

Recycling Council of British Columbia

Annual Report 2018-2019



MISSION STATEMENT

RCBC FACILITATES THE EXCHANGE OF IDEAS AND KNOWLEDGE THAT
ENABLE EFFICIENT SOLUTIONS TO ELIMINATE WASTE.

OUR VISION: A WORLD WITHOUT WASTE

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MESSAGE FROM THE CEO



BROCK MACDONALD, CEO

During the 2018-19 fiscal year, RCBC's senior leadership team and Board of Directors (BoD) worked in tandem to develop organizational planning for the next five years. While the BoD focused on strategy, staff worked collaboratively to identify operational tactics to meet the strategic goals set by the board. At the core of the strategic plan is recognition of RCBC's role in the evolving environment of BC's efforts to eliminate waste, conserve resources, and initiate the transition towards the emerging global circular economy.

GOAL ONE:

Continuous Improvement in Waste Elimination.

RCBC's primary goal is to promote the continuous improvement of waste elimination by emphasizing circular economy business models that produce more durable goods, reduce single use and disposable products, and expands reuse, repair and other components of circularity that eliminate redundant consumption.

Definition:

Progressive improvements in the industrial product cycle, beginning with design of the products, or in the development of circular business models, to minimize waste and extend product life, in each circular feedback loop through to the final option of disposal.

Outcomes:

There are five potential outcomes that can be achieved in working towards Goal One:

1. Progressive government policy instruments that move waste elimination up the Pollution Prevention Hierarchy at all points.
2. Progressive movement upward in the Pollution Prevention Hierarchy within the framework of a circular economy.
3. Expansion of stewardship programs and improvements to existing programs under the under the BC Recycling Regulation.
4. Easier access to curbside collection, organics diversion, and EPR programs.
5. Collaboration with Canada-wide recognized instruments that focus on companies/organizations actively working to eliminate waste

Performance Indicators:

The following three metrics will be monitored as indicators of progress towards Goal One.

1. Measured weight of municipal solid waste disposed as reported to the Province of BC.
2. Increased and improved access for BC communities to curbside collection and stewardship programs based on criteria such as time and distance.
3. Products on Canadian Council of Ministers of the Environment (CCME) Phase Two list added to BC's Recycling Regulation.

GOAL TWO:

Increased participation by BC citizens in waste reduction practices.

To achieve Goal Two, RCBC will continue to place a high priority on its information services provided to BC citizens to educate and inform them about their options as a means to increase their participation in waste diversion and recycling.

Definition:

BC citizens are educated and informed through RCBC information services about waste issues and are aware of both their responsibilities and opportunities. This increases their participation in eliminating waste throughout the consumer cycle from purchase to end-of-life management.

Outcomes:

1. Expanded leadership in RCBC's information dissemination role.
2. Greater overall awareness in BC about waste issues and progressive reduction measures based on the Pollution Prevention Hierarchy, how it relates to circular economy, and a sustainable future for all.
3. Accurate and current understanding of public education and information needs, maintained on an ongoing basis.
4. Collaborative partnerships that facilitate education to all BC citizens.

Performance Indicators:

The following metrics will be monitored as indicators of progress towards Goal Two.

1. Increased rates of recycling for regulated products as measured by stewardship agencies in their annual reports.
2. Measured weight of municipal solid waste going to disposal as reported to the Province of BC.

GOAL THREE:

Engaged and diverse membership.

RCBC will look to expand its membership to sectors involved in reuse, repair, and remanufacturing as part of its work to transition to a more circular economy.

Definition:

RCBC members represent all levels of the waste hierarchy (reduce, reuse, recycle, recover, and residuals management) and are actively engaged in achieving the Council's vision of a world without waste.

Outcomes:

1. Improved relationships with current and future members.
2. Improved member benefits and value propositions.
3. Diversified member composition.
4. Members engaged in addressing key policy issues.
5. Development of collaborative relationships within "reuse, repair, remake" sectors.
6. Improved relationships with current funding partners.
7. Diversified and expanded budget composition.

Performance Indicators:

The following three metrics will be monitored as indicators of progress towards Goal Three.

1. Number of RCBC Conference delegates
2. Number of partnerships/collaborations including round tables, coalitions, working groups, stewards, etc.
3. Number of members: new and renewals by sector

GOAL FOUR:

Stable Funding.

RCBC cannot achieve its primary goals without a solid financial foundation from which to operate.

Definition:

RCBC develops and maintains revenue streams from a variety of sources that provide both a solid financial foundation, and alignment with its goals and mission.

Outcomes:

1. Improved relationships with current funding partners.
2. Diversified and expanded budget composition.

Performance Indicators:

The following Four metrics will be monitored as indicators of progress towards Goal Four.

1. Number of revenue sources
2. Increase/decrease per revenue source
3. Revenue generated as compared to approved budget
4. Budget year-to-year comparison (last 5)

CONCLUSION:

These strategic goals are consistent with RCBC's purpose, as defined in section two (2) of its Constitution. They focus on RCBC's vision to eliminate waste by promoting waste prevention as well as the sustainable principles of a circular economy. These goals also reflect the continued expansion of the Recycling Regulation by the B.C. Ministry of Environment and Climate Change Strategy (MECCS) to cover the consumer products identified by the CCME Canada-Wide Action Plan, Phases One and Two. It is expected the MECCS will also work to increase organics diversion, focus greater attention on diverting waste in the ICI sector, and facilitate measures to ensure continuous improvement of existing EPR programs.

RCBC's strategic goals, viewed in context with the aforementioned MECCS initiatives, are consistent with the Council's public information function and its role as a facilitator of progressive policy dialogue. Over the past decade, RCBC has positioned itself as the strategic public information and education hub for recycling and waste reduction in BC. During the five-year span of this strategic plan, the organization will reinforce that role as a primary means of progress towards the four goals in this plan. Goals number one and two are particularly germane to the public information function of RCBC, as that service will be the primary tactic applied.

Towards that effort, RCBC supports industry and other stakeholder organizations by providing a central, one-stop education and information source to develop good practices for waste prevention province wide. RCBC is a mechanism to facilitate the move towards strategic policy initiatives that fall within the first two goals. Staff members continue to identify and develop opportunities to drive the organization towards continuous improvement of its information services and the collaborative generation of effective waste prevention solutions.

AUDITOR'S REPORT

PREPARED BY:

W TOMPKINS, WOZNY, MILLER & Co.
Chartered Professional Accountants

To the Members of
Recycling Council of British Columbia

Opinion

We have audited the financial statements of Recycling Council of BC (the Council), which comprise the statement of financial position as at March 31, 2019 and 2018, and the statements of changes in net assets, operations and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Council as at March 31, 2019 and 2018, and the results of its operations and its cash flows for the years then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audits 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 report. We are independent of the Council in accordance with the ethical requirements that are relevant to our audits 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 audit 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 Council'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 Council or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Council'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 these 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 Council'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 Council'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 Council 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.

We 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.

Report on Other Legal and Regulatory Requirements

As required by the British Columbia Societies Act, we report that the accounting principles used in these financial statements have been applied on a basis consistent with that of the preceding year.

Tomshine Wozny LLP

July 30, 2019
Vancouver, Canada

Chartered Professional Accountants

Recycling Council of British Columbia

STATEMENT OF FINANCIAL POSITION

As at March 31	2019	2018
ASSETS		
Current assets		
Cash	175,769	183,625
Short-term deposits [note 3] Accounts receivable [note 4]	251,125	250,000
<u>Prepaid expenses</u>	<u>120,543</u>	<u>72,055</u>
Total current assets	575,112	530,049
Prepaid deposits	3,881	13,881
<u>Capital assets [note 5]</u>	<u>36,963</u>	<u>51,962</u>
	615,956	595,892
LIABILITIES AND NET ASSETS		
Current liabilities	151,296	155,462
Accounts payable and accruals [note 6]	41,651	41,441
Deferred revenue - memberships - other	264,280	230,987
<u>Total liabilities</u>	<u>457,227</u>	<u>427,890</u>
Net assets		
Invested in capital assets	36,963	51,962
<u>Unrestricted</u>	<u>121,766</u>	<u>116,040</u>
<u>Total net assets</u>	<u>158,729</u>	<u>168,002</u>
	615,956	595,892
Commitments [note 8]		

On behalf of the Board:

"Richard Aikema "

Director

"Lynn Bailey"

Director

STATEMENT OF OPERATIONS

Year ended March 31

	2019	2018
REVENUES		
British Columbia Ministry of Environment	75,000	75,000
Conferences	110,153	111,485
Donations and interest	9,177	9,255
Memberships	51,545	52,221
Project revenue	2,583	2,500
Service agreements - Industry	286,976	286,981
- Government	65,375	61,250
Sponsorship - Industry	85,200	62,000
- Government	38,330	40,962
	724,339	701,654
EXPENSES		
Advertising and promotion	2,502	2,854
Amortization of capital assets	17,348	16,905
Bank charges and credit card merchant fees	7,530	7,511
Board expenses	7,897	4,165
Computer - supplies, maintenance and support	23,102	16,558
Conference and workshops Equipment leases and rentals	75,895	75,514
	29,534	27,227
Insurance	2,695	2,651
Internet - web services	7,358	9,474
Office, supplies and other	2,646	2,125
Postage and courier	703	379
Printing and publishing		154
Professional fees	5,478	5,345
Rent and utilities	74,007	70,664
Salaries and benefits [note 9]	468,536	472,062
Telephone and facsimile	6,098	6,181
<u>Travel</u>	<u>2,283</u>	<u>2,873</u>
	733,612	722,642
Excess of revenues under expenses	(9,273)	(20,988)

OUR PARTNERS AND SUPPORTERS

THE OPERATIONS OF THE RECYCLING COUNCIL OF BRITISH COLUMBIA ARE FUNDED BY A DIVERSE GROUP OF SUPPORTERS INCLUDING GOVERNMENT, INDUSTRY, GRANTING ORGANIZATIONS AND MEMBERS. THANKS TO EACH AND EVERY ONE OF THESE INDIVIDUALS AND ORGANIZATIONS FOR THEIR SUPPORT IN THE 2018/2019 FISCAL YEAR.

PARTNERS

BC Ministry of Environment
BC Technology for Learning
Busch Systems
BC Used Oil Management Association
Blue Planet Recycling
Call2Recycle
Canada's National Brewers
Cascades
Canadian Electrical Stewardship Association
Canadian Plastics Industry Association
Canadian Wireless Telecommunications Association
City of Surrey
Electronic Products Recycling Association of BC

Return-It Canada
Emterra Environmental
Health Products Stewardship Association
Metro Vancouver
Merlin Plastics
Major Appliances Recycling Roundtable
New West Gypsum
Product Care Recycling
Recycling Council of Alberta
Stewardship Agencies of BC
Tetra Tech
Tire Stewardship BC
Tymac Launch Services
West Coast Reduction

IN-KIND DONATIONS

Bag to Earth (lunch bags)
Urban Impact Recycling (recycling services)

Return-It Canada (travel expenses)
Business In Vancouver (subscription)

REGIONAL DISTRICT SUPPORTERS

RCBC Hotline/Recyclepedia

Cariboo
Central Kootenay
Central Okanagan
Cowichan Valley
Fraser-Fort George

Fraser Valley
Metro Vancouver
Kootenay-Boundary
North Okanagan
Okanagan-Similkameen

Peace River
Powell River
Squamish Lillooet
Sunshine Coast
Thompson Nicola

ORGANIZATIONAL INFORMATION

THANK YOU TO THE 2018-2019 RCBC BOARD OF DIRECTORS AND STAFF

2018/2019 BOARD OF DIRECTORS

EXECUTIVE OFFICERS

CHAIR	LYNN BAILEY	INDIVIDUAL
PAST CHAIR	BERT MONESMITH	MONESMITH & ASSOCIATES
TREASURER	RICHARD AIKEMA	ARCHWAY COMMUNITY SERVICES
SECRETARY	CHERYL SHUMAN	PEACE RIVER REGIONAL DISTRICT

DIRECTORS AT LARGE

RUBEN ANDERSON	INDIVIDUAL
MAIRI WELMAN	INDIVIDUAL
ROBYN COOPER	SUNSHINE COAST REGIONAL DISTRICT
CRAIG FOSTER	CRAIG FOSTER & ASSOCIATES
KEN INGRAM	WEST COAST REDUCTION
NAOMI LOW	KIDNEY FOUNDATION
KAREN MASON-BENNETT	NEAT
TAMARA SHULMAN	CONSULTANT
ED WALSH	EMTERRA

POLICY COMMITTEE

CHAIR

LYNN BAILEY

RCBC STAFF

AS OF AUGUST 29, 2019

BROCK MACDONALD	CEO
ANNA ROCHELLE	DIRECTOR OF FINANCE
HARVINDER AUJALA	DIRECTOR OF POLICY AND COMMUNICATIONS
JESSIE CHRISTOPHERSEN	INFORMATION SERVICES ASSISTANT
ISAAC YUEN	HOTLINE INFORMATION OFFICER
JENNIFER HELMAN	HOTLINE INFORMATION OFFICER
LISA INTHAVONG	HOTLINE INFORMATION OFFICER
JUSTIN LEBLANC	HOTLINE INFORMATION OFFICER
EILEEN XU	HOTLINE INFORMATION OFFICER