was conducted at the facility, leading to enhanced programming. From January 2017 to May 2018 they composted approximately 2000 kg of paper towel, along with coffee grounds, and fruit and vegetable peels. They also recycle cardboard, soft and hard plastics, batteries and mixed paper. Another audit in Spring 2018 led to the elimination of Styrofoam cups in all departments and have incorporated the use of glassware during events. In February, they introduced beer cup recycling stations to recycle the 90,000 plastic cups currently used.

2018 Lifetime Achievement Award: David Schaaf

Dave started in 1990 with the City of Lethbridge. He led the Y2K preparation team – remember Y2K and the global panic for all of our computer networks – well, Dave single-handedly helped save us from this impending doom!!

It was after his Y2K triumph that Dave's reputation for getting results was solidly established, and in 2001, he was appointed the city's new Waste and Recycling Services Manager, and the rest as they say is history.

Some highlights of Dave's career:

- Moved the city to fully automated cart collection.
- Established the first yard waste collection sites.
- Transitioned the original 7 recycling depots to 3 enhanced recycling stations.
- Aggressively promoted grass cycling.
- Helped kick start the corporate environmental sustainability initiative.
- Developed the city's first waste diversion strategy in 2008, culminating in the Environment Policy, Waste Diversion Policy and the Residential and ICI Waste Diversion strategies.



And the list goes on.

Dave is also an accomplished Toastmaster and is credited with founding the "City Speakers".

Dave is a musician and an accordion player – which are arguably two different things.

Dave is a cherry grower, a part time mechanic (which he needs to be if you know what kind of cars he drives!), a landlord, a tinkerer, a handyman, a loving husband, and a father to three boys.

Rural Recycling Workshop

There were 27 people in attendance at the Rural Recycling Workshop held October 30, 2018 at the Ryley Legion. Attendees included those within Beaver County, and some came from as far as Barrhead and Wetaskiwin.

Presentations included Recycling 101 by Christina Seidel. Tammy Schwass from the Alberta Plastics Recycling Association discussed ag plastics recycling updates and two processors presented on their services and how they do business: Scott O'Coin from Infinite Earth based in Camrose and AK from Cascades Recovery+.

After the presentation we held a brainstorming and discussion session in small groups to generate some discussion on future session and educational opportunities.



Single-Use Items Reduction Strategies Workshop

The Recycling Council of Alberta organized a workshop on Single-Use Items Reduction Strategies on March 26, 2019 in Wetaskiwin, delivered in partnership with Waste Free Edmonton.

Increasingly, communities, governments of all levels and the public at large are targeting single-use items as a source of concern for environmental impacts such as litter and recycling challenges. This workshop featured organizations that have made efforts to address the impacts of single-use items in their communities, including Blue Bayfield, an organization from Bayfield, Ontario, of concerned citizens including presenter, Ray Letheren, with a mission to reduce the use of disposable items and prevent plastic and pollutants from entering their Great Lake and waterways.



The workshop was hosted in Wetaskiwin, a city who introduced a plastic checkout bag bylaw in July 2019. Jacqueline Pelechtyk shared their experiences. Lindsay Seidel-Wassenar presented an overview of other municipalities who have, or are planning, bylaws addressing single use items. Other presenters included Melissa Gorrie from Waste Free Edmonton, Isabelle Couture and Briana Loughlin from Plastic-Free YYC, Patricia Misutka from the City of Edmonton, an update from the City of Vancouver Reduction Strategy and John Graham from the Retail Council of Canada.



Illegal Dumping Prevention and Management Workshops

The Recycling Council of Alberta, in partnership with SWANA Northern Lights Chapter, hosted two workshops, one in Cochrane on June 10 and one in Edmonton on June 11, on a common issue faced by all municipalities: illegal dumping.

The workshops featured a presentation from “Keep Pennsylvania Beautiful”, a not-for-profit state-wide organization that has worked with all 67 Counties in Pennsylvania to develop programs for future prevention of illegal dumping and enforcement. Heidi Pedicone’s presentation featured:

- successful program examples at reducing illegal dumping,
- surveillance camera loan program
- previous illegal dumping research and related costs,
- education strategies

Other jurisdictions also shared their challenges and solutions to the issue. The Recycling Council of British Columbia’s Harvinder Aujala provided a background on why people dump and a report that was undertaken in BC in 2017. Kirk Symonds presented on steps to manage illegal dumping in Nova Scotia. Allen Jensen shared Metro Vancouver’s Waste In Its Place behaviour change campaign and the host workshop partner, Sheri Praski from SWANA Northern Lights Chapter shared on Saskatchewan’s management of illegal dumping.

Agricultural Plastics Recycling

The Recycling Council of Alberta sits on the Agricultural Plastics Recycling Group (APRG), a committee made up of over 20 other stakeholder organizations across the province representing producers, municipalities, retailers, government, manufacturers and recyclers. In January 2019, Alberta Agriculture and Forestry announced \$1 million to go toward a three-year pilot project to recycle grain bags and twine. The funds are administered by the Alberta Beef Producers and the program is called *Alberta Ag Plastic: Recycle it!* In June, national ag plastics stewardship organization, Cleanfarms, was announced as the program operator and will run the logistics, collection and recycling for the program.



After engaging with sites and communities over the summer, 20 sites have been selected with the goal to start collecting materials by October, 2019. The progress will be monitored and reported back to the government with the goal to move toward a permanent program. A producer survey, characterization and market study are also part of the pilot to provide information and data to decision makers and stakeholders.

For more information visit www.aprg.ca or <https://cleanfarms.ca/alberta-ag-plastic-recycle-it-program/>.

Circular Cities Webinar

The circular economy is becoming a hot topic across Canada, with many businesses and cities taking first steps toward practical measures. The Recycling Council of Alberta (RCA) is leading the movement toward a circular economy throughout Alberta, and is engaging with cities and communities throughout the province on the topic. While cities are familiar with the term, the concept is still relatively new and the knowledge around global best practices is not well known.



The June 25, 2019 webinar discussed the basics and benefits of shifting the economies of our Alberta communities to become more circular, presented by Circle Economy. Circle Economy is a cooperative, social enterprise based out of the Netherlands, with the mission of accelerating the practical and scalable implementation of the circular economy. They have assisted many European cities with Circular Economy research and reporting.

The first part of the webinar consisted of a two-person presentation from Circle Economy that aims to provide participants with specific knowledge on the following areas:

- What is the circular economy and why it represents a crucial opportunity for cities and communities?
- What are the global best business and policy practices in circular economy?
- What benefits are already being seen in cities?
- Effective and practical steps to getting started?

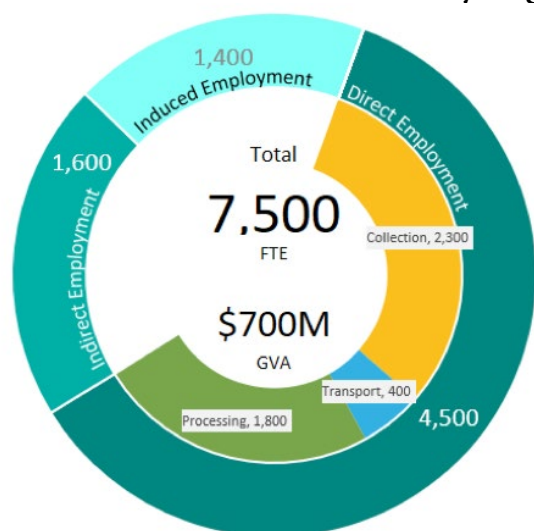
The second part of the webinar was an interactive session, moderated by the RCA, where participants were able to ask questions. The webinar is still available on the RCA website: <https://recycle.ab.ca/workshop/circular-cities-webinar/> and on the Circular Cities page, <https://recycle.ab.ca/circular-cities/>.

Economic Impacts of Waste Management and Recycling

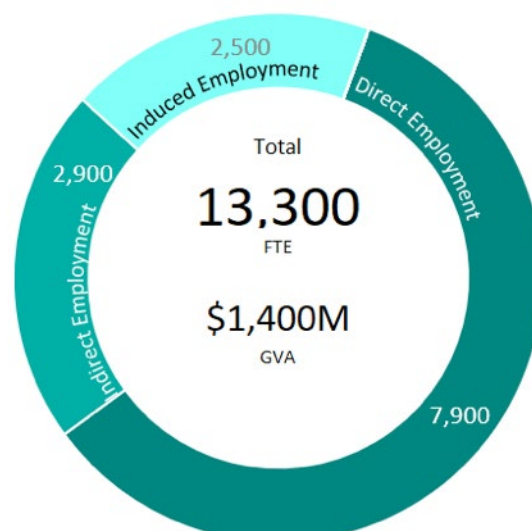
In 2019 the RCA undertook a study on the economic impacts of recycling to look at ways recycling contributes to employment and growth of the Alberta economy. The study was funded by Alberta Economic Development and Trade, Alberta Recycling Management Authority, Beverage Container Management Board, and Cleanfarms. Eunomia Research & Consulting was hired to do the research.

The study found that Alberta's recycling sector generated \$700 million in economic value in 2018, as well as supporting over 7,500 direct jobs. The analysis also highlights the potential to increase this contribution in future to \$1.4 billion in economic value, and 13,000 jobs. In addition to the benefits to the Alberta economy, materials collected in Alberta that are processed and utilized in neighboring jurisdictions provide additional jobs in those areas which were not included in the study.

Current Economic Benefit from Recycling



Potential Total Economic Benefit from Recycling



The study found that more residents had access to services than previously thought, with 75% of all Alberta households able to access curbside recycling services, and 44% also having access to organics diversion programmes for recycling organic waste. In total, the research estimates that 1.15 million tonnes of material were diverted for recycling in 2018, an average of 260 kg per Alberta resident.

Researchers from Eunomia also found that, despite the overall success of the sector, significantly more could be done to increase the amount of recycling taking place. The analysis found that taking action to increase and diversify Alberta's recycling programs could almost double the amount of material being diverted for recycling, with the accompanying economic benefits.

The full report is available to download [here](#).

The RCA will continue to share the results of the report with stakeholders and policy makers to show the potential of investment in the industry and the benefits for the economy and the environment.

2019 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 four summer students were hired, and they completed several projects, including waste 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:

AET Group – Litter Survey

The Edmonton Ambassadors assisted AET Group Inc. with a visual litter and cigarette butt survey in Edmonton for one week. These findings helped AET determine the type of litter and whether litter is a growing, or decreasing, problem for Edmonton compared to previous years.

Alberta Recycling – Municipal and Commercial Paint Roundups

Ambassadors were responsible for attending Municipal Roundups across the province to promote/educate attendees on the recycling of tires, used oil products, HHW, electronics and paint under the Alberta Recycling Management Authority programs. Ambassadors also attended Commercial Paint Roundups in Edmonton and Calgary.



City of Red Deer – Composting at Home study

The Calgary team of 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 – Residential Curbside Cart Audits

For four consecutive weeks, Ambassadors completed visual inspections of residential curbside carts to determine characteristics such as “cart fullness”, and “correctness of material in each cart”. Carts that contained accurately sorted material received a gold star from the Ambassadors.

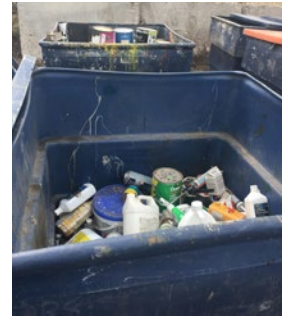
Edson Recycling Society – School Waste Audits

The Edmonton team of Ambassadors assisted the Edson Recycling Society with school audits in Edson and surrounding county. Ambassadors sorted school waste into several categories to determine how much of the current waste stream is divertible at each school.



Rocky View County – Agricultural Roundups

Teams of Ambassadors attended six Agricultural Roundups in Rocky View County to help educate residents on the proper waste to prepare agricultural materials for recycling. Ambassadors interacted with event attendees and demonstrated recycling and material preparation techniques with physical displays/examples.



Rocky View County – Compost Giveaway

Calgary based Ambassadors operated a Compost Give-Away in Langdon for all Rocky View County residents. The event was run in conjunction with a Clothing Drive where residents were invited to bring clothing items for donation/recycling in exchange for compost.

Rocky View County – Transfer Station Data Management

Two Ambassadors entered three years (2017-2019) worth of paper data from the Rocky View County Transfer Station. This project was completed over the duration of the summer.

Rocky View County – Waste Education and Outreach

Teams of Ambassadors attended community events in Rocky View County to promote solid waste and recycling services offered by the County and more specifically the solid waste services in that region (example: Elbow Valley Chuckwagon in Elbow Valley vs. Bragg Creek transfer site vs. Langdon curbside). Events included Stampede Breakfasts, Community Days, parades, and other events where members of the community gathered for specific outings.

sonnevera – Visual Waste Audit and Surveys for the Town of Rocky Mountain House
Edmonton Ambassadors completed a visual waste audit at the Authority Landfill as a part of an overarching Waste Reduction Strategy sonnevera is completing for the Town of Rocky Mountain House. Ambassadors also completed a Recycling Depot Usership survey and Transfer Station Usership survey as a part of the project.



Strathcona County – Waste Audit

The Edmonton Ambassador team assisted with completing a two weeklong residential waste audit for Strathcona County. Ambassadors sorted the waste into sub-categories within the three streams: organics, recycling and garbage.

Town of Cochrane – Compost Giveaway

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

Town of Cochrane and Rocky View County Joint Eco Centre User Survey

Ambassadors completed a weeklong Eco Centre survey to assist the Town of Cochrane and Rocky View County with determining characteristics of the site users. This project involved data compilation and a final report presenting the usership results such as location of user, how often they visit and whether they are bringing material from a home residence or business.

Thank you very much to all our 2019 clients and our four passionate Ambassadors:
Katelyn Hubercheck (Edmonton), Tessa Hill (Edmonton), Kate Wegscheidler (Calgary),
Ruthie McComb (Calgary)

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 2018/2019 Project Teams Include:

RCA Communications

In 2019 the Communications Project Team took a close look at the state of RCA's communications. They determined that the RCA is working on a lot of great things and the organization has a strong voice for recycling in Alberta, but that more could be done to share those stories and get messages out to members and the public. The group set aside resources in the budget to hire a communications coordinator. Tammy Schwass is now working hard to improve the RCA's presence on social media, connections with members and to make the Connector newsletter more user friendly. We look forward to seeing continued developments in the RCA's communication in the remainder of the year.

Promoting Packaging and Paper Products EPR in Alberta

We have worked to create an awareness of EPR in Alberta this year and the result has been excellent thanks to the hard-working project team members.

The team's mandate is to create a collaborative groundswell of support for paper and packaging product EPR in Alberta that represents the voices of RCA members. We want to do everything we can to ensure that all stakeholders' voices are heard, develop a united front and assist members in proposing a custom-built "Made In Alberta" EPR approach to the Alberta government.

A couple of important accomplishments this year include:

- Completing an update of EPR-specific information on RCA's website that describes EPR, it's benefits for stakeholders and what RCA's vision is of important goals of Alberta's first legislation on EPR.
- Supporting the Alberta Collaborative Extended Producer Responsibility Study, which will clearly detail the current state of recycling in Alberta, including how paper and packaging products are collected in Alberta, where it flows, and what the costs are that are currently borne by municipalities and Alberta taxpayers. It will also lay out a future vision for EPR and describe a full complement of the benefits, risks and challenges for all stakeholders of EPR In Alberta. The RCA was able to include its voice in developing that vision on behalf of RCA members.

The Project Team continues to engage our own member to ensure their voices are heard. The latest group to be engaged is the service providers of waste and recycling services in Alberta, the private sector haulers and processors of paper and packaging products. This process is happening right now and we're looking forward to hearing what they have to say!

It's been an eventful year already, and we're prepared to continue our work and advocacy into 2020!

RCA Membership Outreach

In the summer of 2019, the Ambassadors reached out to RCA members to find out about their experiences with the organization and ask questions about improvements. The survey results will be used to advance programs and tailor communications moving forward. The survey timing was excellent as it took place right before we started our communications efforts. This will act as a good baseline to monitor and follow up on the results. We want to continue to ensure members are finding value in their RCA membership and that we are recruiting new members.

Circular Cities

The Recycling Council of Alberta (RCA) is helping Albertans to explore and support the Circular Cities concept. Global research on circular cities will provide case studies and successful initiatives for cities to draw on to make their communities more sustainable.

The goal is to establish a foundational group of Alberta municipalities of various sizes working together to develop a Circular Cities Roadmap containing strategies for transitioning to a Circular Economy. RCA will assist this group, and will use their success stories as models for other communities.

In 2019 the team hosted a webinar by Circle Economy. Circle Economy is a cooperative, social enterprise based out of the Netherlands, with the mission of accelerating the practical and scalable implementation of the circular economy. They have assisted many European cities with Circular Economy research and reporting. We have also conducted research of examples of circular projects already underway in the province and will continue to reach out to Alberta municipalities. Visit the website for more information: <https://recycle.ab.ca/circular-cities/>



2018-2019 Financial Statements

RECYCLING COUNCIL OF ALBERTA
Financial Statements
Year Ended March 31, 2019

RECYCLING COUNCIL OF ALBERTA
Index to Financial Statements
Year Ended March 31, 2019

	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 Flows	5
Notes to Financial Statements	6 - 8
Subcontractor Expenditures (<i>Schedule 1</i>)	9
Travel Expenditures (<i>Schedule 2</i>)	9

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 which comprise the statement of financial position as at March 31, 2019 and the statements of revenues and expenditures, changes in 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 financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility for the Financial Statements

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, 2019, 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.


Edmonton, Alberta
September 17, 2019

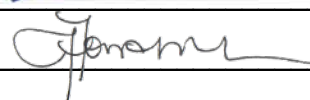
VKO LLP
VKO LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

RECYCLING COUNCIL OF ALBERTA**Statement of Financial Position****March 31, 2019***(Unaudited)*

	2019	2018
ASSETS		
CURRENT		
Cash	\$ 474,845	\$ 166,353
Accounts receivable	16,297	44,776
Goods and services tax recoverable	5,952	6,597
Prepaid expenses	4,953	36,792
	502,047	254,518
PROPERTY AND EQUIPMENT <i>(Note 2)</i>	24,691	34,353
LONG TERM INVESTMENTS <i>(Note 3)</i>	155,116	152,225
	\$ 681,854	\$ 441,096
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 21,377	\$ 18,842
Deferred income <i>(Note 4)</i>	37,165	57,809
Deferred contributions <i>(Note 5)</i>	75,000	14,369
	133,542	91,020
NET ASSETS		
Unrestricted	523,621	315,723
Invested in property and equipment	24,691	34,353
	548,312	350,076
	\$ 681,854	\$ 441,096

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, 2019
(Unaudited)

	2019	2018
REVENUES		
Sponsorship	\$ 195,034	\$ 201,567
Registration fees	191,140	142,091
Project personnel income	121,563	70,601
Project disbursement income	102,945	54,219
Membership dues	73,219	69,241
Government of Alberta - CARES (Note 5)	60,000	-
Advertising	36,623	33,164
Grants and funding	21,818	15,665
Service revenues	14,503	14,353
Summerhill Impact (Note 5)	14,369	-
Interest income	4,762	3,517
Donations	569	15,066
	836,545	619,484
EXPENDITURES		
Subcontractor expenditures (Schedule 1)	218,843	142,248
Meals and entertainment	125,728	119,927
Salaries, wages and benefits	103,152	86,117
Office	45,364	43,810
Travel expenditures (Schedule 2)	44,056	32,466
Advertising	32,886	52,817
Telephone, fax and internet	17,023	16,829
Equipment rentals	14,028	14,605
Meeting expenses	13,898	40,146
Amortization	9,662	2,004
Interest and bank charges	6,840	6,489
Professional fees	4,400	4,100
Insurance	2,429	2,403
	638,309	563,961
EXCESS OF REVENUES OVER EXPENDITURES	\$ 198,236	\$ 55,523

RECYCLING COUNCIL OF ALBERTA**Statement of Changes in Net Assets****Year Ended March 31, 2019***(Unaudited)*

	Unrestricted	Invested in property and equipment	2019	2018
NET ASSETS - BEGINNING OF YEAR	\$ 315,723	\$ 34,353	\$ 350,076	\$ 294,553
Excess of revenues over expenditures	207,898	(9,662)	198,236	55,523
NET ASSETS - END OF YEAR	\$ 523,621	\$ 24,691	\$ 548,312	\$ 350,076

See notes to financial statements

RECYCLING COUNCIL OF ALBERTA**Statement of Cash Flows****Year Ended March 31, 2019**

	2019	2018
OPERATING ACTIVITIES		
excess of revenues over expenditures	\$ 198,236	\$ 55,523
Item not affecting cash:		
Amortization of property and equipment	9,662	2,004
	<u>207,898</u>	<u>57,527</u>
Changes in non-cash working capital:		
Accounts receivable	28,479	(30,654)
Goods and services tax payable	645	(6,386)
Prepaid expenses	31,839	(22,806)
Accounts payable	2,535	278
Deferred income	(20,644)	4,687
Deferred contributions	60,631	14,369
	<u>103,485</u>	<u>(40,512)</u>
Cash flow from operating activities	<u>311,383</u>	<u>17,015</u>
INVESTING ACTIVITY		
Long term Investments	(2,891)	2,763
INCREASE IN CASH FLOW	308,492	19,778
Cash - beginning of year	<u>166,353</u>	<u>146,575</u>
CASH - END OF YEAR	\$ 474,845	\$ 166,353

See notes to financial statements

RECYCLING COUNCIL OF ALBERTA

Notes to Financial Statements

Year Ended March 31, 2019

(Unaudited)

PURPOSE OF THE COUNCIL

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 (ASNFPO).

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 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, 2019

(Unaudited)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

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

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Other revenues are recognized in the period it is earned and collection is reasonably assured.

Contributed services

The fair value of contributed or volunteer 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	2019 Net book value	2018 Net book value
Computer equipment	\$ 501	\$ 500	\$ 1	\$ 3
Office and other equipment	14,705	13,265	1,440	1,800
Website	37,200	13,950	23,250	32,550
	<u>\$ 52,406</u>	<u>\$ 27,715</u>	<u>\$ 24,691</u>	<u>\$ 34,353</u>

3. LONG TERM INVESTMENTS

	2019	2018
Guaranteed investment certificate bearing interest at 2.3% per annum, maturing April 4, 2020.	<u>\$ 155,116</u>	<u>\$ 152,225</u>

RECYCLING COUNCIL OF ALBERTA**Notes to Financial Statements****Year Ended March 31, 2019***(Unaudited)***4. DEFERRED INCOME**

	2019	2018
Conference	\$ -	\$ 5,000
Memberships	37,165	35,009
Workshops	-	17,800
	\$ 37,165	\$ 57,809

5. DEFERRED CONTRIBUTIONS

	Balance, beginning of year	Received (accrued) during year	Recognized to revenue	Balance, end of year
Gov't of AB - Alberta Circular Cities	\$ -	\$ 75,000	\$ -	\$ 75,000
Gov't of AB - CARES	-	60,000	(60,000)	-
Summerhill Impact	14,369	-	(14,369)	-
	\$ 14,369	\$ 135,000	\$ (74,369)	\$ 75,000

6. COMPARATIVE FIGURES

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

7. 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 council's risk exposure and concentration as of March 31, 2019.

(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 council is not exposed to significant other price risks arising from these financial instruments.

RECYCLING COUNCIL OF ALBERTA**Subcontractor Expenditures****(Schedule 1)****Year Ended March 31, 2019***(Unaudited)*

	2019	2018
Consulting and contractors	\$ 194,645	\$ 122,168
Accounting and bookkeeping	<u>24,198</u>	<u>20,080</u>
	\$ 218,843	\$ 142,248

Travel Expenditures**(Schedule 2)****Year Ended March 31, 2019***(Unaudited)*

	2019	2018
Mileage/fuel	\$ 16,386	\$ 13,608
Accommodations	14,153	9,099
Travel	<u>13,517</u>	<u>9,759</u>
	\$ 44,056	\$ 32,466

Sept. 26, 2019

To: The Board of Directors of the Recycling Council of Alberta

We have completed our audit of the financial records for the Recycling Council of Alberta (herein after called the "RCA") for the year ending March 31, 2019. We have reviewed the following statements dated September 4, 2019 (and associated financial materials, bank statements, and records):

- Statement of Financial Position;
- Statement of Revenues and Expenditures;
- Statement of Changes in Net Assets; and
- Statement of Cash Flows.

Based on our audit, nothing has come to our attention that causes us to believe that these financial statements are not in accordance with generally accepted principles.

In addition, the following is noted as a result of this audit:

- We are not aware of any significant unusual transactions recorded by the RCA; and
- There are no findings or issues arising from the audit that are, in our judgment, significant and relevant to the Board of Directors regarding the financial reporting process.

With respect to our examination of the financial statements of RCA for the year ending March 31, 2019, we would like to report the following opportunities for control and procedure improvements for your consideration:

- Authorization for operational expenses, employee payroll, and contractor payments by the RCA should be duly approved by appointed Board of Director members and said approval appropriately archived with the associated financial records.

Regards,



Michel Lefebvre

Che-Wei Chung

Che-Wei Chung