WE ARE MAKING A BIGGER IMPACT IN OUR PROVINCE. IT'S SEEN IN OUR RESULTS AND OUR RECYCLING BINS
LED BY OUR VISION, GOALS. EVERY DAY, EVERYWHERE PROGRAM BRAND AWARENESS. CONTAINER RECOVERY FILL MORE AND MORE

WE ARE MAKING A BIGGER IMPACT IN OUR PROVINCE. IT’S SEEN IN OUR RESULTS AND OUR RECYCLING BINS

GREAT STRIDES IN OUR IS MADE BY OUR RECYCLE WE SEE IT IN OUR EMPTY BEVERAGE CONTINUED DRIVE TO THROUGHOUT MANITOBA.

WE ARE COMMITTED TO FINDING NEW WAYS OF GETTING MORE EMPTY BEVERAGE CONTAINERS INTO BINS.
# TABLE OF CONTENTS

## SECTION 1: INTRODUCTION
- A Message from Chairman John Challinor II
- A Message from Executive Director Ken Friesen

## SECTION 2: VISION
- Company Overview
- How CBCRA Works
- Principles and Goals
- Producers and Retailers
- CBCRA Members
- Strategic Expansion
- Material Recovery Facility Audits

## SECTION 3: INFRASTRUCTURE
- Waste Audits
- Litter Audits
- Introducing the Mini Bin
- 2013 Bin Distribution

## SECTION 4: COMMUNICATIONS
- Advertising
- Website, Social Media and PR
- Sponsorships
- Results

## SECTION 5: PARTNERS
- Schools
- Municipal and Community Partnerships
- Industrial, Commercial & Institutional Partners
- Exchange District Biz
- Provincial and National Parks & Lakes
- Northern and First Nations
- 2013 Results

## SECTION 6: STAFF AND FINANCIAL STATEMENTS
- Board of Directors and Staff
- Financial Statements
SECTION 1

INTRODUCTION

A year of progress and growth
A Message from Chairman John Challinor II

OUR STRONGEST YEAR TO DATE

Manitoba is an emerging worldwide leader in beverage container recycling, a fact that was highlighted once again in 2013 with the success achieved by the Canadian Beverage Container Recycling Association (CBCRA) and its Recycle Everywhere program.

Founded in 2010, CBCRA is a not-for-profit, industry-funded organization whose membership includes beverage brand owners and distributors. CBCRA is committed to not only meeting but exceeding the government-mandated target of recovering 75% of beverage containers sold in Manitoba. This industry-led, Extended Producer Responsibility organization is giving Manitobans an economical and convenient way to recycle their empty beverage containers — whether they are at home, work or play. CBCRA created and operates Recycle Everywhere, the world’s first away-from-home beverage container recycling program. Not only can consumers recycle at home, but they now have access to tens of thousands of Recycle Everywhere bins in a variety of public spaces across the province, including streetscapes, schools, businesses, provincial parks, community centres, special events and more.

Last year marked the biggest increase in our beverage container recovery rate to date, as we improved this figure by 8 percentage points in just one year. We are now at a 61% recovery rate, which keeps us on track to reach our goal by December 2016. What does this mean to Manitobans? It means that the amount of beverage containers recycled in the province last year would fill 891 railcars. That’s a lot of empty bottles, cans, cartons and juice boxes that can now become something new such as airplane parts, clothing, beverage containers and more.

How were we able to accomplish this? There are three major components. The first is funding. We would not be where we are today without the funding and organizational support from brand owners and first importers of non-alcoholic, non-dairy beverages sold in Manitoba. They provide the Container Recycling Fee (CRF) for each beverage container they sell in Manitoba, which pays for the program. We rely on the Canadian beverage industry to make this happen, offering Manitobans the opportunity to recycle their empty beverage containers.

The second component is infrastructure. We were able to ship more Recycle Everywhere bins in the last year than the three previous years combined, which now gives us a presence in almost all Manitoba municipalities. In 2013 we introduced one of the largest promotion and education campaigns related to recycling in Canadian history, investing over $3 per Manitoban in year-round promotion and education campaigns. Whether it was our new, bold advertising campaign or sponsorship of your favourite local sports team, the message was the same: recycle every empty beverage container, every time, everywhere.

Lastly, there is participation. Without the day-to-day active involvement by all Manitobans in recycling beverage containers wherever they live, work or play, the program simply would not be successful. We thank consumers for making the choice to recycle and for allowing us to achieve our recovery rate target for 2013.

We recognize that there is still a lot of work to be done. We will continue to push hard, be bold and help all Manitobans to recycle everywhere. We have not finished the job. We will continue to challenge ourselves to keep driving forward in 2014 and beyond.

John B. Challinor II APR
A Message from Executive Director Ken Friesen

2013 – A YEAR OF IMPACT

CBCRA made unprecedented strides in every facet of the organization in 2013. Our fourth year of operation saw great success, which was achieved through focus, determination and hard work. The groundwork that was laid in 2012 poised us for growth which is exactly what was achieved in 2013.

There are many factors that when combined bring us closer to reaching our goal. This past year more Recycle Everywhere bins were distributed than ever before, giving Manitobans the option to recycle their empty cans, bottles, cartons or juice boxes in thousands of public spaces throughout the province. An impressive 12,539 bins were shipped to communities, municipalities, businesses, schools, institutions, and parks resulting in 526 new CBCRA and Recycle Everywhere partners. Along with this significant increase in infrastructure, we streamlined our shipping processes, updated and added bin models, and moved our bin ordering process online, all of which helped us to get more bins to more partners in a shorter time frame.

The increased access to recycling infrastructure meant it was more important than ever to increase our promotion and education campaign to ensure that consumers would take action to recycle. We accomplished this through our bold, new “transformation” advertising campaign that showed Manitobans what their empty beverage containers can become. Throughout this report you will see how Recycle Everywhere is breathing new life into the recycling industry by engaging consumers with provocative, fun and unexpected marketing campaigns. Our Street Team continued to be busy throughout the summer months reaching thousands of people at over 200 event days, spreading our message in fun and interactive ways together with our mascot BINjamin. These factors, coupled with our commitment to support our local sports teams and organizations through sponsorships, and our new province-wide schools program, has resulted in higher awareness and recognition than we have ever experienced before.

We charted new territory with several pilot programs that either began or were executed in 2013. Our Mini Bin program in partnership with Multi-Material Stewardship Manitoba (MMSM) placed small sized recycling bins into the kitchens of almost 20,000 multi-family dwellings in various cities throughout Manitoba. Early results show an increase in multi-family building recycling rates. In addition, our partnership with the Exchange District BIZ marked the first of its kind in the City of Winnipeg and saw 70 Recycle Everywhere bins placed on the streets of the historic Exchange District.

Much of our focus in 2013 was on increasing our presence in Industrial, Commercial and Institutional (I&C) buildings which lead to an opportunity for the Manitoba workforce to recycle in many new locations. We will continue to focus on this area, increasing the ability to recycle while at work and helping businesses achieve their sustainability goals at the same time.

Although our accomplishments were very significant, we must give credit to Manitobans for choosing to recycle their empty beverage containers rather than throwing them in a waste bin. Our goal of a 75% beverage container recovery rate cannot be achieved on our own and we thank the beverage industry, retailers and our partners for supporting CBCRA and its Recycle Everywhere program. This partnership has allowed us to achieve the success we have seen to date.

2013 was an instrumental year for our organization, one which we can be proud of. We recognize there is still a great deal to be done on the road to 75% recovery and, therefore, 2014 will see even more progress, excitement and hard work.

Stay tuned, the best is yet to come.
SECTION 2

VISION

A vision focused on recycling every empty beverage container
Our primary goal has not changed - to reach a 75% recovery rate of all beverage containers sold in Manitoba. All of our partnerships, programs and communications pursue this clear, single objective.
A HIGHLY COMMITTED ORGANIZATION

In 2010, beverage producers and distributors supplying into the Manitoba market formed a not-for-profit organization set on meeting the Manitoba Government’s mandate to reach a 75% recovery rate of all beverage containers supplied into the province. This organization is the Canadian Beverage Container Recycling Association (CBCRA).

The Manitoba Government Regulation requires that all beverage producers supplying beverages into the province either subscribe to an established program, or implement their own province-wide recycling system that can achieve the mandated recovery rate target. Since then we have worked closely with all stakeholders, ensuring that the provincial government, beverage producers, retailers, our community partners and consumers are all considered in the operation of our programs. In 2011, the provincial government signed off on our first Program Plan, and in 2013 a second, five-year plan was approved.

RAISING THE PROFILE OF RECYCLING

The first program CBCRA created was Recycle Everywhere, a province-wide, away-from-home beverage container recycling program that distributes free recycling bins to partners. You can now find Recycle Everywhere bins in municipalities, First Nations communities, commercial and industrial facilities, government offices, public parks, schools, and at festivals and events throughout Manitoba. The establishment of this recycling infrastructure helps consumers to recycle their beverage containers whether at home, work or play. An extensive province-wide Promotion and Education (P&E) campaign informs consumers and raises the profile of recycling throughout the province.

FUNDED BY DEDICATED PRODUCERS

Beverage producers supplying into the Manitoba market are charged a Container Recycling Fee (CRF) for every non-alcoholic, non-dairy beverage container they supply into the province. This fee funds the entire program – including infrastructure, signage, technical support, Promotion and Education. In addition, the funds pay for up to 80% of the cost to collect and process beverage containers in residential recycling programs. The CRF ensures that each beverage sold supports the recycling process.

WORKING TO RECOVER EVERY BEVERAGE CONTAINER

Through the CRF, industry producers pay CBCRA to recover their materials in all channels, both residential and away-from-home sectors. CBCRA, in turn, works with and provides funding to Multi-Material Stewardship Manitoba (MMSM) to cover up to 80% of the cost of recovering beverage containers in the residential sector.
HOW CBCRA WORKS

BRAND OWNER/ PARTICIPANT

Contributes CRF on each beverage container supplied in MB

BCBRA

Uses CRF to fund away-from-home collection

RECYCLE EVERYWHERE PARTNERS
Municipalities, IC&I Sector, Public Events, and more

Collector (public or private sector) collects from Recycle Everywhere partners and delivers to MRF

MATERIAL RECOVERY FACILITY (MRF)

Rebate may accrue from material revenue

Collector (public or private sector) collects from residents and delivers to a MRF

MUNICIPALITY

Rebate may accrue from material revenue

Commodity sold to commodity markets

COMMODITY MARKETS

Remits portion of CRF to cover the cost of beverage container collection in the residential stream

FLOW OF CBCRA FUNDS
FLOW OF MMSM FUNDS
COLLECTED MATERIALS
FLOW OF MATERIAL REVENUE

Reimburses 80% of net municipal cost after commodity revenue

MMSM

Collects from Recycle Everywhere partners and delivers to MRF

Collector (public or private sector) collects from residents and delivers to a MRF

FLOW OF CBCRA FUNDS
FLOW OF MMSM FUNDS
COLLECTED MATERIALS
FLOW OF MATERIAL REVENUE
THE MANY AREAS YOU CAN FIND RECYCLE EVERYWHERE BINS

Empty beverage containers are collected through several different channels:

**PUBLIC SPACES**
City parks and municipal and provincial buildings

**PRIVATE ESTABLISHMENTS**
Industrial, Commercial, and Institutional (IC&I) locations, including office buildings

**PUBLIC FACILITIES**
Arenas, pools and recreation facilities, schools, colleges and universities

Our breadth and impact continue to grow, bringing us steadily closer to the 75% recovery rate.

BENEFITTING THE ECONOMY AND ENVIRONMENT

Our program provides many tiers of benefits. Using recycled beverage containers to manufacture new ones conserves resources, reduces greenhouse gas emissions, and saves the energy required to process raw materials. Our programs also keep thousands of tonnes of beverage containers out of the garbage, extending the life of Manitoba’s landfills and increasing sustainability.

Recycle Everywhere also generates local jobs, both in recycling collection and processing, and bin manufacturing – with roughly 90% of our bins made here in Manitoba.

DIVERSE MATERIAL MANAGEMENT

CBCRA accepts several types of non-alcoholic and non-dairy beverage containers including:

- **ALUMINUM CANS**
- **AND STEEL BEVERAGE CONTAINERS**
- **PLASTIC BOTTLES**
- **GLASS BOTTLES**
- **GABLETOP (CARTON) CONTAINERS**
- **ASEPTIC (DRINK BOX) CONTAINERS**

Accepting a wide range of beverage containers allows the Recycle Everywhere program to benefit the province as much as possible.
CIBCRA’S CORE PRINCIPLES:
1. Industry managed stewardship
   Beverage producers fund and take responsibility for the program and reaching the beverage container recovery rate of 75%.

2. Efficient and effective program delivery
   We follow best practices to ensure quality programming at low cost.

3. Organizational transparency
   We consult with stakeholders and publish our financial statements and performance metrics annually.

CIBCRA’S GOALS:
1. To recover at least 75% of all beverage containers supplied into Manitoba.

2. To operate the Recycle Everywhere program province wide by building partnerships with government, municipalities, schools, institutions, businesses, events, festivals, and other partners.

3. To recognize recycling as both a personal and social responsibility.

4. To challenge all Manitobans to consistently recycle all beverage containers, both at home and away.
PRODUCERS & RETAILERS

Number of units sold in Manitoba, 2013

<table>
<thead>
<tr>
<th>Material Type</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aluminum</td>
<td>175,548,486</td>
</tr>
<tr>
<td>PET</td>
<td>168,592,787</td>
</tr>
<tr>
<td>HDPE</td>
<td>2,261,483</td>
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<tr>
<td>Plastics</td>
<td>397,564</td>
</tr>
<tr>
<td>Polycup</td>
<td>2,103,408</td>
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<tr>
<td>Glass</td>
<td>3,429,623</td>
</tr>
<tr>
<td>Bimetal</td>
<td>1,077,597</td>
</tr>
<tr>
<td>Drink box</td>
<td>35,863,612</td>
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<tr>
<td>Gabletop</td>
<td>4,184,093</td>
</tr>
<tr>
<td>Drink pouch</td>
<td>9,673,052</td>
</tr>
<tr>
<td>Bag-in-a-box</td>
<td>1,220</td>
</tr>
<tr>
<td><strong>Total Units</strong></td>
<td><strong>403,132,925</strong></td>
</tr>
</tbody>
</table>

**PARTICIPATING PRODUCERS**

Beverage producers and retailers are integral to our vision and our success. Their support is helping us change Manitoba’s recycling landscape for the better.

CBCRA participants are the producers and distributors of single use, sealed, ready-to-serve beverage containers sold in Manitoba. These companies are committed to increasing beverage container recycling rates in Manitoba. Their funding supports everything from recycling infrastructure to consumer education, and through the volunteer board of directors they guide the organization. Though all obligated beverage producers are already registered with the CBCRA, we will continue to engage new companies to join our organization as they emerge.

**PARTICIPATING RETAILERS**

We also rely on beverage retailers throughout the province to support the program. They are key to educating customers on the link between the CRF and the cost of recycling each beverage container, and are a major point of interaction between beverage-buying consumers and the recycling program. Retailers in Manitoba continue to play an important and effective role in the success of beverage container recycling by assisting in spreading our message.
# CBCRA Members

<table>
<thead>
<tr>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Amway Canada Corporation</td>
<td>ID Foods Corporation</td>
<td>Renees Gourmet Foods Inc.</td>
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<tr>
<td>Apple &amp; Eve, LLC</td>
<td>IKEA Canada LP</td>
<td>RW Packaging Ltd.</td>
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<tr>
<td>Arctic Beverages Ltd.</td>
<td>In Zone Brands Inc.</td>
<td>Saputo Dairy Products Canada G.P.</td>
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<tr>
<td>Arctic Connection</td>
<td>Inform Brokerage Inc.</td>
<td>Shoppers Drug Mart Inc.</td>
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<tr>
<td>Arctic Glacier Canada Inc.</td>
<td>JFC International Inc.</td>
<td>Sky Blue Water Inc.</td>
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<tr>
<td>Bulk Barn Foods Ltd.</td>
<td>Jones Soda Co.</td>
<td>Sobeys Capital Inc.</td>
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<tr>
<td>Calkins &amp; Burke Ltd.</td>
<td>Keewatin Air LP</td>
<td>Star Marketing Ltd.</td>
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<tr>
<td>Campbell Company Of Canada</td>
<td>Kohl &amp; Frisch Ltd.</td>
<td>Starbucks Coffee Canada</td>
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<tr>
<td>Canada Dry Mott’s Inc.</td>
<td>Kraft Canada Inc.</td>
<td>Sunrise Markets Inc. dba Sunrise Soya Foods</td>
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<tr>
<td>Canada Safeway Ltd.</td>
<td>Leading Brands of Canada Inc.</td>
<td>Sun-Rype Products Ltd.</td>
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<tr>
<td>Canadian Tire</td>
<td>Loblaw Companies Ltd.</td>
<td>Sysco Food Service, Winnipeg</td>
</tr>
<tr>
<td>CanAqua Inc.</td>
<td>London Drugs Ltd.</td>
<td>Target Canada Company</td>
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<tr>
<td>Coca-Cola Refreshments Canada Company</td>
<td>Malinda Distributors Inc.</td>
<td>The Minute Maid Company of Canada Inc.</td>
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<tr>
<td>Core-Mark International Inc.</td>
<td>Maverick Brands, LLC</td>
<td>The North West Company LP</td>
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<tr>
<td>Costco Wholesale Canada Ltd.</td>
<td>McKesson Canada</td>
<td>The TDL Group Corp.</td>
</tr>
<tr>
<td>Cott Beverage</td>
<td>Nestle Waters Canada</td>
<td>Tree of Life Canada ULC</td>
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<tr>
<td>Dewpoint Bottling Company Ltd.</td>
<td>P.A. Bottlers Ltd.</td>
<td>Turtle Mountain, LLC</td>
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<tr>
<td>Distribution Missum Inc.</td>
<td>P.A. Fine Foods &amp; Distributors</td>
<td>Unisource Canada Inc.</td>
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<tr>
<td>Dollarama LP</td>
<td>Pepsi Bottling Group Canada</td>
<td>Wal-Mart Canada Corp.</td>
</tr>
<tr>
<td>Edoko Food Importers Ltd.</td>
<td>Philippine Fruit Corporation</td>
<td>Whistler Water Inc.</td>
</tr>
<tr>
<td>Elco Fine Foods Inc.</td>
<td>Principal Sales Inc.</td>
<td>White Dove Water Company &amp; Laundromat</td>
</tr>
<tr>
<td>Federated Co-Operatives Ltd.</td>
<td>Prism Distributions Inc.</td>
<td>Wm.Bolthouse Farms Inc.</td>
</tr>
<tr>
<td>Gordon Food Service</td>
<td>QPRO Canada Inc.</td>
<td>Zola Brazilian Superfruits</td>
</tr>
</tbody>
</table>
STRATEGIC EXPANSION

We continue to pursue our goal, setting our sights on reaching our targeted 75% recovery rate by 2016. CBCRA made significant steps forward in 2013, reaching a recovery rate of 61% by year’s end.

Our main strategic approach is to distribute more bins in public spaces throughout the province. We want to make it easy to recycle empty beverage containers. More bins on streetscapes, within gas stations, businesses, government buildings, schools, parks and recreation areas will help us achieve this goal.

Supporting this, it is important to educate the public about what can be recycled and the benefits of doing so. Informing consumers of the many positive effects of recycling empty beverage containers, from positive environmental impact to all of the things that can be manufactured from recycled beverage containers, has proven an effective way to increase recycling rates in the province.

RECOVERY RATE METHODOLOGY

The total recovery figure is calculated by collecting data from a number of sources including at-home collection in single and multi-family dwellings, as well as away-from-home collection data such as IC&I, public events and private sector collections.

Total sales are defined as the quantity of beverage container packaging supplied for use in Manitoba as reported by CBCRA members. CBCRA members report the number of units they sell into the Province monthly through CBCRA’s online reporting system.

We are well on our way to reaching our 75% target recovery rate as we push to reach 68% by the end of 2014.

TOTAL RECOVERY = RECOVERY RATE FOR BEVERAGE CONTAINERS IN MANITOBA

<table>
<thead>
<tr>
<th>Year</th>
<th>Recovery Rate</th>
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<tbody>
<tr>
<td>2010</td>
<td>42%</td>
</tr>
<tr>
<td>2011</td>
<td>49%</td>
</tr>
<tr>
<td>2012</td>
<td>53%</td>
</tr>
<tr>
<td>2013</td>
<td>61%</td>
</tr>
<tr>
<td>2014</td>
<td>68%</td>
</tr>
<tr>
<td>2015</td>
<td>72%</td>
</tr>
<tr>
<td>2016</td>
<td>75%</td>
</tr>
</tbody>
</table>
MATERIAL RECOVERY FACILITY (MRF) AUDITS

CBCRA routinely conducts waste audits at various MRFs within Manitoba to help measure the performance of the beverage container recycling system. This is accomplished by conducting waste audits throughout the year, taking into account seasonal variations. In 2013 CBCRA conducted 10 MRF audits and will continue to conduct these audits yearly to track the data over time.

THE BEVERAGE CONTAINERS RECYCLED IN MANITOBA LAST YEAR WOULD FILL

891 RAIL CARS
SECTION 3

INFRASTRUCTURE

The tools that help us reach our recycling goals
WASTE AUDITS

From a vision to tangible action.

One of the CBCRA’s most valuable tools, a waste audit, allows us to evaluate a public space, understand its challenges and to provide recycling solutions. Not only does the audit help a Recycle Everywhere partner achieve its full recycling potential, but it also plays a vital role in helping us reach our recovery goal.

### 2013 WASTE AUDIT SUMMARY

- **9 IC&I Audits**
- **2 Event Audits**
- **3 Municipal Audits**
  - 1 Streetscape
  - 2 Parks
- **1 Provincial Audit**
  - 1 Provincial Park

### BACKGROUND

The CBCRA in-house audit team conducted 15 waste audits in 2013. Audits were carried out at public events, streetscapes and urban areas, IC&I, and provincial, private and municipal parks. Each audit area was unique, varying in several characteristics such as bin placement, bin type and time of year. Overall, each waste audit study gave CBCRA a better understanding of public space disposal practices, material composition, contamination levels, and future opportunity to increase beverage container recovery rates.

Waste audits help us communicate potential. By measuring beverage container generation in each type of area/facility we can better determine where to concentrate our efforts and bins in order to increase the recovery rate. Each audit takes an in-depth look at recycling infrastructure (whether it exists or not), current and potential recovery rates and how the public interacts with the bins. This examination gives CBCRA staff the ability to provide recommendations such as proper bin placement, bin quantities and styles, as well as signage, promotional and marketing materials to help better inform consumers. As data is gathered and lessons are learned and applied, audits have led to strategic focus on certain areas, stronger partnerships and an increase in bin distribution.
LITTER AUDITS

Our litter audits in Manitoba’s major cities showed significant improvements in both Winnipeg and Brandon, enough to earn media coverage by numerous local media outlets.

Since the audits began in 2010, beverage container littering decreased by:

- **24%** in Winnipeg
- **51%** in Brandon

Our litter audits showed particular improvements in the city of Brandon.

Since 2010 the reduction in Brandon’s litter has been steady, and in 2013 yielded the best results yet. Litter analysis conducted in 2010, 2012, and 2013 have shown a 51% decrease in beverage container litter.

Steinbach also produced strong results.

The litter audit was conducted in Steinbach for the first time in 2013. The city was found to have the lowest large litter rate ever encountered by the litter audit company performing the audit.
INTRODUCING THE MINI BIN

A PROVINCE-WIDE PILOT PROJECT

Collection of empty beverage containers within the residential sector is also an important aspect of our push for the 75% recovery rate. To aid this, in 2013 we introduced the Mini Bin pilot project – a new, smaller recycling bin designed for use in residential multi-family dwellings. Specifically focusing on multi-family dwellings (MFDs), the Mini Bin is small enough to fit under a kitchen sink, and makes at-home recycling more convenient and accessible.

Supported as well by MMSM, the pilot project focused on distribution of these Mini Bins, free of charge, to MFDs in Winnipeg, Steinbach, Brandon, Portage la Prairie, Selkirk and Thompson.

Measurement of the Mini Bin program’s efficacy is key to its success. CBCRA began conducting waste audits in MFD locations in Winnipeg to establish a baseline recovery rate for comparison results, which will be finalized in 2014.

IN TOTAL, JUST UNDER 20,000 MINI BINS WERE DISTRIBUTED TO THE SELECTED CITIES IN 2013. DELIVERY OF THE BINS TO MFDs WILL CONTINUE INTO 2014.
2013 BIN DISTRIBUTION

To increase our recycling programs’ presence and impact in Manitoba, CBCRA continues to develop new recycling bin models to service specific areas. This continual innovation allows CBCRA to extend its reach throughout the province, creating new partnerships and strengthening current ones with each new bin model.

We also introduced Dual Stream versions of six of our popular bin styles, combining waste and recycling in the same receptacle. These bins do double duty, offering recycling and waste disposal in one convenient bin. With the addition of these new recycling bin models, we’ve allowed Recycle Everywhere to partner with even more organizations, offering bins suitable for any location.

SOME OUR NEW BIN MODELS IN 2013 WERE:

HAVANA BIN  METAL INDOOR BIN  RECYCLED PLASTIC BIN  DUAL STREAM DESIGNER SERIES BIN

*cost-shared bin model

A record-breaking 12,539 bins were shipped in 2013.
SECTION 4
COMMUNICATIONS
A plan to reach, teach and motivate Manitobans
ADVERTISING

A message in a bottle, and every other empty beverage container.

Our advertising message is clear:
All empty beverage containers have life beyond the landfill, as long as they’re recycled. And what they can become might surprise you. That was the basis of the successful and iconic 2013 Recycle Everywhere promotion, which we refer to as the transformation campaign.

TRANSFORMATION CAMPAIGN
In surveying our audience, we found that Manitobans wondered what happened to their beverage containers when recycled. They wanted to know what became of their empty juice boxes, cartons, aluminum cans, and plastic and glass bottles. So, we showed them just that. Supported by a refined communications and visual identity for the CBCRA and Recycle Everywhere brands, the mass media campaign revealed the power of recycling by showcasing the transformation of empty beverage containers into useful items. For maximum exposure, TV, print, radio, online and out-of-home executions were launched in Manitoba’s five largest communities (Winnipeg, Brandon, Portage la Prairie, Steinbach and Thompson). The campaign’s tagline, “Now you know what your empty beverage containers can become” succeeded in underlining the power of recycling.
NON-TRADITIONAL MEDIA

We developed experiential marketing to show how an empty beverage container can be transformed into something useful. Our “Magic Bin” stunts surprised random recyclers with prizes made from recycled materials, such as bikes and jackets. This live-action advertising succeeded in celebrating and congratulating the recycling efforts of Manitobans, and encouraged them to recycle with a surprising and exciting experience. The stunts clearly demonstrated what recycled beverage containers could become, and left all onlookers thinking that they might also win great prizes by recycling.

In total, over 50 stunts were executed in locations within and around Winnipeg, including at the Forks and the University of Manitoba. Video was recorded of the stunts and edited into a promotional video made available on our website, YouTube, and recut into a TV commercial. The stunt videos made a significant media splash, garnering likes and shares on social networks, coverage by mainstream media outlets, and creating conversations about the Recycle Everywhere program, CBCRA, and, best of all, recycling empty beverage containers in Manitoba.
ADVERTISING CONT’D

CONTAINER RECYCLING FEE AWARENESS CAMPAIGN

The Container Recycling Fee (CRF) paid by producers to CBCRA funds the entire organization and program. Because most beverage producers and retailers have chosen to pass on the CRF to consumers, it was important to educate consumers about the role the CRF plays in covering recycling costs. In late 2013, we created a communications strategy and mini-campaign that positively presented the fee and all that it does. Appearing on ad bars, convenience store posters, floor decals, shelf-talkers and shopping cart ads in retail stores across the province, as well as online ads, the campaign showed shoppers that the CRF sets their change in motion.

THANK YOU CAMPAIGN

Knowing that the holiday season is a time for celebration, we wanted to remind Manitobans to recycle all their empty beverage containers when at different festivities. We launched a thank you campaign through print ads, out of home, online, mall posters and radio to show our gratitude for all of the recycling Manitobans did in the previous year, and for the recycling they will continue to do in 2014. We also wished a “Happy New Life” to all of the recycled empty beverage containers.

WEBSITE, SOCIAL MEDIA & PR

In 2013 Recycle Everywhere redeveloped its website to align with the new visual identity and better serve online visitors. We simplified the navigation, added a robust video section and migrated our entire bin ordering process online.

We supported our rebranding and advertising campaigns with a comprehensive social media and PR strategy filtered throughout the year. Video footage of the ‘Magic Bin’ stunts received wide attention on social media, earning us reposts and new followers. The stunts earned mainstream media coverage, along with the public launches to our Recycle Everywhere and Exchange District BIZ partnership.
SPONSORSHIPS

Wherever Manitobans gather, we want to be there. If they’re at a location or event where beverages are consumed, our presence will remind them to recycle. That’s why sponsorships play a critical role in our communications platform. By aligning our message with spokespersons and organizations that the public supports, we engage them in situations and mediums they are already receptive to. Using a spokesperson or sponsoring an organization that our audience already recognizes and connects with helps them connect with our message.

SPORTS SPONSORSHIPS

You won’t find a more loyal fan than a Manitoba fan. To capitalize on their engagement, we continue to build partnerships with Winnipeg’s major sports teams – the Winnipeg Jets, Winnipeg Goldeyes and Winnipeg Blue Bombers – as well as other significant sport teams and events throughout the province. Our sport sponsorship highlights include:

- Updated arena/stadium/ballpark touchpoints that feature the new tone and style of our communications
- Engaging Winnipeg Jets defensemen Zach Bogosian as a spokesperson in radio spots, print ads, and a video that played at each Jets game
- Engaging Winnipeg Blue Bombers brothers Henoc and Cauchy Muamba for radio ads and videos that played in Investors Group Field
- Sponsorship of the MJHL and their Player of the week
- Sponsorship of the Brandon Wheat Kings

CULTURAL SPONSORSHIP

Filled with a richly textured heritage, Manitoba is home to spectacular cultural events. In support of provincial culture, CBCRA sponsorship highlights include:

- Sponsorship of Folklorama, with bins in all 46 pavilions, with nine venues volunteering to lead an eco-pilot project supporting sustainability programs at pavilions
- Greater northern reach for CBCRA through sponsorship of the Trappers Festival. Attended by thousands, it’s the largest northern festival in Manitoba

SOCIAL AWARENESS SPONSORSHIP

CBCRA’s mandate is a natural fit for social awareness events. Sponsoring like-minded programs places us with Manitobans who will inevitably become brand ambassadors for recycling. Our sponsorship highlights include:

- Sponsorship of Communities In Bloom, whose mission is improving the quality of life and civic pride in Manitoba’s communities. As a product of this sponsorship, beverage container recycling was added to the judges’ criteria.
- Sponsorship of Take Pride Winnipeg, which furthered our message to young audiences through the Take Pride Mentor Program, School Challenges and Take Pride – Take Action
The Recycle Everywhere Street Team was extremely active in 2013, attending over 210 event days. Benjamin also had a big year, with 87 appearances at events throughout the province. The Street Team hit all types of events and festivals, from Gimli’s Icelandic Festival to assisting with the Northern Community Cleanup initiative. By using promotional items that were made from recycled beverage containers to support Recycle Everywhere’s message, the Street Team illustrates all the good that can come from recycling empty beverage containers.

Proving to be a very strong and effective method of interaction between CB CRA’s programs and the public, we will continue to integrate the Street Team into our communications and promotional strategy in 2014.

RESULTS

2013 MARKET RESEARCH – IMPACTING EMPTY BEVERAGE CONTAINER RECYCLING

It’s been a remarkable year, with significant steps made toward our ultimate goals. As we grow, we develop new programs and initiatives to better implement the recycling systems we have put in place, and with each year our progress is more visible. Our marketing success is evident through:

- A telephone survey indicating that 74% of Manitobans saw advertising about recycling. The online survey indicated that 78% saw our advertising.

- A telephone survey reports three in four agree they’re more likely to recycle empty beverage containers because of our advertising campaign. The online survey showed that two in three would.

- Significant consumer reported improvements in away-from-home recycling in 2013; Winnipeg (59% – 70%), Thompson (54% – 62%) and Brandon (62% – 69%).

- The ability of six in ten Manitobans to name something that recycled beverage containers are transformed into.

WEB/SOCIAL MEDIA/PR


- Earned media coverage for our program launches and PR initiatives from local media outlets including Global Winnipeg and the Winnipeg Free Press, as well as national and regional newsrooms such as The Globe and Mail and Global News BC.

- A partnership with Global News Winnipeg yielded PSAs featuring Global reporter, Joe Pascucci and five interviews with Global Morning News anchor, Eva Kovacs.

- Greatly increased web traffic, nearly 500% more visits than 2012 and nearly 600% more unique visitors.
SECTION 5

PARTNERS

A program dedicated to reaching Manitobans where they live, play and work.
We can help keep beverage containers out of the landfills by creating lifelong recyclers. To this end, CBCRA established the in-school program Recycle Everywhere 101. The program directly engages a youth audience, and helps schools and students boost their beverage container recycling.

The free, province-wide program launched in October 2013. Upon registration, schools receive free Recycle Everywhere bins, t-shirts, posters and other gear to encourage student participation.
MUNICIPAL & COMMUNITY PARTNERSHIPS

Our programs continue to flourish, strengthening the relationships and partnerships we have throughout the province and expanding our service to communities we are already in. We found substantial success in our community initiatives in 2013.

RURAL MUNICIPALITY OF SPRINGFIELD

From a nearly non-existent recycling system for public spaces, last year Springfield introduced over 120 bins to their parks, libraries and community centres. The community implemented our recycling program enthusiastically, and is working with Recycle Everywhere to install bins in even more parks, community clubs, public buildings, and even on the streets of Oakbank.

RURAL MUNICIPALITY OF GIMLI

Our relationship with Gimli began in 2011, with only a few bins. In 2013 the municipality added over 100 bins, everywhere from public spaces to the town’s main street. We also sent out the Street Team to Gimli’s Icelandic Festival, to give Recycle Everywhere an in-person presence at the events.

“The CBCRA Recycle Everywhere program was implemented in the Rural Municipality of Gimli in the summer of 2013. The help of this program was beneficial in our community by reducing the number of items that reached our landfill. Recycle Everywhere commercials and the visible placement of the recycling containers has increased the public’s awareness and understanding of the recycling program. It is everyone’s responsibility to protect our environment and we are happy to be able to contribute towards this effort”.

Karen Hudyma  
RM of Gimli, Public Works

SELKIRK, MANITOBA

Selkirk and the CBCRA go all the way back to 2010, but last year the relationship really took off. In 2013 all of Selkirk’s community waste bins were matched with Recycle Everywhere bins, giving the town the greatest chance of diverting every empty beverage container from landfills.
INDUSTRIAL, COMMERCIAL & INSTITUTIONAL PARTNERS (IC&I)

Our partnerships don’t end with community organizations and municipalities. We also have hundreds of Industrial, Commercial and Institutional partners that we work with to implement our programs in new locations and sectors. Our most successful relationships in this area include:

PORTAGE PLACE SHOPPING CENTRE
Portage Place is the first shopping mall to fully implement the Recycle Everywhere program. With Portage Place we saw the positive impact our programs can have in shopping centres.

“Patrons and tenants feel that there is a strong need for all businesses (especially larger organizations) to have a recycling program and have welcomed recycling with open arms. Recycle Everywhere and the CBCRA team was excellent at helping us establish the recycling program in the centre; the CBCRA team brought a certain level of energy to the project. It is great that an organization like this exists in our province and we truly thank them for helping our tenants and shoppers get into the groove of recycling. Their knowledgeable team was able to assess our recycling needs and suggest bin locations, as well as provided our maintenance team with the training required to execute and manage the program.”

Olga Pogribnska
Portage Place, Marketing Coordinator

THE FORKS
In 2013 we strengthened the relationship we have with The Forks, one of our very first partners, by matching up every outdoor waste bin with Recycle Everywhere bins.

“With Recycle Everywhere’s support, The Forks was able to add recycling containers at every outdoor garbage can on the site. In addition, to the site, The Forks was able to recycle beverage containers along the Red River Mutual Trail. Further to that, we have been able to offer all of our third party events with recycling containers. This would not have been possible without Recycle Everywhere’s assistance. The Forks Renewal Corporation fully supports the efforts of Recycle Everywhere and look forward to working with them in the future.”

Dave Pancro
The Forks Renewal Corp.

KEYSTONE CENTRE, BRANDON
Prior to its relationship with Recycle Everywhere, Brandon’s Keystone Centre had very little recycling available. In 2013 we paired each waste bin in the 90-acre commercial district with a Recycle Everywhere bin, and supplied extra bins for each of the events that took place throughout the year.

“The Keystone Centre is attempting to be a stronger partner in the area of recycling and your organization has provided us with the tools to do that. We have already heard from our patrons on how the new bins have improved the look of our facility.”

Neil Thomson
General Manager, Keystone Centre
EXCHANGE DISTRICT BIZ

Our relationship with the Exchange District BIZ marks the first partnership between CBCRA and a City of Winnipeg Business Improvement Zone.
Our collaboration began in June of 2013, working to turn the high foot-traffic area of the Exchange District into a recycling hotspot.

The partnership began with 70 recycling bins introduced into the Exchange District, each being paired with an existing waste bin. This was followed by a launch event organized at 201 Portage Avenue. The event featured Mayor Sam Katz, MLA Rob Altemeyer, and Exchange BIZ Executive Director Brian Timmerman, with each showing support for the initiative. With the infrastructure in place, we set to work.

A full audit was conducted on 30 garbage and recycling bins in the area, allowing the Exchange BIZ to track the program’s impact. Because there had only been garbage bins in the area, the program yielded dramatic improvement. The bins were used frequently through the end of 2013, and over 5,500 kg of beverage containers were diverted that would otherwise have ended up in the garbage stream.

“With our ongoing partnership, the Exchange District BIZ has provided a much needed beverage container recycling program to Exchange District visitors, workers and residents.

In fact, since June 2013, the Exchange District BIZ has diverted over 5500 kilograms of recyclable materials from our landfills. Due to the overwhelming success, in November 2013, the Exchange District BIZ made a commitment to keep the program running past the one-year trial period, ending June 2014.

The Exchange District BIZ is pleased to be a catalyst in the goal to recovering 75% beverage containers, and we look forward to continuing our relationship with the CBCRA in being a leader and strong example of what partnerships are all about.”

Brian Timmerman, Executive Director
Exchange District Business Improvement Zone

Throughout the summer, the newly-installed bins received:

<table>
<thead>
<tr>
<th>Month</th>
<th>kg</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013 June/July</td>
<td>2620</td>
</tr>
<tr>
<td>2013 August</td>
<td>680</td>
</tr>
<tr>
<td>2013 September</td>
<td>410</td>
</tr>
<tr>
<td>2013 October</td>
<td>420</td>
</tr>
<tr>
<td>2013 November</td>
<td>792</td>
</tr>
<tr>
<td>2013 December</td>
<td>608</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5530kg</strong></td>
</tr>
<tr>
<td><strong>of recycling collected</strong></td>
<td></td>
</tr>
</tbody>
</table>
PROVINCIAL AND NATIONAL PARKS & LAKES

In the past year, Recycle Everywhere increased its service to parks, lakes and green spaces.

2013 saw an increase in our bear-proof bins in numerous provincial parks and wildlife areas. This new bin model has broadened the CBCRA’s reach, allowing us to engage new partners who we would not be able to work with otherwise.

For example, Falcon Lake ordered 45 bear bins to match with their waste bins, replacing 20-year old infrastructure and greatly increasing the availability of recycling in the region. Our list of new park partners also includes West Hawk Lake, which matched nearly every lone waste bin in their new main strip and boardwalk area with a recycling bin.

We also partnered with Hecla Provincial Park. Hecla brought in Recycle Everywhere bins in 2011, but in 2013 they ramped up their commitment to recycling. The park brought in enough bins to pair one with every waste bin in the region. Bins were installed in Hecla Village, the Wildlife viewing tower, and in the hiking and biking trails of Grassy Narrows Marsh. The final count: more than 500 recycling bins.

The provincial and national parks we’ve established relationships with are:

| Bakers Narrows Provincial Park | Pembina Valley Provincial Park |
| Birds Hill Provincial Park | Rivers Provincial Park |
| Clearwater Lake Provincial Park | Spruce Woods Provincial Park |
| Grand Beach Provincial Park | St. Malo Provincial Park |
| Grass River Provincial Park | Stephenfield Provincial Park |
| Hecla Provincial Park | Turtle Mountain Provincial Park |
| Moose Lake Provincial Park | Wekusko Falls Provincial Park |
| Nopiming Provincial Park | William Lake Provincial Park |
| North Whiteshell District (Whiteshell Provincial Park) | Winnipeg Beach Provincial Park |
| Paint Lake Provincial Park | Riding Mountain National Park |
Our objectives and initiatives span all of Manitoba, including the communities to the north.

**NORTHERN COMMUNITY CLEAN-UP**
CBCRA and Recycle Everywhere coordinated the 2013 Northern Community Clean-up together with Multi-Material Stewardship Manitoba (MMSM). Clean-ups occurred in several Manitoba communities – Thompson, Opaskwayak Cree Nation, The Pas, Cranberry Portage, Flin Flon, Churchill and Wabowden. The effort was promoted through northern radio, print advertisements and posters, and was carried out in large part by the Recycle Everywhere Street Team. The Street Team attended every clean-up location except Churchill, and at each appearance brought supplies, helped facilitate the clean-up, and held a barbeque for all involved. After each clean-up, the Street Team made sure that the materials were transferred back to a Material Recovery Facility for proper processing.

The Northern Community Clean-up was a great success, with several communities taking part in the events.

**FIRST NATIONS**
In addition to making headway in northern communities, CBCRA signed on new First Nations (FN) partners in 2013. Pukatawagan is a town about 210 kilometres north of The Pas. In the interest of increasing our relationships with First Nations communities, we partnered with Sakastew School, in Pukatawagan (FN). The community is very remote, and transporting recyclable materials for processing has been its greatest barrier when trying to implement recycling. We provided over 50 bins to the school, which has lead to the entire community planning to sign on with the Recycle Everywhere program in 2014.

“Since Recycle Everywhere has helped us implement recycling in our school, I have heard lots of positive feedback. An Elder commented to me, “We should have done this a long time ago,” and a concerned student asked, “Why don’t we recycle in the rest of the community?” Gladly, our community of Pukatawagan has now begun plans to implement recycling community-wide, and they are using our school as a model for their recycling initiative. Thanks you Recycle Everywhere and CBCRA for helping our community to take responsibility and learn to Reduce, Re-use and Recycle.”

**Krysta Delarosbil**  
Recycling Committee and Teacher  
Sakastew School
2013 RESULTS

Our new and continuing partnerships had outstanding impact in 2013; nearly all our relationships produced increased recycling, reduced litter, and greater visibility for our programs. Our numerous partners supported our efforts throughout the year to great effect:

<table>
<thead>
<tr>
<th>862 BIN SITES</th>
<th>PARTNERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>225 IC&amp;I (private community centres &amp; golf courses, businesses, restaurants, hotels, private campgrounds, post secondary schools, day cares, etc.)</td>
<td>Total Number of New Partners for 2013</td>
</tr>
<tr>
<td>440 Municipal (streetscape, libraries, City-run golf courses, pools, arenas, community/recreation centers, etc.)</td>
<td>526</td>
</tr>
<tr>
<td>6 Parks (National and Provincial)</td>
<td></td>
</tr>
<tr>
<td>179 Schools – Recycle Everywhere 101 (Primary &amp; Secondary only)</td>
<td></td>
</tr>
<tr>
<td>12 Government Buildings (MB Government &amp; Crown Corporations only)</td>
<td></td>
</tr>
</tbody>
</table>

VOLUME OF BEVERAGE CONTAINERS RECOVERED IN MANITOBA IN 2013 IS APPROXIMATELY: 132,000 m³

GREENHOUSE GAS SAVED IS APPROXIMATELY: 15,000 METRIC TONNES OF CO₂

EQUAL TO REMOVING THE ANNUAL EMISSIONS FROM 3,031 PASSENGER VEHICLES
SECTION 6

STAFF & FINANCIAL STATEMENTS

A committed team culture focused on tangible results
BOARD OF DIRECTORS

John Challinor II, Chairman
Nestlé Waters Canada

Neil Antymis, Treasurer
Canadian Beverage Association

Cheryl McLaughlin
Cott Beverages

Jim Goetz
Canadian Beverage Association

Ian Tott
Saputo Representing the Dairy Processors

Lanny McInnes
Retail Council of Canada

Sylvain Mayrand
A. Lassonde Inc

STAFF

Ken Friesen
Executive Director

Christa Rust
Program Manager

Arielle Gurevich
Communications Manager

Jason E. Manaigre
Operations Manager

Melissa Dorota
Field Operations Representative

Tyler Nelson
Field Operations Representative

Jaclyn Diduck
Field Operations Representative

Brienne Santos
Administrative Coordinator

Additional Reclay StewardEdge
back office staff
(providing expertise and support)
INDEPENDENT AUDITOR’S REPORT
MARCH 20, 2014

To the Members of Canadian Beverage Container Recycling Association

We have audited the accompanying financial statements of Canadian Beverage Container Recycling Association which comprise the statement of financial position as at December 31, 2013 and the statements of operations, changes in fund balances and cash flows for the year then ended, and the related notes, which comprise 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.

Auditor’s responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards.

Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements present fairly, in all material respects, the financial position of Canadian Beverage Container Recycling Association as at December 31, 2013 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.

PricewaterhouseCoopers LLP
Chartered Accountants
# Statement of Financial Position

As at December 31, 2013

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>$1,995,101</td>
<td>$6,914,030</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>1,235,976</td>
<td>1,001,624</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>10,474</td>
<td>3,006</td>
</tr>
<tr>
<td>Inventory</td>
<td>1,173,996</td>
<td>122,794</td>
</tr>
<tr>
<td><strong>Capital assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>net of accumulated amortization of $19,244 (2012 $9,280)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>61,690</td>
<td>13,964</td>
</tr>
<tr>
<td></td>
<td>4,415,547</td>
<td>8,041,454</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>4,477,237</td>
<td>8,055,418</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>LIABILITIES AND FUND BALANCES</strong></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities (note 4)</td>
<td>998,591</td>
<td>675,507</td>
</tr>
<tr>
<td><strong>Fund balances</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internally restricted (note 3)</td>
<td>1,894,898</td>
<td>2,000,000</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>1,583,748</td>
<td>5,379,911</td>
</tr>
<tr>
<td><strong>Total fund balances</strong></td>
<td>3,478,646</td>
<td>7,379,911</td>
</tr>
<tr>
<td><strong>Total liabilities and fund balances</strong></td>
<td>4,477,237</td>
<td>8,055,418</td>
</tr>
</tbody>
</table>

Approved by the Board of Directors

John B. Challinor II  
Chairman

Neil Antymis  
Director
## STATEMENT OF OPERATIONS

For the year ended December 31, 2013

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Container recycling fees</td>
<td>$8,059,606</td>
<td>$7,688,786</td>
</tr>
<tr>
<td>Interest</td>
<td>43,393</td>
<td>22,982</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>8,102,999</td>
<td>7,711,768</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>PROGRAM EXPENSES</strong></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Multi Material Stewardship Manitoba</td>
<td>1,705,191</td>
<td>1,404,316</td>
</tr>
<tr>
<td>Awareness campaign</td>
<td>4,547,016</td>
<td>1,186,946</td>
</tr>
<tr>
<td>Program management services</td>
<td>1,015,285</td>
<td>690,872</td>
</tr>
<tr>
<td>Municipal Public Spaces Program</td>
<td>1,806,521</td>
<td>503,510</td>
</tr>
<tr>
<td>Events Recycling Program</td>
<td>344,975</td>
<td>267,074</td>
</tr>
<tr>
<td>Northern and First Nations Program</td>
<td>152,409</td>
<td>31,990</td>
</tr>
<tr>
<td>Industrial, Commercial and Institutional Program</td>
<td>1,813,626</td>
<td>224,410</td>
</tr>
<tr>
<td>Post-secondary Program</td>
<td>74,275</td>
<td>35,298</td>
</tr>
<tr>
<td>Government Buildings Program</td>
<td>81,578</td>
<td>143,247</td>
</tr>
<tr>
<td>Waste Audit</td>
<td>183,238</td>
<td>121,971</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>11,724,114</td>
<td>4,609,634</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>OPERATING EXPENSES</strong></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative expenses (Schedule 1)</td>
<td>221,290</td>
<td>174,164</td>
</tr>
<tr>
<td>Steward services</td>
<td>58,860</td>
<td>58,560</td>
</tr>
<tr>
<td></td>
<td>280,150</td>
<td>232,724</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>12,004,264</td>
<td>4,842,358</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(3,901,265)</td>
</tr>
</tbody>
</table>
# Statements of Change in Fund Balances

For the year ended December 31, 2013

<table>
<thead>
<tr>
<th></th>
<th>Internally restricted fund</th>
<th>Unrestricted Fund</th>
<th>Total</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance - Beginning of Year</strong></td>
<td><strong>$ 2,000,000</strong></td>
<td><strong>$ 5,379,911</strong></td>
<td><strong>$ 7,379,911</strong></td>
<td><strong>$ 4,510,501</strong></td>
</tr>
<tr>
<td>Excess (deficiency) of revenue over expenses</td>
<td>-</td>
<td>(3,901,265)</td>
<td>(3,901,265)</td>
<td>2,869,410</td>
</tr>
<tr>
<td>Interfund transfer (note 3)</td>
<td>(105,102)</td>
<td>105,102</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Balance - End of Year</strong></td>
<td><strong>1,894,898</strong></td>
<td><strong>1,583,748</strong></td>
<td><strong>3,478,646</strong></td>
<td><strong>7,379,911</strong></td>
</tr>
</tbody>
</table>


## STATEMENTS OF CASH FLOWS

For the year ended December 31, 2013

<table>
<thead>
<tr>
<th>CASH PROVIDED BY (used in)</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess (deficiency) of revenue over expenses</td>
<td>(3,901,265)</td>
<td>2,869,410</td>
</tr>
<tr>
<td>Item not affecting cash</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortization of capital assets</td>
<td>9,965</td>
<td>3,120</td>
</tr>
<tr>
<td></td>
<td>(3,891,300)</td>
<td>2,872,530</td>
</tr>
<tr>
<td><strong>Net change in non-cash working capital items</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>(234,352)</td>
<td>(294,298)</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>(7,468)</td>
<td>(1,573)</td>
</tr>
<tr>
<td>Inventory</td>
<td>(1,051,202)</td>
<td>(21,089)</td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>323,084</td>
<td>548,433</td>
</tr>
<tr>
<td></td>
<td>(4,861,238)</td>
<td>3,104,003</td>
</tr>
<tr>
<td><strong>Investing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of capital assets</td>
<td>(57,691)</td>
<td>-</td>
</tr>
<tr>
<td><strong>INCREASE (DECREASE) IN CASH</strong></td>
<td>(4,918,929)</td>
<td>3,104,003</td>
</tr>
<tr>
<td><strong>CASH – BEGINNING OF YEAR</strong></td>
<td>6,914,030</td>
<td>3,810,027</td>
</tr>
<tr>
<td><strong>CASH – END OF YEAR</strong></td>
<td>1,995,101</td>
<td>6,914,030</td>
</tr>
</tbody>
</table>
NOTES TO FINANCIAL STATEMENTS

1. INCORPORATION AND PURPOSE OF THE ORGANIZATION
The Canadian Beverage Container Recycling Association (“CBCRA”) is a not-for-profit organization that was established by beverage companies to improve beverage container recycling rates in Manitoba. CBCRA’s purpose is to promote and facilitate the recycling of end-of-life beverage containers through the design and funding of recycling programs and public promotion and education.

CBCRA was incorporated without share capital on March 26, 2010 under Part II of the Canada Corporations Act and commenced operations on April 1, 2010. CBCRA’s objective is to carry on its operations without pecuniary gain to its members and any profits or other accretions to CBCRA are to be used in promoting its objects.

For income tax purposes, CBCRA qualifies as a not-for-profit organization which is exempt from income tax under Section 149(1)(f) of the Income Tax Act.

2. SIGNIFICANT ACCOUNTING POLICIES
Revenue recognition
CBCRA follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Container recycling fees are recognized as unrestricted income in the month in which they are earned, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Cash
Cash consists of cash on hand and cash held at banking institutions.

Inventory
Inventory is recorded at landed cost and consists of recycling bins and carts being held for use in future CBCRA programs.

Capital assets and amortization
Capital assets are recorded at original cost less accumulated amortization.

Amortization of furniture and equipment is recorded on a declining-balance basis of 20% over the assets’ useful lives.

Use of estimates
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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual amounts could differ from those estimates.

Contributed services
Volunteer directors contribute a significant number of hours annually to oversee the activities of CBCRA. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Financial instruments
a) Measurement of financial instruments
CBCRA initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

CBCRA subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments, which are subsequently measured at fair value. Changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

b) Impairment
Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recognized in the statement of operations. When events occurring after the impairment confirm that a reversal is necessary, the reversal is recognized in the statement of operations up to the amount of the previously recognized impairment.

3. INTERNAL RESTRICTIONS
In 2012, the Board of Directors of CBCRA allocated $2,000,000 to fund future beverage container recycling infrastructure costs in the City of Winnipeg. CBCRA may not use these internally restricted amounts without the approval of the Board of Directors. During 2013, the Board of Directors approved expenditures of $105,102 to be applied against the internally restricted fund.

4. GOVERNMENT REMITTANCES
Government remittances consist of amounts (such as sales taxes and payroll withholding taxes) required to be paid to government authorities and are recognized when the amounts become due. In respect of government remittances, nil (2012 - nil) is included within accounts payable and accrued liabilities.

5. FINANCIAL INSTRUMENTS
CBCRA manages risk and risk exposures by applying policies approved by the Board of Directors. The significant financial risks to which CBCRA is exposed are credit risk and liquidity risk.

a) Credit risk
Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

CBCRA’s financial instruments that are exposed to concentration of credit risk consist primarily of cash and accounts receivables. Cash, at times, may exceed amounts insured by the Canadian Deposit Insurance Corporation or the Credit Union Deposit Guarantee Corporation. CBCRA has a large number of members which minimizes the concentration of credit risk on accounts receivable.

b) Liquidity risk
Liquidity risk is the risk that CBCRA will encounter difficulty in meeting obligations associated with financial liabilities.

CBCRA has established budgetary and cash forecasts to ensure it has the funds necessary for fulfilling its obligations.
6. COMMITMENTS
a) CBCRA has an operating lease for premises requiring approximate annual rental payments as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>69,012</td>
</tr>
<tr>
<td>2015</td>
<td>69,811</td>
</tr>
<tr>
<td>2016</td>
<td>70,929</td>
</tr>
<tr>
<td>2017</td>
<td>71,728</td>
</tr>
<tr>
<td>2018</td>
<td>42,494</td>
</tr>
<tr>
<td></td>
<td>323,974</td>
</tr>
</tbody>
</table>

b) A program management services agreement is also in place with Reclay StewardEdge Inc. to provide various administrative and communication tasks to CBCRA until December 2014 at a monthly amount of $60,244. In addition, the Board of Directors has approved a further monthly amount of $28,568 under this arrangement.

During 2013, payments under this commitment totalled $1,065,745 (2012 - $749,432) and are included in program management services and steward services.

7. COMPARATIVE FIGURES
Certain balances from the prior year have been reclassified to conform to the current year’s presentation.

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### ADMINISTRATIVE EXPENSES

<table>
<thead>
<tr>
<th>For the year ended December 31, 2013</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amortization</td>
<td>$9,965</td>
<td>$3,120</td>
</tr>
<tr>
<td>Audit, legal and professional fees</td>
<td>44,597</td>
<td>76,328</td>
</tr>
<tr>
<td>Board expenses</td>
<td>10,913</td>
<td>-</td>
</tr>
<tr>
<td>Bank charges</td>
<td>6,642</td>
<td>2,516</td>
</tr>
<tr>
<td>Consulting</td>
<td>-</td>
<td>2,700</td>
</tr>
<tr>
<td>Dues and memberships</td>
<td>1,461</td>
<td>4,137</td>
</tr>
<tr>
<td>Insurance</td>
<td>4,750</td>
<td>6,114</td>
</tr>
<tr>
<td>Office supplies</td>
<td>34,765</td>
<td>7,762</td>
</tr>
<tr>
<td>Postage and courier</td>
<td>14,398</td>
<td>397</td>
</tr>
<tr>
<td>Rent</td>
<td>68,094</td>
<td>49,809</td>
</tr>
<tr>
<td>Telephone</td>
<td>25,705</td>
<td>21,281</td>
</tr>
<tr>
<td></td>
<td>221,290</td>
<td>174,164</td>
</tr>
</tbody>
</table>

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2013 ANNUAL REPORT