Committed to the cause.

When our commitment to the cause knows no bounds, there is no threshold we can’t break, or goal we can’t achieve.
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CBCRA Overview

Founded in 2010, CBCRA is a not-for-profit, industry-funded organization whose membership includes beverage brand owners and distributors. CBCRA’s Recycle Everywhere program promotes beverage container recycling wherever beverages are consumed, both at home and away from home. This is done through a two-pronged approach that utilizes a high level of recycling access through province-wide, away-from-home beverage container recycling programs, paired with extensive Promotion and Education (P&E) outreach programs. In 2022, Manitoba is the only province in Canada that has a province-wide, public space beverage container recycling program. Notably, it is also the least expensive beverage recovery system in Canada when viewed on a per capita, per unit or per tonne basis, directly benefiting consumers and producers.

CBCRA has worked tirelessly to grow the Recycle Everywhere program and increase beverage container recovery rates. From one corner of the province to another, Recycle Everywhere has partnered with communities, municipalities, schools, businesses, institutions, parks, and events to provide them with the best Recycle Everywhere bin for their space free of charge.

In addition to recycling accessibility, Recycle Everywhere’s province-wide P&E campaigns have helped consumers make the right decision by recycling their empty beverage containers rather than throwing them in the garbage. The innovative awareness campaigns that CBCRA runs each year engages the public, educating them about what beverage containers can become when recycled, why recycling is important, and how to do it.

CBCRA’s approach, dedication and strong partnerships have resulted in a beverage container recycling program that has achieved significant results over the last decade.
As we look back on a productive and busy year, CBCRA’s commitment to the cause continues to be to its strength. The tremendous efforts of the board and staff led to a year like no other – one that laid the groundwork for growth, efficiency and an even greater ability to make our world a more sustainable place.

As a purpose-driven organization, CBCRA keeps beverage containers out of landfills and in the circular economy, where the material can be reused. This work ensures that consumers have the best of both worlds, enjoying beverages conveniently and affordably wherever they might be, while also minimizing the environmental impact of empty containers.

In 2022, CBCRA continued to make meaningful progress in the following ways, which are highlighted in this annual report:

- Ongoing brand repositioning through work with a new agency partner, Wunderman Thompson, led to a newly developed brand code and purpose to ensure our cause resonates with consumers across Manitoba and beyond.
- The Recycle Everywhere mobile application, a pillar of the Incentive program, remained popular amongst a dedicated user base. At the conclusion of 2022, the app had been downloaded more than 85,000 times.
- The alleviation of pandemic-era restrictions allowed us to reconnect with students at post-secondary campuses through a combination of in-person education, sponsored messaging, and targeted promotions.
- Over 15,000 single-family dwelling (SFD) bins were distributed throughout rural Manitoba, with a focus on community depot collection models.
- Our work with communities in Northern Manitoba continued, with three new backhaul sheds completed in Cross Lake, Gillam, and Split Lake, with more in progress. Northern Manitoba continues to be a priority.
- As businesses regained footing from the pandemic years, our team was able to connect and assist significantly more IC&I spaces than forecast, with over 2,200 new bins installed, complete with signage, education, and best practices.
- Working in lockstep with our municipal partners, our team rolled out a contamination reduction initiative, distributed bins, and launched three park pilots to improve recycling infrastructure and collection across the province.

Thanks to the actions of motivated and educated consumers, we have continued to achieve solid recovery rates while ensuring the cost to operate the program remains as low as possible. In an economy that has experienced high levels of inflation and tightening bottom lines, our team has managed to deliver results without raising the container recycling fee – holding costs steady for producers and consumers. In Manitoba, there are now more than 78,000 away-from-home beverage container recycling bins in parks, streetscapes, schools, businesses, and more.

As an industry-funded organization, CBCRA acknowledges and deeply appreciates the commitment and support of our beverage producer and retailer partners, along with our dedicated team and board members. United, we will continue to make a difference that will be felt generations into the future.
This year was filled with growth and learnings, and I am humbled by the passion, success, and collaboration that we have experienced together. First and foremost, thank you to our Board of Directors, employees, partners, and stakeholders on which our success depends.

It was an important year for beverage container recycling. Now removed from the direct effects of the pandemic, our program, like so many others, needed to quickly discern what remained effective and important and how to innovate and adapt to meet the challenges and changes that have rapidly taken hold amongst consumers, businesses, and governments.

For our organization, this was further complicated by the fact that not only were we making iterative changes in Manitoba, but also working tirelessly to develop the Recycle Everywhere program in Ontario, Canada’s most populous province.

Throughout the years in Manitoba, we have made substantial and steady progress towards the province’s beverage container recovery rate of 75%, and our team remained focused on that goal. Although the exact percentage point varies slightly from year to year, the overall recovery of containers continues to be impressive, including the multi-year success of around 80% PET recovery. This success is attributed to continued, targeted efforts.

The Recycle Everywhere Brand Ambassador team coordinates and provides temporary recycling bins for hundreds of events while educating the public on the consequences of contamination and the environmental impact of good recycling habits.

Our commitment and expertise in waste management systems allows us to advise our partners to make customized, nuanced changes to bin infrastructure, placement, and signage based on their specific need. Over the last year, our program team has also provided valuable recommendations to cities, municipalities and IC&I locations, which not only increase beverage container recovery, but also reduce litter more generally.

2022 has also been a successful year working with our education partners. Not only did we far exceed the number of bins we set out to distribute to schools across the province, but we also provided over 85 school presentations in Northern Manitoba communities. Through these efforts, over 1,300 young people were reached, which contributed to instilling in them the importance of beverage container recycling.

The success is a credit to the entire CBCRA team and our dedicated Board of Directors. Our mandate and the work we do each day is important and I am looking forward to the impact we will continue to make in the years ahead.
Ongoing Brand Work

Important brand work undertaken this year ensures that our message resonates in Manitoba. Notably, this includes a completely new brand code and purpose, as well as new digital tools such as refreshed websites, internal tools, and social media. This work was carried out in partnership with McKim and driven by research collected by Leger.
CBCRA Manitoba Participants

CBCRA works closely with beverage producers and distributors supplying Manitoba. Participants are charged the Container Recycling Fee for every non-alcoholic, non-dairy beverage container sold in the province. The fee funds the Recycle Everywhere program and pays for up to 80% of the cost to collect and process beverage containers in residential recycling programs. It also pays for all the away-from-home bins supplied to municipalities, events and the IC&I sector, as well as the extensive P&E campaigns.

CBCRA Participants as of December 2022

A. Lassonde Inc.  Dewpoint Bottling Company Ltd.  RW Consumer Products Ltd.
Acklands-Grainger Inc.  Dollar Tree Stores Canada  Saputo Dairy Products Canada G.P.
Amazon.com.ca, Inc.  Dollarama LP  Save On Foods Limited Partnership
Amway Canada Corporation  EDOKO FOOD IMPORTERS LTD  Shoppers Drug Mart Inc.
Arctic Beverages LP  Federated Co-Operatives Limited  Sky Blue Water Inc.
Arctic Connection  Fortune Foods Winnipeg ULC  Sobey's
Arctic Co-operatives Limited  Ice River Springs Water Co.  Star Marketing Ltd.
Arthur Roger & Associates Inc.  ID Foods Corporation  Sunrise Markets Inc. dba Sunrise Soya Foods
Athletic Brewing Co. Canada ULC  IKEA Canada Limited Partnership  SYSCO FOOD SERVICE, WINNIPEG
Bulk Barn Foods Limited  Inform Brokerage Inc.  Temple Lifestyle Inc.
Cabela's Retail Canada Inc.  KOHL & FRISCH LIMITED  The Minute Maid Company Canada Inc.
Campbell Company Of Canada  Kraft Heinz Canada ULC  The North West Company LP
Canada Dry Mott's Inc.  Labatt Brewing Company Ltd.  Tie' Nax T'Awei Limited Partnership
Canadian Tire  Loblaw Companies Ltd.  Tree of Life Canada ULC
CanAqua Inc.  London Drugs Limited  Triton Water Canada Holdings Inc.
Casseroles Cora Inc.  Malinda Distributors Inc.  United Natural Foods Canada Inc.
Coca-Cola Refreshments Canada Company  McKesson Canada  UNO FOODS INC. 2
Complete Distribution Services LTD  National Dry Company Ltd.  Veritiv Canada, Inc.
Corpeil's Water  Nestlé Canada Inc.  Wal-mart Canada Corp.
COSTCO WHOLESALE CANADA LTD  Nestlé Waters Canada  Well Juicery Canada Ltd.
Curved Distribution Inc.  Pepsi Bottling Group Canada  Wild Sparkling Tea Ltd.
Danone Canada  Red Bull Canada Ltd.  Wm. Bolthouse Farms Inc.

Program average PET recovery rate is 80%.

In 2022, 69% of beverage containers sold in Manitoba were recovered.

<table>
<thead>
<tr>
<th>Manitoba Beverage Container Sales</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>AL</td>
<td>217,588,220</td>
</tr>
<tr>
<td>PET</td>
<td>257,502,134</td>
</tr>
<tr>
<td>HDPE</td>
<td>4,691,534</td>
</tr>
<tr>
<td>Other Plastic</td>
<td>1,348,762</td>
</tr>
<tr>
<td>Glass</td>
<td>4,137,677</td>
</tr>
<tr>
<td>Metal</td>
<td>755,919</td>
</tr>
<tr>
<td>Aseptics</td>
<td>40,689,261</td>
</tr>
<tr>
<td>Gabletop</td>
<td>4,752,447</td>
</tr>
<tr>
<td>Drink pouches</td>
<td>12,194,301</td>
</tr>
<tr>
<td>Bag-in-a-box</td>
<td>26,830</td>
</tr>
</tbody>
</table>

543,687,085
Performance Highlights

At CBCRA, we are continually innovating to reach the 75% beverage container recovery rate target set by the provincial government. Part of our success is looking back each year to see what worked and to find new opportunities for growth.

Ongoing research and audits show the effectiveness of our strategy and help inform decisions to improve the system. No matter where a beverage container is consumed in our province, we need to ensure the public knows what to do with it, and where to access a recycling bin.

Reposition Our Brand

- Selected new advertising agency that will most effectively deliver results.
- Developed brand code and purpose to ensure Recycle Everywhere continues to resonate with Manitobans
- Developed and launched new CBCRA & RE websites, CMS platform, wireframe, and enhanced user experience.
  - New interactive bin bag distribution map
  - New live Instagram feed
  - Smooth transitions and content animation
  - Back-end work completed for content across multiple provinces
  - Improved analytics and reporting capabilities

Industrial, Commercial and Institutional (IC&I)

2,222 Bins distributed

Outreach campaigns completed: 15

Tradeshows and events attended: 15

Over 420 site visits completed

Winnipeg airport project used AI technology to verify that 75%–80% accuracy rate of people disposing of waste correctly.
Performance Highlights

**Single Family Dwellings (SFD)**

- **SFD Bins distributed:** 15,415
- **Communities added as SFD Bin partners:**
  - Dauphin
  - Beausejour
  - Municipality of Grassland
  - Municipality of Brenda – Waskada
  - Rural Municipality of Elton
  - Municipality of Springfield

**Multi-Family Dwellings (MFD)**

- **MFD Bins distributed:** 3,370
- **Reported results of phase 2 of MFD assessments.**
- **City of Winnipeg indicated they were not able to make changes recommended in Phase 1 & 2, which included increased collection frequency. They required council support and the election was slated for fall 2022.**

**Bin Bags**

The Bin Bag is a lightweight, structured yet collapsible recycling bag, with fabric handles which make it easy to carry. It has extra capacity to store more recyclables and is ideal for recreational use in cottage communities, campgrounds and parks. Designed by CBCRA staff, the Bin Bag is an example of the innovative culture that permeates CBCRA.

- **Bin Bags distributed:** 10,835
- **The events team distributed 1,590 bin bags at events (June–December).**
- **New interactive bin bag distribution centre map added to website.**
- **Distribution was implemented with 9 new partner organizations in the recreational sector.**
Performance Highlights

Recycle Everywhere (RE101)

Good recycling behaviour starts at a young age. Children are future recycling champions who will lead the way for generations to come. With this in mind, CBCRA launched the RE101 program in 2013, a free program open to all Manitoba schools to increase beverage container recycling rates.

In addition, we focus on region-specific programming in Northern Manitoba.

- Bins distributed: **405**
- Clean Up Kits distributed:
  - Spring: **140**
  - Fall: **260**
- Northern school presentations: **88**
- Over 1,300 youth in Northern Manitoba schools reached.
- Focused Project 2022–2023: bins were placed in 21 schools and a pre-audit was completed in one school.
- Updated & translated RE101 educational resources (all materials available in English and French).

Events

Brand Ambassadors attended 113 event days and engaged with 746,000 Manitobans. Events took place across the province which included cultural celebrations, sporting events, festivals and more.

Event Bins used at **130+** events with over 500 delivered throughout the year.
## Performance Highlights

### Northern Schools Backhaul

- **Sheds completed in 2022:**
  - Cross Lake | DR Hamilton School
  - Gillam | Gillam School
  - Split Lake | Chief Sam Cook Mahmuwee Education Centre
- **Sheds in progress in 2022:**
  - Leaf Rapids | Leaf Rapids Education Centre
  - Lynn Lake | West Lynn Heights School
  - South Indian Lake | Thunderbird School
- Approximately 1,380 pounds of recycling material has been reported from the backhaul project (91 bags). Based on the project findings and feedback from the Thompson Recycling Centre, similar campaigns will be implemented in other communities experiencing issues with contamination in residential recycling bins.

### Municipal Public Spaces

- **Bins distributed:**
  405
- **Contamination Reduction Initiative supports:**
  - Town of Selkirk: 10 dual designer bins, 30 dual flex bins, 1 small on-road trailer, 1 large off-road trailer
  - Town of Stonewall: 6 dual concrete bins, 30 dual flex bins, 7 collection yard bins, 70 concrete slabs, 51 waste small designer bins, 20 recycle small designer bins
- Town of Niverville: 7 dual concrete bins, 10 dual flex bins, 1 small on-road trailer
- Rural Municipality of Alexander: 19 bear-proof bins, 1 small on-road trailer
- **Distributed 140 clean-up kits to 19 municipalities.**

### Waste Audits

- **Waste audits completed:**
  15 Pending finalization of reports
- Litter audit results showed that overall beverage container litter has reduced for all cities since baseline. Winnipeg and Brandon have increased since 2019, Steinbach remained consistent, while Flin Fion and Thompson have each reduced since 2019.
- **Material Recovery Facility (MRF) audits completed:**
  20
CBCRA Ontario Planning

The most intensive work in 2022 was centred around planning and strategizing CBCRA’s expansion into the province of Ontario. Early on, the organization realized that simply copying what worked in Manitoba and deploying it in Ontario would not lead to a successful program in the province for many reasons, such as population size and density, beverage container sales volumes, consumer behaviour differences and many other factors.

Therefore, work to rebuild the program from the ground up exclusively for the Ontario market continued. That led to a collaborative effort across all departments and many stakeholders. The net result of that work led to a brand-new program plan, marketing and communications plan, programs plan and other best practices, partnerships, and actionable items.

Although Ontario’s beverage container recycling landscape has recently changed at the provincial government level, CBCRA remains committed to evaluating all opportunities to ensure Canadians have access to beverage container recycling infrastructure no matter where they live. The work that was done in Ontario has led to a phenomenal amount of internal learning that the organization will harness in the future.
Board of Directors & Staff

CBCRA Board of Directors

Jim Goetz  
Chairman

Cheryl McLaughlin  
Vice-Chair

Neil Antymis  
Treasurer

Sylvain Mayrand  
George Groumoutis  
Victor Vrsnik  
Callei Bellamy  
Carl Botha  
Scott McIntyre

CBCRA Team

Ken Friesen  
Executive Director

Adrian Vannahme  
Public Affairs Advisor

Christa Rust  
Senior Program Director

Sheri Moerkerk  
Director, Marketing and Communications

Rhea Prathipati  
Controller

Paul Flegg  
Manager, Stewardship Reporting

Karen Schwarz  
Logistics Coordinator

Mike Hall  
Logistics Coordinator

Mike Cuma  
Manager, Marketing and Communications

Jaclyn Diduck  
Senior Logistics Coordinator

Adam Wilton  
Administration and Accounting Coordinator

Claudia Humaire  
Digital Marketing Specialist

Cameron Mackay  
Event Coordinator

Craig Harrison  
Senior Outreach Coordinator

Justine Spearman  
Senior Data Outreach Coordinator

Noah Shams  
Logistics and Schools Coordinator

Judy Slaney  
Northern Coordinator

Claire Harvey  
Program Coordinator
Independent Auditors Report

To the Members of Canadian Beverage Container Recycling Association

Opinion

We have audited the financial statements of Canadian Beverage Container Recycling Association (the “Entity”), which comprise the statement of financial position as at December 31, 2022, the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (hereinafter referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2022, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “Auditor’s Responsibilities for the Audit of the Financial Statements” section of our auditor’s report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Entity’s ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.
We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
Statement of Financial Position

December 31, 2022, with comparative information for 2021

<table>
<thead>
<tr>
<th>Assets</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>$ 2,895,009</td>
<td>$ 3,692,309</td>
</tr>
<tr>
<td>Short-term investment (note 1[c])</td>
<td>1,000,000</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>1,593,799</td>
<td>1,132,559</td>
</tr>
<tr>
<td>Inventory</td>
<td>398,419</td>
<td>403,094</td>
</tr>
<tr>
<td>Prepaid expenses and deposits</td>
<td>89,927</td>
<td>145,719</td>
</tr>
<tr>
<td></td>
<td>5,977,154</td>
<td>6,373,681</td>
</tr>
<tr>
<td>Capital assets, net of accumulated amortization of $153,281 (2021 - $149,007)</td>
<td>5,640</td>
<td>9,914</td>
</tr>
<tr>
<td></td>
<td>$ 5,982,794</td>
<td>$ 6,383,595</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities and Net Assets</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current liabilities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities (note 2)</td>
<td>$ 1,050,686</td>
<td>$ 640,328</td>
</tr>
<tr>
<td>Net assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Invested in capital assets</td>
<td>5,640</td>
<td>9,914</td>
</tr>
<tr>
<td>Internally restricted (note 1[g])</td>
<td>1,000,000</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>3,926,468</td>
<td>4,733,353</td>
</tr>
<tr>
<td></td>
<td>4,932,108</td>
<td>5,743,267</td>
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<tr>
<td>Commitments (note 4)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subsequent event (note 5)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$ 5,982,794</td>
<td>$ 6,383,595</td>
</tr>
</tbody>
</table>

On behalf of the Board:
Jim Goetz, Chairman  Neil Antymis, Treasurer

See accompanying notes to financial statements.
## Statement of Operations

Year ended December 31, 2022, with comparative information for 2021

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Container recycling fees</td>
<td>$10,274,299</td>
<td>$10,244,522</td>
</tr>
<tr>
<td>Interest income</td>
<td>25,582</td>
<td>11,583</td>
</tr>
<tr>
<td>Other income</td>
<td>23,893</td>
<td>801</td>
</tr>
<tr>
<td></td>
<td><strong>10,323,774</strong></td>
<td><strong>10,256,906</strong></td>
</tr>
<tr>
<td><strong>Program expenses:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Awareness campaign</td>
<td>3,762,661</td>
<td>3,271,182</td>
</tr>
<tr>
<td>Multi material stewardship Manitoba</td>
<td>3,353,126</td>
<td>2,909,189</td>
</tr>
<tr>
<td>Municipal public spaces program</td>
<td>938,601</td>
<td>1,012,510</td>
</tr>
<tr>
<td>Program management services (note 4)</td>
<td>1,565,162</td>
<td>1,371,893</td>
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<tr>
<td>Industrial, commercial and institutional program</td>
<td>536,306</td>
<td>448,368</td>
</tr>
<tr>
<td>Government buildings program</td>
<td>166,242</td>
<td>288,014</td>
</tr>
<tr>
<td>Waste audit</td>
<td>271,036</td>
<td>194,797</td>
</tr>
<tr>
<td>RE101 schools</td>
<td>77,979</td>
<td>70,301</td>
</tr>
<tr>
<td>Events recycling program</td>
<td>121,406</td>
<td>43,460</td>
</tr>
<tr>
<td>Post-secondary program</td>
<td>2,957</td>
<td>4,607</td>
</tr>
<tr>
<td></td>
<td><strong>10,795,476</strong></td>
<td><strong>9,614,321</strong></td>
</tr>
<tr>
<td><strong>Operating expenses:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrative expenses (schedule)</td>
<td>339,457</td>
<td>267,653</td>
</tr>
<tr>
<td></td>
<td><strong>11,134,933</strong></td>
<td><strong>9,881,974</strong></td>
</tr>
<tr>
<td><strong>Excess (deficiency) of revenue over expenses</strong></td>
<td>$(811,159)</td>
<td>$374,932</td>
</tr>
</tbody>
</table>

See accompanying notes to financial statements.
### Statement of Changes in Net Assets

Year ended December 31, 2022, with comparative information for 2021

<table>
<thead>
<tr>
<th></th>
<th>Invested in capital assets</th>
<th>Internally restricted</th>
<th>Unrestricted</th>
<th>2022 Total</th>
<th>2021 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance, beginning of year</td>
<td>$9,914</td>
<td>$1,000,000</td>
<td>$4,733,353</td>
<td>$5,743,267</td>
<td>$5,368,335</td>
</tr>
<tr>
<td>Excess (deficiency) of revenue over expenses</td>
<td>(4,274)</td>
<td>—</td>
<td>(806,885)</td>
<td>(811,159)</td>
<td>374,932</td>
</tr>
<tr>
<td><strong>Balance, end of year</strong></td>
<td><strong>$5,640</strong></td>
<td><strong>$1,000,000</strong></td>
<td><strong>$3,926,468</strong></td>
<td><strong>$4,932,108</strong></td>
<td><strong>$5,743,267</strong></td>
</tr>
</tbody>
</table>

See accompanying notes to financial statements.
# Statement of Cash Flows

Year ended December 31, 2022, with comparative information for 2021

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash provided by (used in):</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Operating activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess (deficiency) of revenue over expenses</td>
<td>(811,159)</td>
<td>374,932</td>
</tr>
<tr>
<td>Items not involving cash:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortization of capital assets</td>
<td>4,274</td>
<td>3,898</td>
</tr>
<tr>
<td>Change in non-cash operating working capital:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>(461,240)</td>
<td>10,392</td>
</tr>
<tr>
<td>Prepaid expenses and deposits</td>
<td>55,792</td>
<td>23,306</td>
</tr>
<tr>
<td>Inventory</td>
<td>4,675</td>
<td>(69,535)</td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>410,358</td>
<td>369,310</td>
</tr>
<tr>
<td></td>
<td>(797,300)</td>
<td>712,303</td>
</tr>
<tr>
<td><strong>Investing activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of capital assets</td>
<td>—</td>
<td>(5,274)</td>
</tr>
<tr>
<td>Increase (decrease) in cash</td>
<td>(797,300)</td>
<td>707,029</td>
</tr>
<tr>
<td>Cash, beginning of year</td>
<td>3,692,309</td>
<td>2,985,280</td>
</tr>
<tr>
<td><strong>Cash, end of year</strong></td>
<td>$ 2,895,009</td>
<td>$ 3,692,309</td>
</tr>
</tbody>
</table>

See accompanying notes to financial statements.
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. During the year ended December 31, 2021, CBCRA commenced expanding its operations into Ontario with initial planning occurring during fiscal 2021 and 2022 and operations to commenced in fiscal 2023. 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. 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.

CBCRA is exempt from income taxes under Section 149(1) of the Income Tax Act.

1. Significant accounting policies:

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies.

(a) 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 cash held at banking institutions.

(b) Cash:
Cash consists of cash on hand and cash held at banking institutions.

(c) Short-term investment:
Short-term investment represents a guaranteed investment certificate with an original maturity of greater than three months. The guaranteed investment certificate matures on December 31, 2022 and earns interest at a rate of 0.95 percent per annum (2021 - 0.50 percent).

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

(e) Capital assets:
Capital assets are recorded at original cost less accumulated amortization.

Amortization of furniture and equipment is recorded on a straight-line basis over the assets’ useful lives of 5 years. Amortization of computers and computer software is recorded on a straight-line basis over the assets’ useful lives of 3 years.

(f) Financial instruments:
(i) 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, short-term investment and accounts receivable.

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

(ii) 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.

(g) Internally restricted net assets:
Internally restricted net assets represent funds restricted for use by CBCRA that reflect approximately six months’ worth of program management costs, and other one-time project costs. The use of internally restricted net assets requires the approval of the Board of Directors.

(h) 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.

2. 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, $23,288 (2021 - $9,464) is included within accounts payable and accrued liabilities.

3. 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, short-term investment and accounts receivable. 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.

4. Commitments:

a) CBCRA has operating leases for premises and a vehicle requiring approximate annual rental payments to the end of the leases as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2023</td>
<td>$69,645</td>
</tr>
<tr>
<td>2024</td>
<td>$20,198</td>
</tr>
<tr>
<td>2025</td>
<td>$10,091</td>
</tr>
</tbody>
</table>

(b) A program management services agreement is in place with Reclay StewardEdge Inc. to provide various management, administrative and communication tasks to CBCRA until December 2024 at a monthly amount of $144,789 commencing fiscal 2023.

During the year ended December 31, 2022, payments under this commitment aggregated $1,334,815 (2021 – $1,334,815) and are included in program management services and steward services.

5. Subsequent event:
Subsequent to December 31, 2022, CBCRA entered into a credit facility agreement which includes a $3,000,000 revolving demand facility, bearing interest at prime plus 1 percent and secured by a general security agreement over the assets of CBCRA.
# Schedule of Administrative Expenses

Year ended December 31, 2022, with comparative information for 2021

<table>
<thead>
<tr>
<th>Expense</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amortization</td>
<td>$4,274</td>
<td>$3,898</td>
</tr>
<tr>
<td>Audit, legal and professional fees</td>
<td>160,073</td>
<td>100,938</td>
</tr>
<tr>
<td>Bank charges</td>
<td>5,409</td>
<td>4,365</td>
</tr>
<tr>
<td>Board expenses</td>
<td>8,616</td>
<td>—</td>
</tr>
<tr>
<td>Dues and memberships</td>
<td>6,164</td>
<td>2,649</td>
</tr>
<tr>
<td>Insurance</td>
<td>9,254</td>
<td>9,164</td>
</tr>
<tr>
<td>Office supplies</td>
<td>8,810</td>
<td>7,411</td>
</tr>
<tr>
<td>Postage and courier</td>
<td>3,600</td>
<td>4,570</td>
</tr>
<tr>
<td>Rent</td>
<td>113,945</td>
<td>111,676</td>
</tr>
<tr>
<td>Telephone and internet</td>
<td>19,312</td>
<td>22,982</td>
</tr>
<tr>
<td></td>
<td><strong>$339,457</strong></td>
<td><strong>$267,653</strong></td>
</tr>
</tbody>
</table>