ANNUAL REPORT 2016

LASTING IMPACT
TABLE OF CONTENTS

SECTION 1
MEANINGFUL CHANGE 4
Message from the Chairman 5
Message from the Executive Director 6

SECTION 2
UNWAVERING COMMITMENT 7
What does the program accept? 8
Where are containers collected? 8
Progress through partnership 8
How does it work? 9
Who pays for it? 9
2016 beverage container sales 10
A producer and retailer powered program 10
A singularly focused program with broad benefits 10
2016 CBCRA participants 12

SECTION 3
STRONG OUTCOMES 13
Results on the rise 14
Beverage container recovery rate 15
Recovery rate methodology 15
Unique bin sites 16
Waste audits 16
Material Recovery Facility audits 17
Litter audits 17

SECTION 4
LASTING INFLUENCE 18
Advertising 19
Research 19
Sponsorships 20
Augmented reality 20
Website 21
Social media 21
Public relations 21
Street Team 22

SECTION 5
ENGAGED COMMUNITY 23
Industrial, Commercial & Institutional 24
Northern & First Nations Community Clean-up 26
Municipalities 26
Solid Waste Action Team toolkit 27
Government buildings 27
Universities 27
Recycle Everywhere 101 28
Mini Bin 30
Park Proud & Bin Bag 31

SECTION 6
STAFF & FINANCIALS 32
The Canadian Beverage Container Recycling Association (CBCRA) began its journey by making it easier for people to recycle their empty beverage containers through expanding Manitoba’s public space recycling infrastructure. This remains a core activity. But people need to recycle all the time, not just when one of our bins makes it convenient. We know in order to create this meaningful behavioural change, a solid consumer understanding needs to exist.

The infrastructure implementation, awareness building, community and partner outreach, education, and engagement activities shared in this report are ultimately designed to instil enduring recycling habits. That is how we are continuing to make a lasting impact.
Since day one, the Canadian Beverage Container Recycling Association (CBCRA) and its Recycle Everywhere program has had one goal – to increase beverage container recovery in Manitoba. 2016 was my first year as Chairman of the CBCRA Board of Directors, and I am proud to say this was a significant year. We achieved a record high of 70% of all beverage containers being recycled across the province – and are closer than ever to reaching our goal. This puts the recycling rate in Manitoba on par with jurisdictions that have cumbersome and costly deposit programs.

CBCRA was founded in 2010 as a not-for-profit, industry-funded organization. Our membership includes beverage brand owners and distributors. CBCRA is committed to reaching or exceeding the government-mandated target of recovering 75% of beverage containers sold in Manitoba. Our biggest achievement to date is the success of our Recycle Everywhere program. Through this initiative we have developed educational programs in Manitoba that show the importance and value of beverage container recycling, and ensure that it is convenient to recycle empty beverage containers no matter where citizens live, work, or play.

This program would not be possible without the support of beverage retailers and producers; those companies who sell sealed beverage containers in Manitoba. Their support of Manitoba’s unique beverage container recycling system has allowed us to reach the heights that we have today. By the end of 2016, we distributed 52,000 Recycle Everywhere bins to public spaces across the province. This number is only growing as we work to increase beverage container recycling accessibility at a relentless pace.

We marked new and exciting initiatives for our program in 2016 as we continue to pioneer this unique recycling model in Manitoba. We had our first full partnership with a gas station company, as we worked with Manitoba Co-ops to outfit over 235 locations across the province with recycling infrastructure. These types of large-scale partnerships show the significant impact that the Recycle Everywhere program can have. In fact, when every gas bar in Manitoba follows suit, as many as 10 million additional beverage containers will be diverted from our landfills annually.

Another example of where CBCRA has had real impact is the Mini Bin project. Small, space saving recycling bins were offered for free to all Multi-Family Dwellings (MFDs) in Manitoba such as condos and apartments. By the end of 2016 we finished distributing 100,000 Mini Bins to MFDs, resulting in 80% of apartment tenants receiving a Mini Bin since we started this project in 2014.

Not only does Recycle Everywhere’s free bin infrastructure divert material from landfills, but it also leads to a decrease in litter on Manitoba’s city streets. Our third party litter audits show that year after year litter is decreasing in Manitoba’s major centres including Winnipeg, Brandon, Steinbach, Flin Flon and Thompson. In every instance, beverage container litter on city streets has decreased since the baseline audits began. We have found that other non-beverage litter is also decreasing, with no new litter abatement programs in place other than the introduction of Recycle Everywhere bins.

These are just a few examples of the dozens of initiatives that Recycle Everywhere undertakes each year to increase beverage container recycling in Manitoba. We are an innovative organization that gets things done, I would encourage you to review such initiatives in the pages of this report.

We thank Manitobans for continuing to support our program by recycling their empty beverage containers no matter where they are. I would also like to thank Minister Cox and the Ministry of Sustainable Development for their support in our efforts to achieve Manitoba’s goal of 75% recovery. We move ahead in 2017 with a strategic and action-oriented focus that will ensure we continue the momentum needed to reach our goal.
As CBCRA and its Recycle Everywhere program finishes its sixth full year in operation, we can reflect back and truly say that we have made significant and steady strides to reaching our goal of increasing beverage container recovery in Manitoba. 2016 marked the continuation of projects that increased beverage container accessibility and awareness, and brought new strategic and focused goals to the forefront. The relentless pursuit of our goal has resulted in the recovery rate increasing from 42% in 2010 to 70% at the end of 2016.

We approach our singular goal to increase beverage container recovery in different ways involving innovative and forward thinking solutions that achieve results. We have a two pronged approach that applies to all activities: firstly, ensuring that beverage container recycling is convenient and accessible in all corners of the province; and secondly, educating consumers on what to do with their empty beverage containers once they are done and the importance of these actions. By centring all initiatives around these two key pillars, we can ensure that consumers know what the right decision is, and have the access to make it.

In 2016, we reached new heights with our Recycle Everywhere 101 (RE101) schools program, with 92% of elementary, junior and high schools in the province partnered with us by year-end. This represents 784 schools, and 34 fully partnered school divisions. Over 97% of Manitoba students now have access to beverage container recycling as a result of the RE101 program. It is important that our youth be recycling crusaders for their family and friends, affecting change in and outside of the school yard. The RE101 program initiates and fosters this change.

Another noteworthy increase in accessibility includes great strides in the Industrial, Commercial & Institutional (IC&I) sector. Making beverage container recycling accessible in this area not only allows us to recover more beverage containers, it also gives citizens the option to recycle while at work, their favourite shopping centre, health facilities and more. In 2016 we expanded our reach into 498 more IC&I locations. We will not stop there, this sector continues to be a key focus as we push towards our goal.

Our Promotion & Education campaign once again took our message province-wide with a continuation of our 2015 “How Many Were Yours?” personal responsibility messaging. We challenged all Manitobans, in a light-hearted and creative way, to realize the impact their actions or inaction may have if they did not recycle their empty beverage containers. Manitobans responded to this message, with our research study showing that 86% of respondents agreed that they “have a personal responsibility to recycle”. In addition, recall of this campaign was at the highest level recorded since tracking of our annual campaigns began, nine-in-ten stating that they have encountered beverage container recycling advertising in the past few months.

CBCRA is always looking for new and creative ways to engage the public, 2016 was no different. We developed an app with augmented reality technology that was shown when the public searched for and interacted with specially marked Recycle Everywhere bins, rewarding recyclers for doing so.

All of these initiatives combined allow CBCRA to fuel a circular economy where materials are not treated as waste, but as a resource, and packaging is considered in the full product life cycle allowing beverage containers to have a new life after its contents are done. CBCRA is proud to be a part of this cycle, and will continue to increase beverage container recycling for the benefit of Manitobans, their communities, and the environment that we live in.
UNWAVERING COMMITMENT

Beverage producers that distribute into Manitoba; retailers that sell beverage containers; and places where beverages are consumed all play an important role in empty beverage container recovery. Supported by its partners, CBCRA is unwavering in its commitment, marshaling resources and leveraging opportunities to increase beverage container recycling across the province.
In 2010, beverage producers and distributors supplying into the province formed a not-for-profit organization set on meeting the Manitoba government’s mandate of reaching 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.

We’ve 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.

CBCRA operates under a program plan that was first approved by Manitoba’s Minister of Conservation on August 31, 2011. The current plan, valid until December 15, 2017, details the steps that we are undertaking to help achieve the 75% beverage container recovery target.

A new Program Plan will be submitted to the Government of Manitoba in 2017.

The first program CBCRA created was Recycle Everywhere. Recycle Everywhere strives to educate Manitobans on beverage container recycling, and ensure that it is convenient to recycle empty beverage containers no matter where you live, work or play. Recycle Everywhere promotes beverage container recycling wherever beverages are consumed, both at home and away from home. This includes Canada’s first province-wide away-from-home beverage container recycling program.

Recycle Everywhere has partnered with communities, municipalities, schools, businesses, institutions, parks, festivals and events throughout Manitoba to provide them with the best Recycle Everywhere bin for the space free of charge. Partners simply arrange for the collection of the recovered beverage containers with a recycler. Together with our partners, we are enabling new products to be made, decreasing greenhouse gas emissions, and reducing litter in streets and parks.

An extensive province-wide promotion and education campaign informs consumers and raises the profile of recycling throughout the province.
HOW DOES IT WORK?

Through the CRF, beverage producers fund CBCRA to recover their materials in all channels, including both the residential and away-from-home sectors. The fee ensures that each beverage container sold supports the recycling process.

WHO PAYS FOR IT?

All beverage producers supplying into Manitoba are charged a **CONTAINER RECYCLING FEE (CRF)** for every non-alcoholic, non-dairy beverage container they supply into the province.

THE COST USUALLY PASSES FROM:

- **PRODUCERS**
- **RETAILERS**
- **CONSUMERS**
2016 BEVERAGE CONTAINER SALES

<table>
<thead>
<tr>
<th>MATERIAL CATEGORIES</th>
<th>NUMBER OF UNITS REPORTED SOLD IN MANITOBA 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aluminum</td>
<td>175,887,554</td>
</tr>
<tr>
<td>PET</td>
<td>206,054,022</td>
</tr>
<tr>
<td>HDPE</td>
<td>2,655,502</td>
</tr>
<tr>
<td>Other Plastics</td>
<td>780,290</td>
</tr>
<tr>
<td>Poly Cup</td>
<td>2,278,464</td>
</tr>
<tr>
<td>Glass</td>
<td>3,073,773</td>
</tr>
<tr>
<td>Bi-Metal</td>
<td>630,711</td>
</tr>
<tr>
<td>Aseptic Containers</td>
<td>38,748,066</td>
</tr>
<tr>
<td>Gable Top</td>
<td>3,852,600</td>
</tr>
<tr>
<td>Drink pouches</td>
<td>7,783,320</td>
</tr>
<tr>
<td>Bag in a box</td>
<td>25,896</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>441,770,198</strong></td>
</tr>
</tbody>
</table>

A PRODUCER AND RETAILER POWERED PROGRAM

Every single-use, sealed, ready-to-serve, non-alcoholic, non-dairy beverage container sold in Manitoba supports the recycling process.

Beverage producers and distributors supplying these products into the province are charged a Container Recycling Fee (CRF) that funds the entire program – from bin infrastructure to distribution of bins, promotion, education and technical support. The CRF also funds up to 80% of the cost to collect and process beverage containers through residential recycling programs.

Typically, beverage producers pass on the CRF to retailers, who pass it on to consumers. Beverage retailers throughout the province are key to educating customers about the link between the fee they see on their receipt and the cost of recycling each beverage container.

CBCRA continues to work with these partners and engage new companies as they emerge.

A SINGULARLY FOCUSED PROGRAM WITH BROAD BENEFITS

Though our program is singularly focused on increasing the number of beverage containers recycled in Manitoba, it provides many tiers of benefits. Collecting and using recycled beverage containers to manufacture new containers and other products:

- conserves resources
- reduces greenhouse gas emissions
- saves the energy required to process new raw materials
- fuels a circular economy
- reduces litter
- keeps thousands of tonnes of beverage containers out of the landfill
- extends the life of Manitoba’s landfills – further increasing sustainability

These companies are our program stewards – committed to increasing beverage container recycling rates in the province.
Recycle Everywhere generates local jobs, not just in recycling collection and processing, and bin manufacturing (with the majority of our bins made here in Manitoba) but also in program operation, communication and outreach.
2016 CBCRA PARTICIPANTS

A. Lassonde Inc.
Amway Canada Corporation
Arctic Beverages LP
Campbell Company Of Canada
Canada Dry Mott’s Inc.
Canadian Tire
CanAqua Inc.
Coca-Cola Refreshments Canada Company
Costco Wholesale Canada Ltd.
Cott Beverages
Dewpoint Bottling Company Ltd.
Distribution Missum Inc.
Dollarama LP
Edoko Food Importers Ltd.
Elco Fine Foods Inc.
Federated Co-Operatives Limited
Fresh Hemp Foods Ltd.
ID Foods Corporation
IKEA Canada Limited Partnership
Inform Brokerage Inc.
Kohl & Frisch Limited
Kraft Heinz Canada ULC
Labatt Brewing Company Ltd.
Leading Brands of Canada, Inc.
Loblaw Companies Ltd.
London Drugs Limited
Malinda Distributors Inc.
Maverick Brands, LLC
McKesson Canada
Nestle Canada Inc.
Nestle Waters Canada
No.22 Foods Inc.
Nothing But Nature Inc.
P.A. Fine Foods & Distributors
Pepsi Bottling Group Canada
Red Bull Canada Ltd.
RW Packaging Ltd.
Saputo Dairy Products Canada G.P.
Shoppers Drug Mart Inc.
Sky Blue Water Inc.
Sobeys West Inc.
Star Marketing Ltd.
Starbucks Coffee Canada
Sunrise Markets Inc. dba Sunrise Soya Foods
Sun-Rype Products Ltd.
TFI Foods
The Minute Maid Company of Canada Inc.
The North West Company LP
The TDL Group Corp
Tle’ Nax T’Awei Limited Partnership
Tree of Life Canada ULC
Unisource Canada Inc.
Wal-Mart Canada Corp.
Wm. Bolthouse Farms Inc.
STRONG OUTCOMES

CBCRA’s decisions are based on sound data supported by unique insights. We analyze our activities so we can continually improve upon them and achieve even stronger outcomes. Our overarching goal of recovering 75% of beverage containers is powered by dozens of smaller goals for initiatives that all contribute to our singular mission. Alongside that tangible objective – we’re committed to putting Manitobans firmly on a recycling path they can continue to follow.
RESULTS ON THE RISE

CBCRA is an innovative, forward thinking organization that continually strives towards our 75% beverage container recovery rate target. Every year we analyze our successes and look for opportunities to improve. This has lead us to shift our focus for the 2017 year and beyond, and to increase our innovative efforts even further to recover every empty beverage container no matter where it is consumed, whether that be at work, home or play. CBCRA will continue to strategically focus on each of these areas with a combination of increased accessibility through the further distribution of bin infrastructure, and promotion and education. With this, we will move closer and closer to reaching our goal.

TOTAL CUMULATIVE NUMBER OF RECYCLE EVERYWHERE BINS DISTRIBUTED (by year)

THE BEVERAGE CONTAINERS RECYCLED IN MANITOBA LAST YEAR

WOULD FILL 1042.12 RAIL CARS

SAVING 25,686 TONNES OF eCO₂

AND IS EQUAL TO REMOVING 5,708 PASSENGER CARS FROM THE ROAD EACH YEAR

THE BEVERAGE CONTAINERS RECYCLED IN MANITOBA LAST YEAR

WOULD FILL 1042.12 RAIL CARS

SAVING 25,686 TONNES OF eCO₂

AND IS EQUAL TO REMOVING 5,708 PASSENGER CARS FROM THE ROAD EACH YEAR
BEVERAGE CONTAINER RECOVERY RATE

We continue to move relentlessly towards our goal of 75% recovery. Over a six-year period the recovery rate has gone from 42% to 70%, an increase of 28 percentage points, which means 67% more containers were recycled in 2016 than in 2010.

The largest increase between 2010–2016 of any jurisdiction in North America.

RECOVERY RATE METHODOLOGY

The total recovery figure is calculated by collecting data from a number of sources, including all of the recycling processors that consolidate the beverage containers, 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.

TOTAL RECOVERY / TOTAL SALES = RECOVERY RATE
WASTE AUDITS

CBCRA uses Waste Audits to evaluate the effectiveness of waste management systems in various public spaces. This helps us understand disposal practices and waste makeup in public spaces. By measuring the number of beverage containers disposed of or recycled over a set period of time, we are able to evaluate behaviours and identify opportunities for improvement.

In 2016, CBCRA conducted five waste audits: three in schools, one in a mall location and one on the streetscape of the Exchange BIZ District in Downtown Winnipeg.

Key findings of these audits include:

• The Exchange BIZ District audit revealed that approximately 70% of beverage containers were recycled.

• A waste audit was conducted in a Winnipeg strip mall to assess the amount and type of materials being disposed of and sent to landfill. The mall did not have public space or tenant recycling available prior to the audit. The results of the waste audit showed that approximately 28% of the materials in the waste stream were recyclable. Beverage containers alone represented up to 2% of the recyclables generated in the mall. This means approximately 1,000 beverage containers per month were ending up in the garbage.

Based on these findings, Recycle Everywhere recommended that the site implement a recycling program which led to full implementation of a comprehensive recycling program for this property.

• A series of three school audits were conducted in late 2016. Two of the schools showed recovery rates of 70% and 85% for all beverage containers.
MATERIAL RECOVERY FACILITY (MRF) AUDITS

CBCRA routinely conducts MRF audits to help measure the performance of the beverage container recycling system. This is accomplished by taking samples of materials from specific locations, sorting these materials into categories and measuring changes over a set period of time. Two sets of six MRF audits occurred in 2016, the first in July and the second in December.

<table>
<thead>
<tr>
<th>CITY</th>
<th>Winnipeg</th>
<th>Brandon</th>
<th>Steinbach</th>
<th>Flin Flon</th>
<th>Thompson</th>
</tr>
</thead>
<tbody>
<tr>
<td>PERCENTAGE CHANGE SINCE BASELINE</td>
<td>41% decrease</td>
<td>75% decrease</td>
<td>54% decrease</td>
<td>21% decrease</td>
<td>29% decrease</td>
</tr>
</tbody>
</table>

LITTER AUDITS

Beginning in 2010, CBCRA contracted a professional litter audit firm, MGM Management, to conduct annual litter audits in Winnipeg and Brandon on our behalf. In the years following, the cities of Steinbach, Flin Flon and Thompson were added to the list. These litter audits measure the impact of both Recycle Everywhere beverage container recycling bins, as well as the program’s targeted Promotion and Education. Recycle Everywhere bins can be found in public spaces in each of the cities listed below.

In every instance, beverage container litter in city streets has decreased since the baseline audits began, with no other new litter abatement programs being in place.
Belief spurs action. Research and results prove that more and more Manitobans believe they have a personal responsibility to recycle and are aware that all beverage containers are recyclable. All our promotional, educational, engagement and awareness-building efforts build belief that continues to have a significant and sustaining influence on recycling behaviour.
ADVERTISING

Through widespread Promotion and Education initiatives, including Recycle Everywhere's province-wide advertising campaign, Manitobans have increasingly made the choice to recycle their empty beverage containers rather than throwing them in the garbage.

In 2016, we continued our “How Many Were Yours” general awareness campaign, which had a personal responsibility message for empty beverage containers that are not recycled. New creative executions for the 2016 year of the campaign featured everyday people having their unrecycled containers returned to them with the headline, “Of all the beverage containers that weren’t recycled, how many were yours?” These scenes were set in schools, at home both in single-family and multi-family dwellings, at the beach and in an office building. Media for the general awareness campaign included a selection of out-of-home, print, trade publications, radio, online and television ads.

RESEARCH

Research remains a very important part of our Promotion and Education initiatives as we strive to use tactics that motivate consumers to recycle their empty beverage containers, and address any questions they have in educational, fun and creative ways. We use sound research methods to gauge attitudes towards recycling as well as to measure self-reported recycling behaviour, both in and out of the home.

Our 2016 fall research revealed that we continue to make an impact with our Recycle Everywhere campaigns.

• There was near-universal awareness among Manitobans that all beverage containers are recyclable.
• Citizens recalled beverage container ads far ahead of any other type of recycling-related advertising on an unaided basis of 74%.
• On an aided basis, recall of the current campaign was at the highest level recorded since tracking of our annual campaigns began, nine-in-ten stating that they have encountered beverage container recycling advertising in the past few months.
• Encounters with Recycle Everywhere blue bins were reported very high among all survey respondents at 88%.
• Recognition of the Recycle Everywhere logo remained high at 84%.

In addition to our large-scale fall research survey, we conducted targeted research initiatives to better understand beverage container recycling behaviours and barriers in such areas as low-income neighbourhoods and office buildings.
SPONSORSHIPS

Community engagement continued to be a program focus this year and our partnerships yielded tremendous results.

We maintained our hockey sponsorships with the Brandon Wheat Kings, Manitoba Junior Hockey League, the Manitoba Moose and the Winnipeg Jets, as well as continued our partnership with Winnipeg Jets Defenseman Jacob Trouba.

The Blue Bombers continued to take our message on the road with their interactive event vehicle, which featured our Recycle Everywhere inflatable three-point kick.

Our Goldeyes baseball partnership continued with new assets on the scoreboard in the ballpark and BINjamin throwing the opening pitch at our sponsored game.

In addition to our numerous sports partnerships, we continued our involvement with Folklorama, giving away two bikes to one lucky attendee.

AUGMENTED REALITY

In the summer of 2016 we launched our Recycling Starts Here contest app, designed to offer Manitoba recyclers a fun, interactive experience during the summer months, raise awareness of our bin locations, emphasize the importance of recycling beverage containers and provide the chance to win some great prizes at the same time.

To win the grand prize, users had to interact with four specially-marked Recycle Everywhere bins located in four separate locations in Winnipeg. These four bins were located at The Forks Market, Old Market Square, Assiniboine Park Zoo and Investors Group Field. Our lucky winner won a grand prize trip for two to Churchill to see the beluga whales. Unmarked Recycle Everywhere bins across Manitoba also provided users with an educational augmented reality experience that gave them a chance at winning one of many instant prizes when they interacted with these bins. Instant prizes included autographed Winnipeg Blue Bombers jerseys, tickets to Bombers and Winnipeg Goldeyes games, a one-year casual driver subscription from Peg City Car Co-op and more.
WEBSITE

Recycle Everywhere website sessions rose by 32%, with 80% of visitors new to the website. The majority of our website traffic was from organic search, which demonstrates that more and more people are recalling Recycle Everywhere by name, and visiting our site to learn about the initiative.

We continued to add valuable content to our website based on users’ needs, which included the addition of the “Recycling in the Workplace” page. This is a tool for any type of workplace to start a beverage container recycling program, or order Recycle Everywhere bins if they are ready to do so.

In addition, we implemented a new software system, the Recycle Everywhere Bin Portal, allowing us to track inventory in real time, let partners order bins and view past bin ordering information through a personalized account, allow users to request event bins and our Street Team, and house our bin ordering system, all in one place. This new system enhances our data collection methods helping us manage our tens of thousands of bins located throughout Manitoba in an efficient and effective way.

Overall, combining valuable content, an investment in paid media, and new initiatives aimed at building awareness have helped to drive traffic to recycleeverywhere.ca.

Direct traffic rose from 16% to 35% demonstrating the effectiveness of our marketing efforts.

Through enhanced Google Analytics reporting, we were able to better understand the user experience and update content based on results. Updates will be made in 2017 to optimize website content.

SOCIAL MEDIA

We continue to connect with our audience online through the Recycle Everywhere social media accounts. Facebook page likes rose by over 800 to 5621 in 2016. We launched our Instagram account in the summer of 2016 with our Street Team, showcasing all of the exciting events they attended throughout the summer. Since then we have grown our follower base by hundreds, as we continue to grow this platform and engage new followers.

PUBLIC RELATIONS

Our media relations efforts continued with several noteworthy announcements accompanied by press events throughout the year such as our Co-op partnership launch and the launch of the Recycling Starts Here contest app. Both events garnered earned media throughout the province. In addition to this, we distributed press releases on the Mini Bin program and its achievements as well as announced the winner of our Northern and First Nations Community Clean-up. Various articles about our program were submitted and ran in several trade publications.
STREET TEAM

The Recycle Everywhere Street Team continued to visit every corner of our Province spreading the word about our program and helping events better manage their beverage container recycling efforts.

Key events included our attendance at Winnipeg Blue Bombers and Winnipeg Goldeyes games, Folklorama, 15 school picnics/BBQs, Osborne Village Canada Day celebration, Festival du Voyageur, and the Trapper’s Festival.

The Street Team also travelled through Northern Manitoba – from The Pas to Thompson. Here they proved their versatility helping to educate Manitoba students on the benefits of beverage container recycling both at home and at school.

As part of its public engagement mandate, the Street Team surveyed over 1,700 respondents. When asked “In what type of public spaces would you like to see more Recycle Everywhere bins?” the public has again chosen parks as their number one answer, followed by streetscapes and office buildings and workplaces.

Over the summer, we attended 152 events over 247 days, with our mascot BINjamin appearing 100 times.
Targeting places where beverages are consumed – and ensuring recycling infrastructure and systems are in place – is vital to beverage container recovery. The hundreds of community partners we’ve engaged make it possible for Manitobans to recycle their empty beverage containers where they live, work and play. We work closely with these organizations, businesses, municipalities and gathering places to determine the right bins for each place, and deliver programs and communications tailored to their specific needs.
INDUSTRIAL, COMMERCIAL & INSTITUTIONAL (IC&I)

CBCRA works closely with IC&I entities where large numbers of people attend every day. Converting a single IC&I location to an active beverage container recycler can make a big impact. CBCRA’s focus is providing the right bins, recommending the right systems and providing communications to ensure success.

To increase our presence in this area we continued to attend tradeshows and work with key associations to spread our message and offer free infrastructure to their members. Our work in the recreation sector led us to win the President’s Award for Outstanding Achievement from Recreation Connections Manitoba – an organization that exists to collectively share the passion and spirit of recreation and is dedicated to enhancing the health and wellness of all Manitobans through the development and support of recreation professionals, practitioners and volunteers. By providing partners with recycling infrastructure free of charge, Recycle Everywhere is ensuring that parks and recreation centres are kept green and clean for the thousands of citizens who visit these sites every year.

In 2016, our focus in the IC&I sector was geared towards working with Property Management companies to help implement the Recycle Everywhere program in their multi-tenant buildings such as office buildings and strip malls. One highlight of this work includes McIvor Mall, where we worked closely with mall tenants and Marwest Property Management to evaluate existing waste infrastructure and demonstrate how the introduction of recycling could benefit the mall in terms of customer satisfaction and waste management cost savings. The mall has made significant improvements to their waste management system and is now fully outfitted with Recycle Everywhere bins.

We also expanded our program at gas stations based on an audit conducted by CBCRA that showed between 45% and 72% of waste at gas stations could be diverted from landfills. Beverage containers alone represent up to 7% of that total waste.

An innovative new partnership between Manitoba Co-ops and CBCRA opened the door to millions more beverage containers being recycled in the province. Recycle Everywhere now has a presence in all 43 Manitoba Co-op organizations, outfitting over 235 locations (88% of all Co-op locations) across the province with recycling infrastructure. This includes Manitoba’s largest co-operative, Red River Co-op, which has locations throughout Winnipeg and surrounding areas. CBCRA is proud to partner with Co-op as it has demonstrated a company-wide commitment to the initiative. We launched the Co-op partnership with a press event in June 2016.

“Co-op is pleased to partner with CBCRA and bring Recycle Everywhere bins to our Manitoba Co-op gas bars, food stores and home centres,” said Pat Smith, associate vice-president, Federated Co-operatives Ltd. “Annually diverting tonnes of empty beverage containers from Manitoba landfills aligns with our commitment to the environment and reflects the wishes of our customers and employees.”

The Hon. Cathy Cox, Minister of Sustainable Development, endorses the partnership. “We know that making recycling accessible to Manitobans at the places they live, play, study – and now, drive to – is key to giving beverage containers a life beyond the landfill,” she says.
“Congratulations to CBCRA and Manitoba Co-ops for pioneering this initiative and making way for future Manitoba gas station partnerships.”

– The Hon. Cathy Cox, Minister of Sustainable Development
2016 marked the Northern Community Clean-up’s sixth year.

CBCRA and its Recycle Everywhere program, in partnership with Multi-Material Stewardship Manitoba (MMSM) were proud to congratulate The Pas as the winner. They received a blue box for every single-family dwelling in the community totaling 1,650 recycling bins. A celebratory barbeque was held on September 23, with 250 community members, Community Council, Clean-up volunteers and students in attendance. They were joined by representatives from MMSM and Recycle Everywhere to celebrate the accomplishment.

This initiative was developed to increase recycling awareness and combat litter after a long winter in Northern Manitoba. First Nations communities from all over Manitoba were invited to participate this year, which is a new element of the program. Each community was provided with supplies including a Recycle Everywhere bin, participant t-shirts, gloves, bags to collect waste and recycling, and a scale to weigh the material. Local volunteers were recruited and helped pick up garbage and recycling on the streets of their neighbourhood.

The material was weighed and transported to the closest Material Recovery Facility (MRF) to be processed.

This year there were 20 registered communities and over 1,839 kg of recyclable material was collected.

In Manitoba, every municipality has its own waste management system. Navigating these nuances is important to ensuring the effectiveness of Recycle Everywhere’s public space bins. We have learned what best practices to promote, such as pairing recycling and waste infrastructure side-by-side, and the importance of easy access to residents of those municipalities. We continue to support municipalities in implementing effective recycling initiatives.

A 2016 highlight included our work with Dauphin, where we provided 48 dual waste and recycling bins. This community is fast becoming a model community for recycling initiatives including bylaws that strongly encourage residents and businesses to recycle.
SOLID WASTE ACTION TEAM (SWAT) TOOLKIT

Starting or enhancing a waste management program can be daunting. Many Northern and First Nations communities express a sense of feeling overwhelmed by the number of organizations involved, amount of information, and resources to sift through. Recognizing this led to the development of a toolkit to help Northern and First Nations communities assess their needs, guide them through the planning process, and provide an overview of how to implement a waste management program specific to their community and location.

The main focus of the toolkit is to help communities decide where to start and how to get started. It is intended to serve as a step-by-step guide that answers the same questions every community has about recycling but specific to their context. CBCRA initiated the development of this toolkit in 2016, with participation from Indigenous and Northern Affairs Canada, Manitoba Sustainable Development, and Green Action Centre. A full draft of the toolkit was completed in 2016 with a full release planned for 2017.

GOVERNMENT BUILDINGS

Over the last several years, CBCRA has been working to enhance government building recycling programs, inviting participation from the Province of Manitoba and Green Manitoba Eco Solutions. This partnership led to a better understanding of government building recycling requirements, as well as implementation or enhancement of beverage container recycling in several government buildings.

In 2016 we outfitted the Norquay Building, one of Winnipeg’s largest government multi-use office spaces, with almost 60 Recycle Everywhere bins. We worked closely with staff to assess their needs and implement the program to ensure long-term success. This included helping to place Recycle Everywhere bins in the most appropriate locations, making sure all bins were paired with a garbage bin, and providing new signage for our bins to make it clear to employees and visitors where and what to recycle.

As part of increasing beverage container recycling accessibility for Manitobans, we are working to partner with all government buildings and provide all locations with Recycle Everywhere bins free of charge.

UNIVERSITIES

In 2016, University of Winnipeg took on the management of waste and recycling in a building they had previously leased out. They obtained 19 dual stream waste and recycling bins from CBCRA. Through an assessment of the performance of these bins with a waste audit, it was discovered that rates of recycled materials jumped from 60% to 90%, even in a facility that previously had recycling.

In the summer of 2015 the University of Manitoba made changes to its waste management system. They obtained a number of single and dual stream bins from CBCRA in 2015 and 2016, resulting in an increase in overall recovery.
RECYCLE EVERYWHERE 101

RE101 EXPANDING SCOPE

2016 was a big year for the RE101 program. By the end of 2016, 92% (a total of 784) of schools in Manitoba had partnered with RE101 and 34 school divisions in Manitoba were fully partnered. Over 97% of Manitoba students now have access to beverage container recycling as a result of the RE101 program.

We continued to spread the message in the classrooms through our interactive beverage container recycling presentations; 68 were completed in 2016 reaching over 5,000 students.

Through RE101, we also offered several types of presentations and workshops to students of all ages. This included classroom presentations and waste audit workshops to students, teachers, custodial staff, and administration, as well as school assembly presentations.

The RE101 team filmed a six-minute video for Louis Riel School Division in Winnipeg for its Louis Riel Talks 4 Change video series. The video discusses RE101, what it offers, and gives a glimpse of the RE101 presentations offered to schools.

RE101 SUPPORTED OUTREACH

In March 2016, through the support of the Carton Council of Canada, CBCRA was able to fund an additional full-time RE101 staff member for eight months. Through this hire, the RE101 program was able to increase its outreach, educate more students about recycling, and increase beverage container recycling in Manitoba schools.

Below is a summary of goals and achievements in part through the addition of the Carton Council of Canada funded position:
• Direct outreach to 250 schools.
• Follow up visits with 43 schools.
• 43 checklists completed (the checklist is used for schools who already have enough recycling bin infrastructure without Recycle Everywhere bins. We work with these schools to ensure their recycling program is properly implemented and running smoothly).
• 139 schools partnered.
• Completed 26 presentations reaching over 1,600 students across Manitoba.
• 3 waste audits completed.

RE101 ENGAGEMENT

We continued to engage schools and students with exciting contesting. In the month of February we ran two new contests for schools.

The first was the Race to Register Contest. Any new school that signed up for the RE101 program in February was automatically entered to win. We randomly selected one school from Winnipeg (École Sacré-Cœur) and one outside Winnipeg (James Valley Colony School) to win a visit from Winnipeg Jets Defensesman, Jacob Trouba.

The second contest was the RE101 T-Shirt Challenge, where classrooms or Green Teams were asked to design a recycling themed t-shirt. The Sturgeon Heights Collegiate grade 11 graphic arts class was awarded first place; second place was awarded to Rosenort School’s grade 7 class. Each won limited edition t-shirts printed with their design, with the first place winners receiving them personally from Jacob Trouba.
In the spring we ran the Race to Register Contest specifically targeting schools in Manitoba that remained un-partnered. The winning schools were Pacific Junction School in Winnipeg, Robert Smith School in Selkirk, and Woodlawn School in Steinbach. Each won 50 tickets and 50 snack packs to the Recycle Everywhere sponsored Goldeyes game.

In October we ran the RE101 Sustainability Month Challenge where un-partnered schools were asked to create a plan to increase school beverage container recycling and sustainability. The first place prize was $1,500 to support their plan. The winning school, École George McDowell in Winnipeg, used its contest winnings to purchase a dual stream waste and recycling bin for an outdoor classroom, with the remaining dollars put towards classroom prizing. The Eco Club students ran a 10-week long contest and rewarded classes based on their recycling efforts.

97% of Manitoban students now have access to beverage container recycling through our program.

RE101 PARTNERSHIP

Attending and speaking at conferences allows us to showcase the RE101 program to schools from across Manitoba. RE101 staff continues to foster its strong partnership with Education for Sustainable Development and spoke at a professional development workshop focusing on Global Issues. The partnership allows RE101 to be relevant with current curriculum and continue to reach teachers and administrators from schools across province. We also spoke at the Canadian Network for Environmental Education and Communication Conference in August 2016.

RE101 COVERAGE

We completed two Global TV RE101 features in the first months of 2016. The second interview was our first outside the city of Winnipeg, with the Green Team at Woodlands Elementary School. The school submitted an entry to our Tell Us Your Story contest. The important message they shared was that many of the students previously did not recycle at home or within their community, but are now bringing the message of recycling home – inspired by having RE101 in their school.
This year, we continued our Mini Bin program to help increase beverage container recycling in Manitoba’s multi-family dwellings, such as apartments and condos. Approximately 70% of beverages are consumed at home, and dwellings such as apartments, condos and townhouses offer the biggest opportunity to improve recovery rates. CBCRA partnered with Multi-Material Stewardship Manitoba (MMSM) on a portion of the bins to increase our delivery scope.

In 2016, over 23,000 Mini Bins were delivered to multi-family dwelling (MFD) residences across Manitoba, fulfilling the goal to distribute 100,000 Mini Bins to Manitobans since the pilot program’s inception. Of these bins, nearly 4,000 were distributed to locations outside of Winnipeg. Rural areas across the province received theirs through a third-party shipper, while the Recycle Everywhere Street Team delivered Mini Bins in the Winnipeg region.

CBCRA conducted waste audits at six MFDs in both Winnipeg and Brandon, before and after receiving Mini Bins. The results show that after approximately three years of use, there was an average increase in beverage container recovery rates of approximately 15% in MFDs where Mini Bins were used.

Based on 2016 census information, over 80% of all apartment tenants in Manitoba have received a Mini Bin.

Going forward in 2017, a maintenance program will be put in place, which will include newly-built buildings receiving Mini Bins and restocking those MFDs with Mini Bins that have experienced significant tenant turnover.
PARK PROUD & BIN BAG

In 2016 Recycle Everywhere launched its Park Proud program, supplying recycling bags and infrastructure to all Provincial Park campgrounds in Manitoba. Through this program, campers are provided with a clear recycling bag to collect their empty beverage containers during their stay rather than throwing them in the garbage. Campers then bring the bags to the central recycling drop off location in the park, or to the nearest recycling facility.

In 2016 the Park Proud program provided 30 provincial parks and 54 campgrounds with:
- Over 150,000 clear recycling bags with a Recycle Everywhere logo on them
- 175 Recycle Everywhere bins for campground waste/recycling sheds, beaches, trails, and more
- Park Proud permanent signage for placement throughout the parks encouraging recycling
- Park Staff tools and resources, including a memo and program tent card to remind both staff and patron of program upon check-in

In addition, last summer Recycle Everywhere distributed 5,000 Bin Bags to Manitoba cottage locations, seasonal campgrounds and RV parks (both provincial and private) to enable Manitobans to recycle when out at the lake. The Bin Bag is a lightweight, structured yet collapsible recycling bag, with fabric handles that make it easy to carry. This pilot program was a huge success and has led to a full roll out in 2017 with Recycle Everywhere planning to supply every Manitoba cottage and seasonal site with a Bin Bag.

Through these two programs, Recycle Everywhere is helping to keep Manitoba’s lakes and parks cleaner and greener over the busy summer months.
STAFF & FINANCIALS
BOARD OF DIRECTORS

Jim Goetz  
Chairman  
Canadian Beverage Association

Lanny McInnes  
Vice Chairman  
Retail Council of Canada  
Canadian Beverage Association

Neil Antymis  
Treasurer  
Cott Beverages

Cheryl McLaughlin  
Cott Beverages

Sylvain Mayrand  
A. Lassonde Inc.

George Groumoutis  
Sky Blue Water, Inc.

STAFF

Five additional Reclay StewardEdge staff in the Toronto office provide analytical and accounting expertise and additional support as required.

Michael Hancharyk  
Promotions & Education Coordinator

Christa Rust  
Program Manager

Thamie Tan  
RE101 Outreach Coordinator

Jaclyn Diduck  
Senior Logistics & Schools Coordinator

Justine Spearman  
Data & Outreach Coordinator

Arielle Gurevich  
Communications Manager

Brienne Santos  
Administrative Coordinator

Ken Friesen  
Executive Director

Melissa Dorota  
Senior Outreach Coordinator

Jordan Hanna  
Outreach Coordinator

Christa Rust  
Program Manager

Michael Hancharyk  
Promotions & Education Coordinator

Thamie Tan  
RE101 Outreach Coordinator

Jaclyn Diduck  
Senior Logistics & Schools Coordinator

Justine Spearman  
Data & Outreach Coordinator

Arielle Gurevich  
Communications Manager

Brienne Santos  
Administrative Coordinator

Ken Friesen  
Executive Director

Melissa Dorota  
Senior Outreach Coordinator

Jordan Hanna  
Outreach Coordinator

Christa Rust  
Program Manager

Michael Hancharyk  
Promotions & Education Coordinator

Thamie Tan  
RE101 Outreach Coordinator

Jaclyn Diduck  
Senior Logistics & Schools Coordinator

Justine Spearman  
Data & Outreach Coordinator

Arielle Gurevich  
Communications Manager

Brienne Santos  
Administrative Coordinator

Ken Friesen  
Executive Director

Melissa Dorota  
Senior Outreach Coordinator

Jordan Hanna  
Outreach Coordinator

Christa Rust  
Program Manager

Michael Hancharyk  
Promotions & Education Coordinator

Thamie Tan  
RE101 Outreach Coordinator

Jaclyn Diduck  
Senior Logistics & Schools Coordinator

Justine Spearman  
Data & Outreach Coordinator

Arielle Gurevich  
Communications Manager

Brienne Santos  
Administrative Coordinator

Ken Friesen  
Executive Director

Melissa Dorota  
Senior Outreach Coordinator
We have audited the accompanying financial statements of Canadian Beverage Container Recycling Association which comprise the statement of financial position as at December 31, 2016 and the statements of operations, changes in net assets 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, 2016 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.
# STATEMENT OF FINANCIAL POSITION

As at December 31, 2016

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</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>$1,783,128</td>
<td>$1,333,907</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>1,025,712</td>
<td>1,067,213</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>33,858</td>
<td>25,631</td>
</tr>
<tr>
<td>Inventory</td>
<td>473,184</td>
<td>679,589</td>
</tr>
<tr>
<td><strong>Total Current assets</strong></td>
<td><strong>3,315,882</strong></td>
<td><strong>3,106,340</strong></td>
</tr>
<tr>
<td><strong>Capital assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net of accumulated amortization of $74,609 (2015 $55,609)</strong></td>
<td>69,811</td>
<td>28,466</td>
</tr>
<tr>
<td>**Total **</td>
<td><strong>3,385,693</strong></td>
<td><strong>3,134,806</strong></td>
</tr>
<tr>
<td><strong>LIABILITIES AND FUND BALANCES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities (note 3)</td>
<td>724,188</td>
<td>1,509,207</td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Invested in capital assets</td>
<td>69,811</td>
<td>28,466</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>2,591,694</td>
<td>1,597,133</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,661,505</strong></td>
<td><strong>1,625,599</strong></td>
</tr>
<tr>
<td><strong>Commitments (note 5)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td><strong>3,385,693</strong></td>
<td><strong>3,134,806</strong></td>
</tr>
</tbody>
</table>

Approved by the Board of Directors

Jim Goetz
Chairman

Neil Antymis
Director
# STATEMENT OF OPERATIONS

For the year ended December 31, 2016

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Container Recycling Fees</td>
<td>$9,059,154</td>
<td>$8,681,827</td>
</tr>
<tr>
<td><strong>PROGRAM EXPENSES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Multi-Material Stewardship Manitoba</td>
<td>1,163,664</td>
<td>1,176,226</td>
</tr>
<tr>
<td>Awareness Campaign</td>
<td>2,034,437</td>
<td>2,200,242</td>
</tr>
<tr>
<td>Program Management Services</td>
<td>1,016,616</td>
<td>1,016,616</td>
</tr>
<tr>
<td>Municipal Public Spaces Program</td>
<td>1,068,225</td>
<td>1,365,145</td>
</tr>
<tr>
<td>Events Recycling Program</td>
<td>246,790</td>
<td>282,915</td>
</tr>
<tr>
<td>Industrial, Commercial and Institutional Program</td>
<td>1,333,423</td>
<td>965,011</td>
</tr>
<tr>
<td>Post-secondary Program</td>
<td>42,077</td>
<td>101,956</td>
</tr>
<tr>
<td>Government Buildings Program</td>
<td>230,810</td>
<td>399,273</td>
</tr>
<tr>
<td>Waste Audit</td>
<td>218,440</td>
<td>161,177</td>
</tr>
<tr>
<td>RE101 Schools</td>
<td>390,815</td>
<td>430,106</td>
</tr>
<tr>
<td></td>
<td>7,745,297</td>
<td>8,098,667</td>
</tr>
<tr>
<td><strong>OPERATING EXPENSES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrative Expenses (Schedule)</td>
<td>219,091</td>
<td>232,369</td>
</tr>
<tr>
<td>Stewards Services</td>
<td>58,860</td>
<td>58,860</td>
</tr>
<tr>
<td>Bad debt expense recovery</td>
<td>-</td>
<td>(16,260)</td>
</tr>
<tr>
<td></td>
<td>277,951</td>
<td>274,969</td>
</tr>
<tr>
<td></td>
<td><strong>8,023,248</strong></td>
<td><strong>8,373,636</strong></td>
</tr>
<tr>
<td><strong>Excess of revenue over expenses</strong></td>
<td>1,035,906</td>
<td>308,191</td>
</tr>
</tbody>
</table>
## STATEMENT OF CHANGES IN NET ASSETS

For the year ended December 31, 2016

<table>
<thead>
<tr>
<th></th>
<th>Invested in capital assets</th>
<th>Unrestricted</th>
<th>Total</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance - Beginning of year</strong></td>
<td>$28,466</td>
<td>$1,597,133</td>
<td>$1,625,599</td>
<td>$1,317,408</td>
</tr>
<tr>
<td><strong>Excess of revenue over expenses</strong></td>
<td>-</td>
<td>1,035,906</td>
<td>1,035,906</td>
<td>308,191</td>
</tr>
<tr>
<td><strong>Purchase of capital assets</strong></td>
<td>59,805</td>
<td>(59,805)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Amortization of capital assets</strong></td>
<td>(18,460)</td>
<td>18,460</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Balance - End of year</strong></td>
<td>69,811</td>
<td>2,591,694</td>
<td>2,661,505</td>
<td>1,625,599</td>
</tr>
</tbody>
</table>
# Statement of Cash Flows

For the year ended December 31, 2016

## Cash provided by (used in)

### Operating activities

<table>
<thead>
<tr>
<th>Item</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Excess of revenue over expenses</td>
<td>$1,035,906</td>
<td>$308,191</td>
</tr>
<tr>
<td>Item not affecting cash</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortization of capital assets</td>
<td>18,460</td>
<td>17,473</td>
</tr>
<tr>
<td></td>
<td>1,054,366</td>
<td>325,664</td>
</tr>
</tbody>
</table>

### Changes in non-cash working capital items

<table>
<thead>
<tr>
<th>Item</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts receivable</td>
<td>41,501</td>
<td>49,018</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>(8,227)</td>
<td>(1,131)</td>
</tr>
<tr>
<td>Inventory</td>
<td>206,405</td>
<td>8,246</td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>(785,019)</td>
<td>246,381</td>
</tr>
<tr>
<td></td>
<td>509,026</td>
<td>628,178</td>
</tr>
</tbody>
</table>

### Investing activities

<table>
<thead>
<tr>
<th>Item</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase of capital assets</td>
<td>(59,805)</td>
<td>-</td>
</tr>
</tbody>
</table>

### Increase in cash during the year

<table>
<thead>
<tr>
<th>Item</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase in cash during the year</td>
<td>449,221</td>
<td>628,178</td>
</tr>
<tr>
<td>Cash - Beginning of year</td>
<td>1,333,907</td>
<td>705,729</td>
</tr>
<tr>
<td>Cash - End of year</td>
<td>1,783,128</td>
<td>1,333,907</td>
</tr>
</tbody>
</table>
NOTES ON 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. SUMMARY OF 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 future use in 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. Amortization of computers and computer software is recorded on a declining balance basis of 33% 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 writedown 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. GOVERNMENT REMITTANCES

Government remittances consist of amounts required to be paid to government authorities and are recognized when the amounts become due. In respect of government remittances, $nil (2015 - $nil) is included within accounts payable and accrued liabilities.

4. 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 receivables.

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.

5. COMMITMENTS

a) CBCRA has an operating lease for premises requiring approximate annual rental payments as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$ 80,062</td>
</tr>
<tr>
<td>2018</td>
<td>$ 35,423</td>
</tr>
</tbody>
</table>

b) A program management services agreement is in place with Redclay StewardEdge Inc. to provide various management, administrative and communication tasks to CBCRA until December 2017 at a monthly amount of $88,676.

During 2016, payments under this commitment totalled $1,075,476 (2015 - $1,075,476) and are included in program management services and steward services.
## STATEMENT OF ADMINISTRATIVE EXPENSES

For the year ended December 31, 2016

<table>
<thead>
<tr>
<th>Description</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amortization</td>
<td>$18,460</td>
<td>$17,473</td>
</tr>
<tr>
<td>Audit, legal and professional fees</td>
<td>26,929</td>
<td>45,010</td>
</tr>
<tr>
<td>Board expenses</td>
<td>15,351</td>
<td>11,088</td>
</tr>
<tr>
<td>Bank charges</td>
<td>2,329</td>
<td>1,621</td>
</tr>
<tr>
<td>Consulting</td>
<td>1,040</td>
<td>10,000</td>
</tr>
<tr>
<td>Dues and memberships</td>
<td>4,549</td>
<td>7,702</td>
</tr>
<tr>
<td>Insurance</td>
<td>6,588</td>
<td>6,952</td>
</tr>
<tr>
<td>Office supplies</td>
<td>15,015</td>
<td>13,761</td>
</tr>
<tr>
<td>Postage and courier</td>
<td>6,027</td>
<td>7,973</td>
</tr>
<tr>
<td>Rent</td>
<td>105,857</td>
<td>93,450</td>
</tr>
<tr>
<td>Telephone</td>
<td>16,946</td>
<td>17,339</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>219,091</strong></td>
<td><strong>232,369</strong></td>
</tr>
</tbody>
</table>