

RECYCLING
COUNCIL
OF ALBERTA



annual report

2019 - 2020

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2019-2020 RCA Board of Directors



President: Jodi Tomchyshyn London, JTL Squared Consulting Inc.

Vice-President: Lori Koebel, Alberta Beverage Container Recycling Corporation

Secretary: David Schaaf

Treasurer: Jeannie Bertrand, Dillion Consulting Limited

Directors:

- Ursula Acuna Kuchenbecker, Waste Management of Canada Corp.
- Andre Joseph, GHD
- Christy Lyon
- Mikhael Metauro, Cascades Recovery+
- Anne Ruzicka, Claystone Waste Ltd.
- Sahra Shojaei, Walker Environmental Group Inc.
- Darryl Wolski, Merlin Plastics Alberta Inc.

RCA Conference "Sea Change"

There was a swell of attendance at the 32nd Annual Waste Reduction Conference in Jasper, with a record 375 attendees. The 2019 conference theme was Sea Change, and guests were surrounded by nautical themes, from the session titles, to the costumes at Thursday's banquet.

The meaning of Sea Change was explained by president Jodi Tomchyshyn London at the kick-off to the conference.

**SEA
CHANGE**

A Waste Reduction Conference

"Sea Change is a reference from Shakespeare's *The Tempest*. *Shakespeare's quote: Full fathom five thy father lies ... / Nothing of him that doth fade / But doth suffer a sea-change*," Jodi continued. "Over the years, authors moved from the literal definition of Sea Change to a figurative definition. According to the Merriam Dictionary a Sea Change now means is a marked change or a transformation. This is really where we are all in the recycling world. A Sea Change."

Speakers throughout the conference addressed this change with their own solutions; discussion on reduction and reuse from Loop, behaviour change from Ruben Anderson and an innovators panel full of outstanding transformational ideas.

The pre-conference sessions on Wednesday involved various tours and activities. Some headed into town for a food and history tour, others went horseback riding, golfing or toured the Lodge to learn about environmental programs.



The Circular Cities Workshop featured information about the RCA's work with communities across the province to promote a Circular Economy. The group also heard from Trevor Gibson on Circular Economy initiatives in Peterborough, UK.

The two concurrent sessions on Wednesday afternoon were the

Pirates of the North Saskatchewan (Recycling in Rural and Remote Regions) and *All Hands on Deck: Recycling in Alberta – Impacts, Innovation and Investment*. In the rural session the group heard from communities managing their recycling with distance and volume challenges. In the Alberta session, presenters touched on Alberta Recycling updates, the Beverage Container Management Board, the Ag Plastics Pilot update and the study from the RCA on the Economic Benefits of Recycling.



Thursday's opening session was called Riptide and involved a number of passionate speakers – Ruben Anderson, Usman Valiante, and Dr. Dianne Saxe – who talked about circular economy and necessary behavioural changes that need to be made to the current system.

Anthony Rossi gave attendees some food for thought in his discussion of Loop's reusable packaging and their pilots in communities across North America as well as discussing the brand owners that are participating in an effort to reduce packaging waste.

No materials were left behind, and after lunch on Thursday, Tonny Colyn, Odessa Ingarfield and Paul Long talked about textiles in the waste stream and opportunities for textile reuse and recycling.



Attendees for the afternoon concurrent sessions heard experts talk about enhancing measurement and accountability in waste diversion programs. The other session delved into the role of the media in creating awareness of waste issues.



The costumes on display at Thursday night's POSH event banquet did not disappoint. The winner in the annual costume contest was Jeannie Bertrand, wearing the container of garbage from the Philippines. Other top props went to the garbage patch, Castaway, the mermaid wearing recycled plastic and King Triton, with honorable mention to the cast of Gilligan's Island.

Despite the celebration and dancing at the banquet, Friday morning saw a great turnout of attendees. Ocean plastics were discussed in the first session. This was followed by ten innovators working on exciting disruptive approaches from vermicomposting, to biomimicry and school reduction programs. That concluded another year of the RCA conference, with the most enthusiastic attendees and a great discussion about waste reduction!

Presentations are available on the website <https://conference.recycle.ab.ca/proceedings/> along with audio and slide clips from the plenary sessions and podcasts of the presentations, so you can listen on the go.



RCA Honours 2019 Rs of Excellence Award Winners

The 2019 Rs of Excellence Awards were presented at the RCA's Waste Reduction Conference "Sea Change" banquet evening at The Fairmont Jasper Park Lodge on October 3, 2019. The following awards were presented:

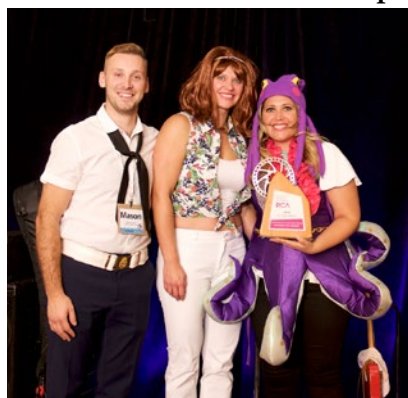
2019 Municipal Program Award: Fort Saskatchewan Waste Program

The City of Fort Saskatchewan made significant changes to their curbside waste program in June 2018 to encourage residents to divert their household waste from landfill. Volume-restricting carts replaced unlimited bagged garbage, curbside organics collection was added, and the collection schedule was changed to reflect the decreased need for weekly garbage collection.

Prior to the new program being implemented, Fort Saskatchewan held one of the lowest diversion rates in the region at an alarming 20%. After one full year of the new program being practiced, that diversion rate increased to 59%.



2019 Institutional Leadership Award: University of Calgary



The University of Calgary is committed to reducing the institution's solid waste contribution to landfills. To help meet this goal, new indoor and outdoor four-stream waste stations for compost, mixed recycling, refundable beverage containers and landfill were implemented across campus starting November 2018. The new bins engage the campus community by encouraging all students, faculty and staff to properly sort and dispose of waste. By accurately sorting recycling and waste, campus members are helping to keep the University of Calgary green as it strives to become a zero waste community.

2019 School Award: Ecole Pine Grove Middle School

In 2018, Ecole Pine Grove Middle School contacted the Edson and District Recycling Society as they were keen to do better in waste reduction and diversion. The EDRS assisted Pine Grove in developing challenging, yet achievable goals to create a proactive waste reduction/diversion program that would bring pride of ownership to the staff and students. A baseline study provided

recommendations to help to determine what type of programming would be needed. A second waste audit in 2019 showed the school reduced the amount of waste they produced every week from about 200 kg to around 20 kg – a reduction of 90% in just one year!



2019 Non-Profit Award: Alberta Bike Swap

Alberta Bike Swap is a social innovation and social enterprise who puts on one-day bicycle buy, sell, and donate events in five cities across Alberta. The goals are to sell consigned bikes that are immediately rideable, to generate funds for safe cycling education, and to be a conduit for donated bikes.



2019 Grassroots Advocacy Award: Plastic-Free YYC



Plastic-Free YYC is Calgary's leading voice for plastic-free living and waste reduction. It is a non-profit aimed at reducing single-use and other unnecessary plastic by raising awareness about the overall impact of plastic on our community and our planet.

For a young organisation launched in late 2017, Plastic-Free YYC has had a tremendous impact by positively contributing to the development of a single-use plastic items waste reduction strategy and leading several successful initiatives like the Last Straw Calgary Campaign and Alberta's First Zero Waste Festival.

2019 Lifetime Achievement Award: Doug Wright

Smart, quick-witted, and young-at-heart are just a few words that describe Doug Wright, who served as the CEO of Alberta Recycling for 26 years, starting in 1993 as Executive Director of the Tire Recycling Management Board. In 2004, with the addition of the electronics recycling program, TRMA became Alberta Recycling, which added paint in 2008 and used oil materials in 2018.

Doug was a remarkable leader who was able to see both the big picture and process the complexity and minutia of the issues facing the organization. Humble and affable, he would always defer credit to the Board, staff, municipalities, and stakeholders. While most Albertans will never know his name, they have much to thank him for. Congratulations Doug! We know you'll be uncomfortable with this well-deserved recognition, but you deserve every word of it, and more.



RCA & SWRC Joint Regional Workshop Overview

Approximately 41 people joined the RCA and the Saskatchewan Waste Reduction Council for a regional workshop in Lloydminster on November 21, 2019.

Attendees heard from Karen Dela Rosa (pictured above), on local program updates from the City of Lloydminster. The group then discussed responsible single-use item management, including EU and Canadian context and updates. This interactive session was led by the RCA's Christina Seidel. Kelly Goyer from Multi-Material Stewardship Western and Dave Lefebvre from RecycleBC then presented on EPR and the waste paper and packaging recycling supply chain in Saskatchewan. Jim Lapp from Tetra Tech closed the morning with a presentation on winter composting.



After lunch, the group received an update from the Saskatchewan Ministry of Environment, and Peter Duck presented on composting issues and opportunities in Alberta. The group also heard from SWANA Northern Lights Chapter lead Sheri Praski on Landfill Operator Certification updates. The day wrapped up with a presentation from Michel Lefebvre with Tetra Tech on reducing GHG emissions using Evapotranspiration Landfill Biocover technology.

Presentations from the session are now available at:
<https://recycle.ab.ca/workshop/rca-swrc-joint-regional-workshop/>

Waste-to-Energy Symposium

The Recycling Council of Alberta hosted a full-day symposium on Waste-to-Energy (WtE) in partnership with the Alberta Plastics Recycling Association. The symposium was held on Thursday, March 12, 2020 from 8:30 am to 3:30 pm at the Dow Centennial Centre in Fort Saskatchewan, Alberta

WtE technologies are in operation around the world and include thermal treatment technologies such as gasification and pyrolysis, biological systems and waste to fuels. But how do these technologies work and what are the economic and environmental implications for managing waste? What role does WtE have as we try to build a Circular Economy and promote reduction and recycling in Alberta?

The first part of the symposium provided attendees with an overview of the different technologies from leading global WtE experts. Also featured were speakers from Environment Canada and an overview on compliance for WtE facilities in Alberta from Alberta Environment and Parks.

The second part of the symposium featured brief presentations from WtE companies currently operating in Alberta.

Attendees developed a greater understanding of how these technologies work and the opportunities and challenges of local implementation.



Presentations are available at <https://recycle.ab.ca/workshop/waste-to-energy-symposium/>

2020 Ambassadors

Each summer since 2004, college and university students have joined the RCA team as Summer Ambassadors. Typically, Ambassadors travel throughout Alberta from May to August, carrying out educational and technical projects with partners while gaining valuable experience. However, as we all know, this summer wasn't typical.

While the RCA Summer Ambassador program of 2020 looked quite different than years past, we are proud of the program's ability to persevere through these unprecedented times. COVID-19 restrictions didn't stop the Ambassadors from successfully advancing the circular economy while gaining valuable work experience along the way.

These Ambassadors come from different backgrounds and have different interests, but they all have one thing in common; a passion for making the world a better place.

Summer Ambassador Class of 2020

Mackenzie Burnett



School: McGill University

Major: Environment

Graduated: December 2019

Home: Born in Saskatoon and grew up in Edson, Alberta

Projects: Commercial Paint Roundups, on-farm composting case study, Recycling Hotline updates, Flagstaff county waste audit, Cleanfarms surveys, and communications

3 words to describe me: Diligent, empathetic and creative

Hobbies & interests: Reading, running, knitting, and cooking

What I'm looking forward to this summer: Helping the RCA grow their online following and writing a case study report that people can read to learn more about on-farm composting operations

Christy Chan



School: University of Calgary

Major: Sociology; minoring in Development Studies

Expected graduation: Fall 2020

Home: I was born and raised in Calgary. I've never lived anywhere else, but I would love to live in Amsterdam or London one day

Projects: Commercial Paint Roundups (Calgary and Red Deer) and the Flagstaff Waste Audit

3 words to describe me: Caring, ambitious and outgoing

Hobbies & interests: I spend my spare time cooking different types of recipes. My favorite dish to make is Japanese curry with a side of mashed potatoes. I also reunited with my passion for painting and recently completed a portrait that I started five years ago

What I'm looking forward to this summer: I hope to gain a deeper and meaningful learning experience from my position as a Brand Ambassador. I am also excited to go on camping trips with my family



Tessa Hill



School: University of Alberta

Major: Marketing; minoring in Entrepreneurship & Sustainability

Graduated: April 2020

Home: Calgary, Alberta

Projects: RCA Circular Cities, Waste-Reduction Coordinator Training Program, Clean Farms Calls, and Commercial Paint Roundups

3 words to describe me: Innovative, driven and mindful

Hobbies & interests: Spike Ball, hiking, volleyball and inventing side hustles

What I'm looking forward to this summer: Advancing the Circular Economy in Alberta!

Summary of projects:

Alberta Recycling – Commercial Paint Roundups:

Ambassadors attended and helped administer Commercial Paint Roundups in Edmonton, Red Deer and Calgary.

Waste-Reduction Coordinator Training Program:

Ambassadors conducted research interviews to help build a base for creating an Alberta focused RCA waste-reduction coordinator training program.

RCA Circular Cities:

Ambassadors helped conduct research and construct grant applications to further the Circular Cities project.

CleanFarms Surveys & Calls:

Ambassadors completed Cleanfarms retailer surveys, small container collection site calls and consolidated data for the ag-pilot program.

RCA Communications:

Ambassadors helped manage and grow the RCA social media accounts, wrote various communications articles, updated the Recycling Hotline and conducted member surveys.

RCA On-Farm Composting Project:

Ambassadors wrote a case study report to help people learn about on-farm composting operations.

Flagstaff Waste Audit:

The Ambassador team assisted with completing a week-long waste audit in Flagstaff.

RVC Springbank Recycling Site Relocation:

Ambassadors attended the Springbank recycling site and relayed information to residents on the relocation of the recycling depot.



For more information about the RCA Ambassador program, contact info@recycle.ab.ca

Ag Plastics

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!

Cleanfarms, a national ag plastics stewardship organization is the program operator and will run the logistics, collection and recycling for the program. 20 sites have collected materials since October, 2019 and another six sites will be added this year. The progress is being monitored and reported back to the government with the goal to move toward a permanent program.

A producer survey, characterization and market study were conducted 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/>.



An Alberta Study Makes a Strong Case for Extended Producer Responsibility

The Extended Producer Responsibility for Residential Packaging and Paper Products: Alberta Collaborative Extended Producer Responsibility Study, released in March 2020, shows a compelling vision for extended producer responsibility (EPR) for residential packaging and paper products (PPP) with a made-in-Alberta solution. The Recycling Council of Alberta participated with the Alberta Collaborative Extended Producer Responsibility (ACES) Group, including municipal and producer representatives, to provide guidance and oversight on the report.

The study shows that with EPR, Albertans will see cost savings, new jobs, better access to recycling opportunities, and better environmental outcomes. Producers will be empowered to design packaging and paper products that are efficient to collect and manage the costs and systems to recycle them.

The RCA has advocated for EPR as an improvement from the current system with many benefits associated in shifting the costs and operational responsibilities for managing recycling systems and finding markets from local governments to producers. EPR is one type of policy approach that can facilitate Alberta's transition to a circular economy – where waste and pollution are designed out of the system, materials and products are used as long as possible and are recirculated into the economy through recycling, refurbishing, or repurposing, and natural systems are regenerated.

If Alberta were to adopt this vision, the study results indicate that it would:

- Reduce the recycling collection services costs that municipalities charge their residents each year by up to \$105 million; this is Albertans' money and it can be provided as a cost savings to municipal residents or reinvested in other municipal services
- Add \$16 million to the Alberta economy every year
- Gain approximately 220 new jobs in Alberta's recycling industry
- Recycle an additional 21,000 tonnes of PPP recycling each year
- Reduce CO₂ emissions by 72,000 tonnes each year – the equivalent of removing 15,000 cars from the road annually
- Increase recycling opportunities for rural Alberta and people who live in multi-dwelling residences
- Make recycling more convenient for Albertans by collecting the same materials province-wide

For the full report, visit the EPR page on the RCA website.

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 2019/2020 Project Teams Include:

RCA Communications

In 2020 the Communications Project Team wrapped up. After hiring a communications consultant in 2019, the RCA saw an expansion of its communications capabilities. As a result, the Board and executive director will continue to provide guidance and oversight to the role, but communications is now an integrated function within the RCA.

Promoting Packaging and Paper Products EPR in Alberta

We have continued to place EPR at the forefront of our work in 2020.

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. Minister Nixon appears to be listening and engaged but more work needs to be done to bring the full caucus onboard and help educate all politicians.

A couple of important accomplishments this year include, as listed above, the release of the Alberta Collaborative Extended Producer Responsibility Study in March, which clearly outlines the benefits of EPR and the cost savings for municipalities and Alberta taxpayers. We continue to point to this report to highlight the full complement of the benefits, and address the questions on risks and challenges from all stakeholders of EPR in Alberta. The RCA was able to include its voice in developing that vision on behalf of RCA members. We also continue to prioritize the development of EPR-specific information on the RCA's website that describes EPR, its benefits for stakeholders and what RCA's vision is of important goals of Alberta's first legislation on EPR.

The Project Team continues to engage our own members to ensure their voices are heard. We're prepared to continue our work and advocacy into 2021!

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 was 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. The RCA assisted this group, and will use their success stories as models for other communities.

Each community is unique in its location, economy and diversity, so the first step in the project involved consulting members of the community to determine unique attributes and opportunities. This engagement took place over a focused half-day workshop. After the workshop, results and ideas were combined into a roadmap report with the goal to give communities an idea of projects and areas for exploration and growth. Communities now have the roadmap as a resource and can choose how and what projects to implement. To assist in this decision-making process, communities will also be connected with partner cities in Europe that have a similar focus and initiatives. This sister city or “small giants” connection will give the communities additional resources to tackle and resolve common challenges. Building on the European Innovation Partnership on Smart Cities and Communities initiative, they are called small giants because, although the communities may be small, they are “giant” in their ambition and what can be achieved through collaboration.

To share the results of this project, we’ve created community pages on our website with details and links to the full roadmaps. Visit the website for more information: <https://recycle.ab.ca/circular-cities/>. We will continue to assess how we can support communities as they develop the next stage of their projects.

On-Farm Composting Project

This project kicked off in late 2019 with the goal to address the lack of composting capacity in the province that has led to challenges for both municipal and ICI organics diversion programs. One successful operation is Stickland Farms, near Penhold, that has built a viable composting facility, largely on the basis of providing soil amendment for its own farming operation. As such, this project worked on the development of an on-farm organics processing case study and best practice example in partnership with Olds College.

To date, we have received a final report, as well as a case study, from the Olds College Students. The report includes a literature review of basic composting fundamentals, and also includes background research, results of surveys completed with farmers, and a thorough explanation of the Stickland Farm composting operation.

We have now moved on to the second phase of the project, where the information is elaborated on through the RCA. Our RCA Ambassador, Mackenzie Burnett, developed a final report framework for the RCA case study. She used the information collected by the Olds College students, and populated the final case study. The next step will be to fill in any remaining gaps through research, input from the project team, and additional discussions with Brian Stickland.

Recycling Coordinator Training / Certification

This project started in 2019 with the objective to develop a training course that will provide basic waste management and recycling training for individuals working as recycling managers at various levels. The project team wants to address the lack of formal industry training and provide resources to those new in the industry and those looking to hire qualified individuals.

The project is now advancing with interviews with member organizations to help address the gaps in training and looking to connect with existing training programs to harness their expertise.

2019-2020 Financial Statements

RECYCLING COUNCIL OF ALBERTA
Financial Statements
Year Ended March 31, 2020

RECYCLING COUNCIL OF ALBERTA
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Year Ended March 31, 2020

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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, 2020 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, 2020, 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 8, 2020

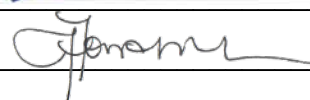
VKO LLP
VKO LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

RECYCLING COUNCIL OF ALBERTA**Statement of Financial Position****March 31, 2020***(Unaudited)*

	2020	2019
ASSETS		
CURRENT		
Cash	\$ 391,100	\$ 474,845
Accounts receivable <i>(Note 2)</i>	100,255	16,297
Goods and services tax recoverable	8,703	5,952
Prepaid expenses	15,336	4,953
	515,394	502,047
PROPERTY AND EQUIPMENT <i>(Note 3)</i>	15,102	24,691
LONG TERM INVESTMENTS <i>(Note 4)</i>	158,683	155,116
	\$ 689,179	\$ 681,854
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 40,245	\$ 21,377
Deferred income <i>(Note 5)</i>	37,790	37,165
Deferred contributions <i>(Note 6)</i>	81,315	75,000
	159,350	133,542
NET ASSETS		
Unrestricted	514,727	523,621
Invested in property and equipment	15,102	24,691
	529,829	548,312
	\$ 689,179	\$ 681,854

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, 2020
(Unaudited)

	2020	2019
REVENUES		
Registration fees	\$ 211,765	\$ 191,140
Sponsorship	168,437	195,034
Membership dues	92,465	73,219
Government of Alberta - Alberta Circular Cities (Note 6)	75,000	-
Project personnel income	48,164	121,563
Grants and funding	32,873	21,818
Advertising	30,998	36,623
Service revenues	20,037	14,503
Project disbursement income	16,575	102,945
Alberta Ecotrust Foundation (Note 6)	12,135	-
Interest income	7,417	4,762
Donations	5,421	569
Government of Alberta - CARES	-	60,000
Summerhill Impact	-	14,369
	721,287	836,545
EXPENDITURES		
Subcontractor expenditures (Schedule 1)	371,898	218,843
Meals and entertainment	155,059	125,728
Other conference, event and workshop	51,946	27,926
Salaries, wages and benefits	49,203	103,152
Travel expenditures (Schedule 2)	37,627	44,056
Office	30,482	38,632
GST expense	13,583	6,609
Amortization	9,589	9,662
Interest and bank charges	7,673	6,840
Professional fees	4,450	4,400
Telephone, fax and internet	4,417	17,023
Insurance	1,953	2,429
Advertising	1,290	32,886
Bad debts (Note 2)	600	123
	739,770	638,309
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (18,483)	\$ 198,236

RECYCLING COUNCIL OF ALBERTA**Statement of Changes in Net Assets****Year Ended March 31, 2020***(Unaudited)*

			Invested in property and equipment		2020	2019
	Unrestricted					
NET ASSETS - BEGINNING OF YEAR	\$	523,621	\$	24,691	\$ 548,312	\$ 350,076
Deficiency of revenues over expenditures		(8,894)		(9,589)	(18,483)	198,236
NET ASSETS - END OF YEAR	\$	514,727	\$	15,102	\$ 529,829	\$ 548,312

See notes to financial statements

RECYCLING COUNCIL OF ALBERTA**Statement of Cash Flows****Year Ended March 31, 2020**

	2020	2019
OPERATING ACTIVITIES		
excess (deficiency) of revenues over expenditures	\$ (18,483)	\$ 198,236
Item not affecting cash:		
Amortization	9,589	9,662
	<u>(8,894)</u>	<u>207,898</u>
Changes in non-cash working capital:		
Accounts receivable	(83,958)	28,479
Goods and services tax payable	(2,751)	645
Prepaid expenses	(10,383)	31,839
Accounts payable	18,868	2,535
Deferred income	625	(20,644)
Deferred contributions	6,315	60,631
	<u>(71,284)</u>	<u>103,485</u>
Cash flow from (used by) operating activities	<u>(80,178)</u>	<u>311,383</u>
INVESTING ACTIVITY		
Purchase/disposal of long term investments, net	<u>(3,567)</u>	<u>(2,891)</u>
INCREASE (DECREASE) IN CASH FLOW	(83,745)	308,492
Cash - beginning of year	<u>474,845</u>	<u>166,353</u>
CASH - END OF YEAR	\$ 391,100	\$ 474,845

See notes to financial statements

RECYCLING COUNCIL OF ALBERTA

Notes to Financial Statements

Year Ended March 31, 2020

(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 provincially under the Societies Act of Alberta. The council is a registered charity and is exempt from the payment of income taxes under the Income Tax Act.

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:

Computer equipment	55%
Office and other equipment	20%
Website	25%

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, 2020

(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. ACCOUNTS RECEIVABLE

	2020	2019
Trade	\$ 21,805	\$ 16,297
Government of Alberta	63,450	-
Alberta Ecotrust Foundation	15,000	-
	<u>\$ 100,255</u>	<u>\$ 16,297</u>

During the year, the council recorded impairments of \$600 (2019 - \$123). This amount, net of recoveries of \$nil (2019 - \$nil) for previously recognized impairments is included in bad debts expense. During the year, the association also derecognized \$600 (2019 - \$123) of accounts receivable previously provided for in the allowance for doubtful accounts.

RECYCLING COUNCIL OF ALBERTA

Notes to Financial Statements

Year Ended March 31, 2020

(Unaudited)

3. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	2020 Net book value	2019 Net book value
Computer equipment	\$ 501	\$ 501	\$ -	\$ 1
Office and other equipment	14,705	13,553	1,152	1,440
Website	37,200	23,250	13,950	23,250
	<u>\$ 52,406</u>	<u>\$ 37,304</u>	<u>\$ 15,102</u>	<u>\$ 24,691</u>

4. LONG TERM INVESTMENTS

	2020	2019
Guaranteed investment certificate bearing interest at 2.3% per annum, maturing April 4, 2020.	<u>\$ 158,683</u>	<u>\$ 155,116</u>

5. DEFERRED INCOME

	2020	2019
Membership dues	<u>\$ 37,790</u>	<u>\$ 37,165</u>

6. DEFERRED CONTRIBUTIONS

	Balance, beginning of year	Received (receivable) during year	Recognized to revenue	Balance, end of year
Government of Alberta - Alberta Circular Cities	\$ 75,000	\$ -	\$ (75,000)	\$ -
Government of Alberta - Canadian Agricultural Partnership	-	63,450	-	63,450
Alberta Ecotrust Foundation	-	30,000	(12,135)	17,865
	<u>\$ 75,000</u>	<u>\$ 93,450</u>	<u>\$ (87,135)</u>	<u>\$ 81,315</u>

7. COMPARATIVE FIGURES

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

RECYCLING COUNCIL OF ALBERTA

Notes to Financial Statements

Year Ended March 31, 2020

(Unaudited)

8. 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, 2020.

(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 council's cash and cash equivalents and long term investments are maintained with a large federally regulated financial institution. The council, 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 council 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.

9. SUBSEQUENT EVENTS

On January 30, 2020, the World Health Organization declared a public health emergency of international concern with respect to the coronavirus disease 2019 (COVID-19). In response to the emergency, Canada's federal and provincial governments have implemented certain measures to limit the spread of COVID-19. One such measure includes restrictions on certain businesses and workplaces which are considered non-essential services. Waste management and recycling, including landfills and hazardous waste treatment are considered essential or non-restricted services by the Government of Alberta. Management is unable to assess the extent to which the council's operations will be impacted by COVID-19.

RECYCLING COUNCIL OF ALBERTA**Subcontractor Expenditures****(Schedule 1)****Year Ended March 31, 2020***(Unaudited)*

	2020	2019
Consulting and contractors	\$ 347,823	\$ 194,645
Accounting and bookkeeping	24,075	24,198
	\$ 371,898	\$ 218,843

Travel Expenditures**(Schedule 2)****Year Ended March 31, 2020***(Unaudited)*

	2020	2019
Mileage/fuel	\$ 16,001	\$ 16,386
Accommodations	13,516	14,153
Travel	8,110	13,517
	\$ 37,627	\$ 44,056

August 6, 2020

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, 2020. We have reviewed the following draft statements dated July 8, 2020 (and associated financial materials, bank statements, and records):

- Financial Statements;
- Statement of Revenues and Expenditures; and
- Statement of Cash Flows.

In addition, we have reviewed the reviewed the General Ledger for the 2019/2020 financial year. Based upon 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.

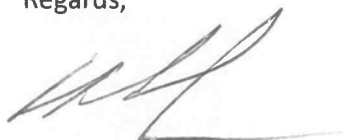
In addition, the following is noted as a result of this audit:

- 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 or relevant to the Board of Directors regarding the financial reporting process.

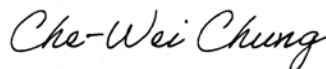
With respect to our examination of the financial statements of RCA for the year ending March 31, 2020, we would like to report the following opportunities for control and procedure improvements for your consideration:

- A standardized naming convention should be adopted for electronic files and folder structures;
- Original electronic receipts should be filed separately from the approved/authorized files to ensure duplicate files are not archived together;
- A standardized security protocol should be adopted for authorized electronic files; and
- Telpay summary should be generated for future financial reviews and/or audits.

Regards,



Michel Lefebvre



Che-Wei Chung