

**ALBERTA RECYCLING MANAGEMENT
AUTHORITY
Financial Statements
March 31, 2021**

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ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

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July 9, 2021
Edmonton, Alberta

Independent Auditor's Report

To the Members of Alberta Recycling Management Authority

Report on the Financial Statements

Opinion

We have audited the accompanying combined financial statements of Alberta Recycling Management Authority (the Authority), which comprise the statement of financial position as at March 31, 2021 and the statements of revenue and expenditures, changes in net assets and cash flow for the year ended, and notes to the combined financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying combined financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2021 and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

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 report. We are independent of the Authority in accordance with the ethical requirements that are relevant to our audit of the combined financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those 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 these combined financial statements in accordance with ASNPO, and for such internal control as management determines is necessary to enable the preparation of combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is responsible for assessing the Authority'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 Authority or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Authority's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined 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 combined 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 combined 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 Authority'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 Authority'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 combined 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 Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the combined financial statements, including the disclosures, and whether the combined financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the individual programs within the Authority to express an opinion on the combined financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Kingston Ross Pasmak LLP

Kingston Ross Pasmak LLP

Chartered Professional Accountants

Statement of Financial Position

ALBERTA RECYCLING MANAGEMENT AUTHORITY

March 31, 2021

		2021	2020
ASSETS			
CURRENT			
Cash		\$ 3,135,076	\$ 2,890,804
Short term investments (Note 4)		27,413,351	36,063,633
Accounts receivable		8,249,897	7,223,393
Interfund receivable (Note 5)		1,070,234	940,052
Prepaid expenses		144,584	72,417
		<u>40,013,142</u>	<u>47,190,299</u>
LONG TERM INVESTMENTS (Note 6)		105,204,994	86,101,796
PROPERTY AND EQUIPMENT (Note 7)		162,880	295,228
INTANGIBLE ASSET (Note 8)		524,904	-
		<u>\$ 145,905,920</u>	<u>\$ 133,587,323</u>
LIABILITIES AND NET ASSETS			
CURRENT			
Payable to recyclers and related accruals		\$ 8,674,356	\$ 7,915,397
Accounts payable and accrued liabilities		1,893,085	928,444
Interfund payable (Note 5)		1,070,234	940,052
		<u>11,637,675</u>	<u>9,783,893</u>
COMMITMENTS (Note 10)			
EXTERNALLY RESTRICTED			
NET ASSETS (Note 11)			
Invested in capital assets		687,784	295,228
Electronics Recycling Alberta		98,235,848	91,920,184
Paint Recycling Alberta		2,531,215	1,676,215
Tire Recycling Alberta		22,220,059	21,088,576
Used Oil Recycling Alberta		10,592,328	8,822,216
Household Hazardous Waste contract		1,011	1,011
		<u>134,268,245</u>	<u>123,803,430</u>
		<u>\$ 145,905,920</u>	<u>\$ 133,587,323</u>

APPROVED BY THE BOARD


 _____ Director


 _____ Director

Statement of Revenue and Expenditures

ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

	2021 Budget Unaudited	2021 Actual	2020 Actual
Recycling revenue			
Environmental fees	\$ 51,306,876	\$ 52,969,061	\$ 54,115,503
Less: Import tire agent charges	(17,400)	(14,040)	(16,889)
Government contract - Household Hazardous Waste	1,400,000	1,343,036	1,400,000
Interest	83,400	182,391	93,248
Total recycling revenue	52,772,876	54,480,448	55,591,862
Recycling expenditures			
Recycling incentives	64,354,206	48,559,196	49,462,626
Broker contracts - Household Hazardous Waste	1,227,994	1,199,192	1,241,005
Total recycling expenditures	65,582,200	49,758,388	50,703,631
Recycling development and other			
Research and development	458,000	445,605	353,087
Public information	387,345	246,197	310,930
Rural Alberta project and municipal grants	1,608,655	829,079	863,257
Total recycling development and other	2,454,000	1,520,881	1,527,274
Program delivery expenditures			
Compensation and advisory services	2,933,660	2,672,100	1,631,131
Contract program administration fees	283,002	281,009	436,805
Compliance and assurance activities	914,195	366,534	554,738
Contract delivery expenditures - Household Hazardous Waste	12,182	11,796	12,230
Other program expenses	159,111	110,849	-
Total program delivery expenditures	4,302,150	3,442,288	2,634,904
Corporate administration expenditures			
Compensation and professional fees	2,019,124	1,864,429	2,055,573
Office and general expenses, including amortization	1,563,734	1,069,329	1,307,713
Total corporate administration expenditures	3,582,858	2,933,758	3,363,286
Total expenditures	75,921,208	57,655,315	58,229,095
Revenue net of expenditures	(23,148,332)	(3,174,867)	(2,637,233)
Fund Investment			
Investment income	4,826,444	8,458,805	4,805,221
Unrealized investment gain (loss)	-	5,473,521	(4,624,903)
Investment managers and related expense	(269,600)	(292,644)	(269,883)
Net investment income (loss)	4,556,844	13,639,682	(89,565)
Excess (deficiency) of revenue over expenditures	\$ (18,591,488)	\$ 10,464,815	\$ (2,726,798)

Statement of Changes in Net Assets

ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

	2021			2020
	Capital Assets	Allocated	Total	Total
Net assets, beginning of year	\$ 295,228	\$ 123,508,202	\$ 123,803,430	\$ 126,530,228
Excess (deficiency) of revenue over expenditures	-	10,464,815	10,464,815	(2,726,798)
Amortization of property and equipment	(118,901)	118,901	-	-
Investment in capital assets	511,457	(511,457)	-	-
Net assets, end of year	\$ 687,784	\$ 133,580,461	\$ 134,268,245	\$ 123,803,430

Statement of Cash Flow

ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

	2021	2020
Cash flow from operating activities		
Recycling revenue collected	\$ 52,381,944	\$ 55,049,494
Government contracts received - Household Hazardous Waste	1,057,345	1,475,000
Program expenditures	(55,870,884)	(56,619,775)
Investment income	8,458,805	4,805,221
Investment management costs	(292,644)	(269,883)
Other income	558	2,552
	<hr/> 5,735,124	<hr/> 4,442,609
Cash flow used by investing activities		
Investment contributions	(4,979,395)	(6,980,370)
Acquisitions of property and equipment	(38,603)	(221,601)
Acquisitions of intangible asset	(472,854)	-
	<hr/> (5,490,852)	<hr/> (7,201,971)
Increase (decrease) in cash position	244,272	(2,759,362)
Cash, beginning of year	2,890,804	5,650,166
Cash, end of year	<hr/> \$ 3,135,076	<hr/> \$ 2,890,804

ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

Note 1

Authority and
Purpose

The Alberta Recycling Management Authority (the "Authority") is a not-for-profit organization incorporated under the Societies Act of the Province of Alberta and operates as a delegated administrative organization (DAO), reporting to the Minister responsible for the administration of the Designated Material Recycling & Management Regulation AR 93/04 (the "Regulation"). The Authority has a mandate to establish waste minimization and recycling initiatives and programs in the Province of Alberta in accordance with sound environmental principles.

The Regulation authorizes the Authority to levy and collect advance disposal surcharges (environmental fees), which are to be used to provide or pay for any or all of the following but in respect of that specific designated material only:

- Waste minimization and recycling programs;
- Public information programs for the promotion of minimization and recycling programs;
- Expenditures on the collection, transportation, storage, processing and disposal of designated materials;
- Research and development activities related to designated materials management;
- Promotion of the use of recycled materials and products.

Under the Designation Regulations (AR 94/04), (AR 200/07), (AR 95/04) and (AR 100/18), electronics, paint, tires and used oil, respectively, have been defined as "designated materials" by the Government of Alberta. The Regulation has the effect of externally restricting the designated material reserves.

Updates to the Regulation and the Designation Regulations for each designated material, effective January 1, 2020, removed prescribed environmental fee maximums and introduced the procedure for the Authority to set environmental fees through its bylaws. This change will allow the Authority more flexibility and adaptability in determining fees that are in line with current market and economic conditions and that will support the long-term sustainability of the programs operated for each designated material. The first environmental fee rate change implemented under this new methodology came into effect for the Paint program on April 1, 2021.

End-of-Life Electronics

The Authority administers, through Electronics Recycling Alberta, an electronics waste minimization and recycling program in the Province of Alberta. Electronics Recycling Alberta uses environmental fees levied on the supply of eligible new electronics in or into Alberta to fund used electronics recycling initiatives in accordance with the Regulation.

ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

Note 1

Authority and
Purpose
continued ...

Leftover Paint Material

The Authority administers, through Paint Recycling Alberta, paint waste minimization and recycling programs in the Province of Alberta. Paint Recycling Alberta uses environmental fees levied on the supply of eligible paint and paint containers in or into Alberta to fund paint recycling initiatives in accordance with the Regulation.

Scrap Tires

The Authority administers, through Tire Recycling Alberta, used tire waste minimization and recycling programs in the Province of Alberta. Tire Recycling Alberta uses environmental fees levied on the supply of eligible new tires in or into Alberta to fund tire recycling initiatives in accordance with the Regulation.

Used Lubricating Oil Materials

Since October 1, 2018, the Authority administers, through Used Oil Recycling Alberta, used lubricating oil material, waste minimization and recycling programs in the Province of Alberta. Used Oil Recycling Alberta uses environmental fees levied on the supply of eligible new oil materials in or into Alberta to fund used oil material recycling initiatives in accordance with the Regulation. This program was managed by the Alberta Used Oil Management Association (AUOMA) to September 30, 2018.

Household Hazardous Waste

Through a contract with the Province of Alberta, the Authority administers the Province's Household Hazardous Waste ("HHW") Program. The Authority receives government funding restricted for purposes of carrying out the Household Hazardous Waste Program.

As of the report date, funding for the 2022 fiscal year has not been confirmed. The continued operations of the Program are dependent on this funding.

The Authority is a not-for-profit association, and accordingly, no provision for corporate income taxes has been provided in these financial statements pursuant to Section 149(1)(l) of the Income Tax Act (Canada).

ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

Note 2

**Basis of
Presentation**

The Authority bases its accounting policies on Canadian accounting standards for not-for-profit organizations, Part III of the CPA Canada Handbook - Accounting. Based on an annual evaluation of indicators of control, it has been verified that the Authority is not subject to the Public Sector Accounting Standards Handbook.

Comparative information on a program by program basis for the Authority's four regulated programs (Electronics Recycling Alberta, Paint Recycling Alberta, Tire Recycling Alberta and Used Oil Recycling Alberta) is provided in Schedules 1, 2, 3 and 4. Each program has a separate and distinct purpose and is governed by its own legislative mandate. The Regulation requires that each program be operated and funded separately. Use of environmental fee revenue and/or net assets between the programs is not permitted by the legislation.

Schedule 5 presents comparative financial statements for the Household Hazardous Waste Program which is operated under a contract with the Government of Alberta.

ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

Note 3

Significant
Accounting
Policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. Significant accounting policies observed in the preparation of the financial statements are summarized below.

Fund Accounting

The accounts of the Authority are maintained in accordance with the principles of Fund accounting. The major reserve groupings: Electronics Recycling, Paint Recycling, Tire Recycling, Used Oil Recycling and Household Hazardous Waste, are described in Note 1. The Authority uses the restricted fund method of accounting for contributions.

Revenue Recognition

Electronics Recycling Alberta

Revenue from environmental fees on eligible electronics supplied in or into Alberta (including the city of Lloydminster) is recognized by the Authority at the time the electronics are supplied by a registered supplier to the customer. The customer is defined as a person or business entity not registered with Electronics Recycling Alberta or registered as a Payment on Purchase supplier. Interest income is recognized when earned.

Paint Recycling Alberta

Revenue from environmental fees on eligible paint and paint containers supplied in or into Alberta (including the city of Lloydminster) is recognized by the Authority at the time the paint is supplied by a registered supplier to the customer. The customer is defined as a person or business entity not registered with Paint Recycling Alberta or registered as a Payment on Purchase supplier. Interest income is recognized when earned.

Tire Recycling Alberta

Revenue from environmental fees on eligible tires supplied in or into Alberta (excluding the city of Lloydminster) is recognized by the Authority at the time the tires are supplied by a registered supplier to the customer. The customer is defined as a person or business entity not registered with Tire Recycling Alberta, or registered as a Payment on Purchase supplier. Interest income is recognized when earned.

ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

Note 3

Significant
Accounting
Policies
continued. . .

Used Oil Recycling Alberta

Revenue from environmental fees on eligible lubricating oil materials supplied in or into Alberta (including sales from businesses located in the portion of the City of Lloydminster under the jurisdiction of the Province of Alberta) is recognized by the Authority at the time the lubricating oil materials are supplied by a registered supplier to the customer. The customer is defined as a person or business entity not registered with Used Oil Recycling Alberta, or a registered business where all environmental fees are reported and paid to Used Oil Recycling Alberta by their suppliers. Interest income is recognized when earned.

Household Hazardous Waste Program

The Authority uses the restricted fund method of accounting for revenue from government contracts, whereby contract revenue is recognized by the Authority in the appropriate reserve when approved. Amounts agreed to or contractually required to be repaid are recognized as a reduction to approved revenue once known.

Investments

Investments are recorded at market value. The Authority's short term investments consist of money market securities, guaranteed investment certificates and bonds while the long-term investments consist of bonds and fixed income and Canadian and global equities. This policy of recording at market value will generate unrealized gains and losses on investments and are separately identified on the Statement of Revenue and Expenditures. The portfolio is held primarily for trading purposes. The portfolio is managed by third party investment managers and is subject to an investment policy set by the Board with the main objective of capital preservation.

Property and Equipment

Amortization is recorded on the straight-line basis over the estimated useful lives of the assets as follows:

	<u>Years</u>
Computer equipment and software	3
Furniture and fixtures	5
Communications equipment	5

ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

Note 3

Significant
Accounting
Policies
continued. . .

To simplify the maintenance and tracking of property and equipment, all property and equipment are recognized as part of the net assets of Electronics Recycling Alberta. Consequently, all purchases and disposals are recorded under one program. Monthly amortization and gains/losses on disposals are recognized in each of the programs with reimbursements made from the other programs to Electronics Recycling Alberta for their portion of these charges. In this manner, the full costs of property and equipment are allocated to each of the programs based on the formula prescribed by the Board of Directors (Note 12).

Intangible Assets

The software license rights are being amortized on a straight-line basis over the estimated useful lives of five years.

Intangibles acquired during the year but not available for use are not amortized until they are available for use.

To simplify the maintenance and tracking of intangible assets, all intangible assets are recognized as part of the net assets of Electronics Recycling Alberta. Consequently, all purchases and disposals are recorded under one program. Monthly amortization and gains/losses on disposals are recognized in each of the programs with reimbursements made from the other programs to Electronics Recycling Alberta for their portion of these charges. In this manner, the full costs of intangible assets are allocated to each of the programs based on the formula prescribed by the Board of Directors (Note 12).

Financial Instruments

All financial instruments are initially measured at fair value, and, unless otherwise noted, the Authority subsequently measures its financial instruments at amortized cost.

ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

Measurement Uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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 results could differ from those estimates. Significant management estimates pertain to the collectability of environmental fees, related accounts receivable, and the estimated useful lives of property and equipment and intangible assets.

The Authority identifies new suppliers, as well as reviewing electronics, paint, tires and lubricating oil material sales volumes from existing suppliers, through its compliance review activity. Any amendments arising from these reviews are recorded by the Authority as adjustments to revenue in the current period in which the amendments are made. The revenues reported represent fees collected and management's best estimate of uncollected revenue. Due to the inherent uncertainties in the industry reporting, there may be adjustments in future periods and such adjustments may be material to the financial position of the Authority.

Note 4

Short Term
Investments

Short term investments are comprised of Money Market securities, guaranteed investment certificates and bonds:

	2021	2020
Electronics Recycling Alberta	\$ 13,973,173	\$ 21,181,733
Paint Recycling Alberta	\$ 2,075,634	\$ 1,405,660
Tire Recycling Alberta	\$ 7,060,813	\$ 9,094,236
Used Oil Recycling Alberta	\$ 4,303,731	\$ 4,382,004
	\$ 27,413,351	\$ 36,063,633

The guaranteed investment certificates rate is 0.760%, and mature on December 18, 2021.

ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

Note 5
 Interfund
 Balances

The Authority incurs common expenses that are attributable to the various programs that the Authority administers. For administrative purposes these shared expenses are allocated to each program. Allocation of shared expenses is performed monthly using allocation formulas as prescribed by the Board of Directors (Note 12).

At year-end, the following amounts represent the interfund accounts receivable and accounts payable and accrued liabilities of the programs administered by the Authority:

	Accounts Receivable	Accounts Payable
<i>Electronics Recycling Alberta</i>		
Paint Recycling Alberta	\$ 114,715	\$ -
Tire Recycling Alberta	\$ 544,800	\$ -
Used Oil Recycling Alberta	\$ 378,082	\$ -
Household Hazardous Waste Program	\$ 32,031	\$ -
	\$ 1,069,628	\$ -
<i>Paint Recycling Alberta</i>		
Electronics Recycling Alberta	\$ -	\$ 114,715
	\$ -	\$ 114,715
<i>Tire Recycling Alberta</i>		
Electronics Recycling Alberta	\$ -	\$ 544,800
Used Oil Recycling Alberta	\$ -	\$ 606
	\$ -	\$ 545,406
<i>Used Oil Recycling Alberta</i>		
Electronics Recycling Alberta	\$ -	\$ 378,082
Tire Recycling Alberta	\$ 606	\$ -
	\$ 606	\$ 378,082
<i>Household Hazardous Waste Program</i>		
Electronics Recycling Alberta	\$ -	\$ 32,031
	\$ -	\$ 32,031

ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

Note 6
Long Term
Investments

Long term investments consist of:

	Electronics Recycling Alberta			
	2021		2020	
	Cost	Market Value	Cost	Market Value
Bonds and fixed income	\$ 39,327,746	\$ 40,127,446	\$ 40,481,218	\$ 42,354,931
Canadian equities	21,598,279	25,579,312	12,499,971	13,189,569
Global equities	15,546,021	18,724,437	13,043,193	14,049,504
	\$ 76,472,046	\$ 84,431,195	\$ 66,024,382	\$ 69,594,004

	Tire Recycling Alberta			
	2021		2020	
	Cost	Market Value	Cost	Market Value
Bonds and fixed income	\$ 7,579,568	\$ 7,542,524	\$ 8,531,287	\$ 8,683,721
Canadian equities	4,426,334	5,142,275	2,666,371	2,653,883
Global equities	3,227,510	3,887,095	2,667,548	2,820,702
	\$ 15,233,412	\$ 16,571,894	\$ 13,865,206	\$ 14,158,306

	Used Oil Recycling Alberta			
	2021		2020	
	Cost	Market Value	Cost	Market Value
Bonds and fixed income	\$ 2,425,705	\$ 2,389,702	\$ 1,585,625	\$ 1,634,126
Canadian equities	998,572	1,031,192	324,833	282,536
Global equities	701,910	781,011	440,184	432,824
	\$ 4,126,187	\$ 4,201,905	\$ 2,350,642	\$ 2,349,486

The bond coupon and guaranteed investment certificate rates range from 1.91% to 4.93% and mature from May 1, 2023 to June 1, 2027.

Further information on the investment policy is provided in Note 3.

Notes to the Financial Statements

ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

Note 7

Property and Equipment

	Electronics Recycling Alberta			
	2021			2020
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer equipment and software	\$ 860,284	\$ 728,521	\$ 131,763	\$ 250,344
Furniture and fixtures	286,497	267,883	18,614	28,297
Communications equipment	20,419	7,916	12,503	16,587
	\$ 1,167,200	\$ 1,004,320	\$ 162,880	\$ 295,228

Amortization provided for in the current year total \$118,901; (2020 - \$100,555).

Note 8

Intangible Asset

	Electronics Recycling Alberta			
	2021			2020
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer software	\$ 524,904	\$ -	\$ 524,904	\$ -
	\$ 524,904	\$ -	\$ 524,904	\$ -

In the current year the Authority has not taken any amortization as the asset is not yet available for use.

ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

Note 9**Compensation**

As required under the Designated Material Recycling and Management Regulation (AR 93/04), Section 16(2) and Section 16(3), the remuneration and benefits paid to all members of the Board of Directors (on an individual basis by name) and remuneration and benefits paid to all management personnel who report directly to one or more members of the Board of Directors (on an aggregate basis) are as follows:

Board of Directors' Honoraria	2021	2020
Ms. Caroline McAuley	\$ 38,194	\$ 60,844
Ms. Lis Anderson	-	-
Mr. Peter Dugandzic (September 24, 2019 - December 18, 2019)	-	2,850
Mr. Jeff Faber	9,075	11,338
Mr. John Graham	-	-
Ms. Cathy Heron	4,088	6,163
Mr. Patrick Kane (non-voting member since March 26, 2019)	-	-
Mr. Al Kemmere (December 19, 2017 - September 29, 2020)	1,350	4,563
Mr. Brent Kennedy	5,250	7,100
Mr. Joe Kostler	4,875	7,000
Mr. Alain Portelance (since January 28, 2020)	-	-
Mr. David Schaaf	4,913	9,013
Ms. Rachelle Venne	4,013	7,650
Ms. Kara Westerlund (since January 19, 2021)	1,050	-
Mr. Lee Wilkie (October 1, 2018 to July 5, 2019)	-	1,975
Mr. Ian Young	5,963	10,288
Board of Directors' Benefits	30,305	35,921
Subtotal	109,076	164,705
Chief Executive Officer Salary	202,417	188,183
Benefits	31,822	29,595
Subtotal	234,239	217,778
Total	\$ 343,315	\$ 382,483

ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

Note 10

Commitments

The Authority has leased office space to October 31, 2025 and leased equipment expiring between December 19, 2024 and March 31, 2025. The approximate minimum payments required under the lease agreements in future years are as follows:

	Rent	Equipment
2022	\$ 522,587	\$ 20,234
2023	522,587	20,234
2024	522,587	20,234
2025	522,587	15,199
2026	304,842	-
	\$ 2,395,190	\$ 75,901

Rental expense for the year is allocated to each of the four primary programs under the Authority's administration based on a formula prescribed by the Board of Directors (Note 12).

Note 11

**Externally Restricted
Net Assets**

All the net assets of the Authority are externally restricted as stipulated in the Regulation (Note 1) and are maintained for purposes set out in the Regulation.

The Authority's allocated net assets represent those net assets not invested in capital assets. These net assets represent environmental fees collected on products sold which are in excess of incentives paid for products discarded into the program and recycled, plus investment earnings on these fees. The Authority's net assets are to be used for the purposes set out in the Regulation. They are managed in such a manner that they provide for reserve amounts that are sufficient to ensure the ongoing sustainability of the recycling programs or sufficient to allow for the event of cancellation of the program's environmental fees and the resulting windup of the program.

ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

Note 12Allocation of
Expenses

Included in program delivery and corporate administration expenditures of \$6,083,241 (2020 - \$5,549,155) are costs that have been allocated proportionately as determined by the Board of Directors on an annual basis. Costs that can be directly attributed to the individual programs have been allocated to the specific program. The allocation formula for shared costs that benefit all programs is shown in the table below.

	Electronics Recycling Alberta	Paint Recycling Alberta	Tire Recycling Alberta	Used Oil Recycling Alberta
2021	21%	8%	42%	29%
2020	28%	7%	40%	25%

Where the Used Oil program carried existing commitments originating prior to the transfer of the program to the Authority effective October 1, 2018, different allocation formulas were used with no share or a lower share allocated to the Used Oil program. The different allocation formulas were phased out and the allocation to the Used Oil normalized as the existing commitments expired during the year.

Note 13Ineligible
Containers

The return incentive (recycling incentive) paid for used oil containers in prior years included payment for ineligible containers from related products such as windshield washer fluid, engine coolants, and fuel or oil additives. These types of containers are considered ineligible as they are currently excluded from the regulation governing the Used Oil materials program and are therefore not subject to a recycling levy. Based on studies performed by independent consultants, Alberta Used Oil Management Authority determined that the historical percentage of ineligible containers was approximately 21% by weight. The estimated amount spent on ineligible containers for the year ended March 31, 2020 was \$856,000.

In order to better align with the Regulation, the Authority discontinued payments for ineligible containers effective April 1, 2020. To allow for a transition period for processors of containers, a maximum tolerance level of 10% for ineligible plastics was permitted during the year.

ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

Note 14

Financial
Instruments

The Authority is exposed to various risks through its financial instruments. The following analysis provides information about the Authority's risk exposure and concentration as of March 31, 2021. Unless otherwise noted, the Authority's risk exposure has not changed from the prior year.

Credit risk

Credit risk arises from the potential that electronics, paint, tire or used oil suppliers will fail to perform their respective obligations. The Authority is exposed to credit risk from these suppliers. However, the Authority has a large number of suppliers, which minimizes the concentration of credit risk. Management monitors its accounts receivable regularly and provides for any amounts that are not collectible in the allowance for doubtful accounts.

Currency risk

The Authority has investments that are denominated in foreign currencies and is therefore exposed to currency risk. The Authority's earnings are exposed to financial risk that arises from fluctuations in foreign exchange rates and the degree of the volatility of these rates. As at March 31, 2021 foreign denominated investments amounted to \$9,561,099 (5.51%) of the Authority's total short and long term investments. The Authority does not use derivative or other financial instruments to reduce its exposure to foreign currency risk.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. The Authority is exposed to interest rate risk primarily through its floating interest rate money market securities, bonds, and fixed income investments.

Note 15

COVID-19

The outbreak of the Coronavirus Disease 2019, or COVID-19, has spread across the globe and continues to impact the worldwide economic activity. This global pandemic poses the risk that the Authority or its employees, contractors, suppliers, remitters, registered collection sites, registered processors and other partners may experience periodic interruptions to their regular business activities. While it is not possible at this time to estimate the impact that COVID-19 will have on the Authority's business in the coming fiscal year, the continued spread of the virus and the measures taken by the federal, provincial and municipal governments to contain its impact could adversely impact the Authority's business, financial condition and/or the results of its operations. The impact of COVID-19 could contribute to decreased compliance in the areas of the reporting and collection of environmental fees due to the Authority by program remitters, or decreased material flows through municipal or other collection sites and through registered processors. The extent to which the COVID-19 outbreak will continue to impact the Authority's results will depend on future developments that are highly uncertain and cannot be predicted at this time.

ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

Note 16

Electronics Pilot

On May 11, 2020, the Alberta Government approved a pilot project (the "Pilot") for the Authority to use \$43 million in reserve funds in the Electronics fund to recycle electronics products that were not accepted previously in the program. The Pilot and the use of the reserve funds are consistent with the allowable activities under the Regulation and the Authority's bylaws. The Pilot is collecting valuable data and will inform the possibility of a permanently expanded electronics program. The Pilot planning phase commenced in May 2020, with full operations beginning in fall 2020 and to last for up to two years. Pilot expenditures in the year ended March 31, 2021 totaled \$4,401,142.

Note 17

**Subsequent
Events - Household
Hazardous Waste**

It is expected that the April 1, 2021 to March 31, 2022 year may be the last year of operations for the Household Hazardous Waste program under contract between the Authority and Alberta Environment and Parks ("AEP").

AEP is conducting public consultation on designing a made-in-Alberta solution for HHW (in addition to packaging and paper products, and plastics). Establishing a permanent HHW program, based on an Extended Producer Responsibility framework, shifts the responsibility for program costs to producers, and away from municipalities and Indigenous communities.

AEP is expected to maintain their funding for the collection and transport of HHW to an approved facility until at least March 31, 2022.

Note 18

Budget Information

The Authority prepares annual operating budgets for each of the recycling programs (Note 1). Budget information, where prepared, is included for information purposes and is unaudited.

Schedule 1 Statement of Financial Position

Electronics Recycling Alberta
ALBERTA RECYCLING MANAGEMENT AUTHORITY

March 31, 2021

		<u>2021</u>	<u>2020</u>
ASSETS			
	CURRENT		
	Cash	\$ 1,415,188	\$ 1,002,813
	Short term investments (Note 4)	13,973,173	21,181,733
	Accounts receivable	903,636	1,057,806
	Interfund receivable (Note 5)	1,069,628	872,630
	Prepaid expenses	143,887	59,738
		<u>17,505,512</u>	<u>24,174,720</u>
	LONG TERM INVESTMENTS (Note 6)	84,431,195	69,594,004
	PROPERTY AND EQUIPMENT (Note 7)	162,880	295,228
	INTANGIBLE ASSET (Note 8)	524,904	-
		<u>\$102,624,491</u>	<u>\$ 94,063,952</u>
LIABILITIES AND NET ASSETS			
	CURRENT		
	Payable to recyclers and related accruals	\$ 2,115,135	\$ 1,168,625
	Accounts payable and accrued liabilities	1,585,724	679,915
		<u>3,700,859</u>	<u>1,848,540</u>
	COMMITMENTS (Note 10)		
	EXTERNALLY RESTRICTED NET ASSETS (Note 11)		
	Invested in capital assets	687,784	295,228
	Allocated	98,235,848	91,920,184
		<u>98,923,632</u>	<u>92,215,412</u>
		<u>\$102,624,491</u>	<u>\$ 94,063,952</u>
	Basis of presentation (Note 2)		

Schedule 1(a) Statement of Revenue and Expenditures

Electronics Recycling Alberta ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

	2021 Budget Unaudited	2021 Actual	2020 Actual
Recycling revenue			
Environmental fees	\$ 6,425,705	\$ 9,459,803	\$ 9,185,069
Interest	8,000	24,020	105,276
Total recycling revenue	6,433,705	9,483,823	9,290,345
Recycling expenditures			
Recycling incentives	23,910,631	10,982,290	9,357,552
Total recycling expenditures	23,910,631	10,982,290	9,357,552
Recycling development and other			
Research and development	400,000	384,375	136,379
Public information	156,695	90,086	93,788
Rural Alberta project and municipal grants	200,517	114,461	57,119
Total recycling development and other	757,212	588,922	287,286
Program delivery expenditures			
Compensation and advisory services	1,292,049	1,381,668	575,458
Compliance and assurance activities	309,555	107,470	182,231
Other program expenses	12,591	15,079	-
Total program delivery expenditures	1,614,195	1,504,217	757,689
Corporate administration expenditures			
Compensation and professional fees	462,213	426,246	674,158
Office and general expenses, including amortization	393,697	289,268	410,008
Total corporate administration expenditures	855,910	715,514	1,084,166
Total expenditures	27,137,948	13,790,943	11,486,693
Revenue net of expenditures	(20,704,243)	(4,307,120)	(2,196,348)
Fund Investment			
Investment income	3,862,340	6,874,505	3,802,438
Unrealized investment gain (loss)	-	4,371,899	(3,851,565)
Investment managers and related expense	(215,000)	(231,064)	(214,749)
Net investment income (loss)	3,647,340	11,015,340	(263,876)
Excess (deficiency) of revenue over expenditures	\$(17,056,903)	\$ 6,708,220	\$ (2,460,224)

Basis of presentation (Note 2)

Schedule 1(b) Statement of Changes in Net Assets

Electronics Recycling Alberta
ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

	2021			2020
	Capital Assets	Allocated	Total	Total
Net assets, beginning of year	\$ 295,228	\$ 91,920,184	\$ 92,215,412	\$ 94,675,636
Excess (deficiency) of revenue over expenditures	-	6,708,220	6,708,220	(2,460,224)
Amortization of property and equipment	(118,901)	118,901	-	-
Investment in capital assets	511,457	(511,457)	-	-
Net assets, end of year	\$ 687,784	\$ 98,235,848	\$ 98,923,632	\$ 92,215,412

Basis of presentation (Note 2)

Schedule 1(c) Statement of Cash Flow

Electronics Recycling Alberta ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

	2021	2020
Cash flow from operating activities		
Recycling revenues collected	\$ 9,630,319	\$ 9,095,475
Program expenditures	(12,093,196)	(11,277,450)
Investment income	6,874,505	3,802,438
Investment management costs	(231,064)	(214,749)
	<u>4,180,564</u>	<u>1,405,714</u>
Cash flow used by investing activities		
Investment contributions	(3,256,732)	(2,240,146)
Acquisitions of property and equipment	(38,603)	(221,601)
Acquisitions of intangible asset	(472,854)	-
	<u>(3,768,189)</u>	<u>(2,461,747)</u>
Increase (decrease) in cash position	412,375	(1,056,033)
Cash, beginning of year	1,002,813	2,058,846
Cash, end of year	<u>\$ 1,415,188</u>	<u>\$ 1,002,813</u>

Basis of presentation (Note 2)

Schedule 2 Statement of Financial Position

Paint Recycling Alberta
ALBERTA RECYCLING MANAGEMENT AUTHORITY

March 31, 2021

		2021	2020
ASSETS			
	CURRENT		
	Cash	\$ 581,612	\$ 337,147
	Short term investments (Note 4)	2,075,634	1,405,660
	Accounts receivable	655,213	404,490
	Interfund receivable (Note 5)	-	643
		\$ 3,312,459	\$ 2,147,940
LIABILITIES AND NET ASSETS			
	CURRENT		
	Payable to recyclers and related accruals	\$ 556,665	\$ 309,939
	Accounts payable and accrued liabilities	109,864	62,710
	Interfund payable (Note 5)	114,715	99,076
		781,244	471,725
	COMMITMENTS (Note 10)		
	EXTERNALLY RESTRICTED NET ASSETS (Note 11)		
	Allocated	2,531,215	1,676,215
		2,531,215	1,676,215
		\$ 3,312,459	\$ 2,147,940
	Basis of presentation (Note 2)		

Schedule 2(a) Statement of Revenue and Expenditures

Paint Recycling Alberta

ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

	2021 Budget Unaudited	2021 Actual	2020 Actual
Recycling revenue			
Environmental fees	\$ 4,297,755	\$ 5,294,060	\$ 4,278,727
Interest	15,000	15,497	13,669
Total recycling revenue	4,312,755	5,309,557	4,292,396
Recycling expenditures			
Recycling incentives	3,667,944	4,018,068	3,654,364
Total recycling expenditures	3,667,944	4,018,068	3,654,364
Recycling development and other			
Research and development	3,000	525	13,592
Public information	25,700	25,227	25,800
Rural Alberta project and municipal grants	30,475	20,970	18,935
Total recycling development and other	59,175	46,722	58,327
Program delivery expenditures			
Compensation and advisory services	181,318	138,528	134,695
Compliance and assurance activities	80,979	25,416	144,066
Other program expenses	4,804	3,449	-
Total program delivery expenditures	267,101	167,393	278,761
Corporate administration expenditures			
Compensation and professional fees	161,494	158,314	156,394
Office and general expenses, including amortization	124,086	85,889	107,715
Total corporate administration expenditures	285,580	244,203	264,109
Total expenditures	4,279,800	4,476,386	4,255,561
Revenue net of expenditures	32,955	833,171	36,835
Fund Investment			
Investment income	34,600	23,737	37,321
Unrealized investment (loss) gain	-	(1,025)	1,025
Investment managers and related expense	(600)	(883)	(657)
Net investment income	34,000	21,829	37,689
Excess of revenue over expenditures	\$ 66,955	\$ 855,000	\$ 74,524

Basis of presentation (Note 2)

Schedule 2(b) Statement of Changes in Net Assets

Paint Recycling Alberta

ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

	<u>2021</u>		<u>2020</u>
	<u>Allocated</u>	<u>Total</u>	<u>Total</u>
Net assets, beginning of year	\$ 1,676,215	\$ 1,676,215	\$ 1,601,691
Excess of revenue over expenditures	855,000	855,000	74,524
Net assets, end of year	\$ 2,531,215	\$ 2,531,215	\$ 1,676,215

Basis of presentation (Note 2)

Schedule 2(c) Statement of Cash Flow

Paint Recycling Alberta

ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

	2021	2020
Cash flow from (used by) operating activities		
Recycling revenues collected	\$ 5,058,834	\$ 4,368,441
Program expenditures	(4,166,224)	(4,456,163)
Investment income	23,737	37,321
Investment management costs	(883)	(657)
	<u>915,464</u>	<u>(51,058)</u>
Cash flow used by investing activities		
Investment contributions	(670,999)	(322,935)
	<u>(670,999)</u>	<u>(322,935)</u>
Increase (decrease) in cash position	244,465	(373,993)
Cash, beginning of year	337,147	711,140
Cash, end of year	<u>\$ 581,612</u>	<u>\$ 337,147</u>

Basis of presentation (Note 2)

Schedule 3 Statement of Financial Position

Tire Recycling Alberta
ALBERTA RECYCLING MANAGEMENT AUTHORITY

March 31, 2021

		2021	2020
ASSETS			
	CURRENT		
	Cash	\$ 673,205	\$ 1,061,890
	Short term investments (Note 4)	7,060,813	9,094,236
	Accounts receivable	2,313,129	1,599,082
		<u>10,047,147</u>	<u>11,755,208</u>
	LONG TERM INVESTMENTS (Note 6)	16,571,894	14,158,306
		<u>\$ 26,619,041</u>	<u>\$ 25,913,514</u>
LIABILITIES AND NET ASSETS			
	CURRENT		
	Payable to recyclers and related accruals	\$ 3,753,125	\$ 4,055,114
	Accounts payable and accrued liabilities	100,451	152,046
	Interfund payable (Note 5)	545,406	617,778
		<u>4,398,982</u>	<u>4,824,938</u>
	COMMITMENTS (Note 10)		
	EXTERNALLY RESTRICTED NET ASSETS (Note 11)		
	Allocated	22,220,059	21,088,576
		<u>22,220,059</u>	<u>21,088,576</u>
		<u>\$ 26,619,041</u>	<u>\$ 25,913,514</u>

Basis of presentation (Note 2)

Schedule 3(a) Statement of Revenue and Expenditures

Tire Recycling Alberta ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

	2021 Budget Unaudited	2021 Actual	2020 Actual
Recycling revenue			
Environmental fees	\$ 24,469,327	\$ 23,721,988	\$ 24,479,134
Less: Import tire agent charges	(17,400)	(14,040)	(16,889)
Interest (waived)	49,000	110,061	(36,676)
Total recycling revenue	24,500,927	23,818,009	24,425,569
Recycling expenditures			
Recycling incentives	22,772,245	22,055,570	22,254,178
Total recycling expenditures	22,772,245	22,055,570	22,254,178
Recycling development and other			
Research and development	45,000	45,880	193,291
Public information	113,600	72,805	119,745
Rural Alberta project and municipal grants	1,241,163	639,630	702,842
Total recycling development and other	1,399,763	758,315	1,015,878
Program delivery expenditures			
Compensation and advisory services	953,024	755,001	752,125
Contract administration	28,600	24,552	-
Compliance and assurance activities	243,850	120,788	156,563
Other program expenses	25,197	18,973	-
Total program delivery expenditures	1,250,671	919,314	908,688
Corporate administration expenditures			
Compensation and professional fees	880,980	810,953	934,730
Office and general expenses, including amortization	640,944	413,548	523,363
Total corporate administration expenditures	1,521,924	1,224,501	1,458,093
Total expenditures	26,944,603	24,957,700	25,636,837
Revenue net of expenditures	(2,443,676)	(1,139,691)	(1,211,268)
Fund Investment			
Investment income	778,004	1,292,757	775,628
Unrealized investment gain (loss)	-	1,027,823	(692,342)
Investment managers and related expense	(45,000)	(49,406)	(45,340)
Net investment income	733,004	2,271,174	37,946
Excess (deficiency) of revenue over expenditures	\$ (1,710,672)	\$ 1,131,483	\$ (1,173,322)

Basis of presentation (Note 2)

Schedule 3(b) Statement of Changes in Net Assets

Tire Recycling Alberta

ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

	<u>2021</u>		<u>2020</u>
	<u>Allocated</u>	<u>Total</u>	<u>Total</u>
Net assets, beginning of year	\$ 21,088,576	\$ 21,088,576	\$ 22,261,898
Excess (deficiency) of revenue over expenditures	1,131,483	1,131,483	(1,173,322)
Net assets, end of year	\$ 22,220,059	\$ 22,220,059	\$ 21,088,576

Basis of presentation (Note 2)

Schedule 3(c) Statement of Cash Flow

Tire Recycling Alberta

ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

	2021	2020
Cash flow (used by) from operating activities		
Recycling revenue collected	\$ 23,103,963	\$ 25,292,470
Program expenditures	(25,383,657)	(24,351,794)
Investment income	1,292,757	775,628
Investment management costs	(49,406)	(45,340)
	<u>(1,036,343)</u>	<u>1,670,964</u>
Cash flow from (used by) investing activities		
Investment proceeds (contributions)	647,658	(2,717,886)
	<u>647,658</u>	<u>(2,717,886)</u>
Decrease in cash position	(388,685)	(1,046,922)
Cash, beginning of year	1,061,890	2,108,812
Cash, end of year	<u>\$ 673,205</u>	<u>\$ 1,061,890</u>

Basis of presentation (Note 2)

Schedule 4 Statement of Financial Position

Used Oil Recycling Alberta
ALBERTA RECYCLING MANAGEMENT AUTHORITY

March 31, 2021

		2021	2020
ASSETS			
	CURRENT		
	Cash	\$ 450,497	\$ 357,040
	Short term investments (Note 4)	4,303,731	4,382,004
	Accounts receivable	4,092,228	4,162,015
	Interfund receivable (Note 5)	606	66,779
	Prepaid expenses	697	6,594
		<u>8,847,759</u>	<u>8,974,432</u>
	LONG TERM INVESTMENTS (Note 6)	4,201,905	2,349,486
		<u>\$ 13,049,664</u>	<u>\$ 11,323,918</u>
LIABILITIES AND NET ASSETS			
	CURRENT		
	Payable to recyclers and related accruals	\$ 2,044,422	\$ 2,288,630
	Accounts payable and accrued liabilities	34,832	28,260
	Interfund payable (Note 5)	378,082	184,812
		<u>2,457,336</u>	<u>2,501,702</u>
	COMMITMENTS (Note 10)		
	EXTERNALLY RESTRICTED NET ASSETS (Note 11)		
	Allocated	10,592,328	8,822,216
		<u>\$ 13,049,664</u>	<u>\$ 11,323,918</u>
	Basis of presentation (Note 2)		

Schedule 4(a) Statement of Revenue and Expenditures

Used Oil Recycling Alberta

ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

	2021 Budget Unaudited	2021 Actual	2020 Actual
Recycling revenue			
Environmental fees	\$ 16,114,089	\$ 14,493,210	\$ 16,172,573
Interest	10,000	32,255	8,427
Total recycling revenue	16,124,089	14,525,465	16,181,000
Recycling expenditures			
Recycling incentives	14,003,386	11,503,268	14,196,532
Total recycling expenditures	14,003,386	11,503,268	14,196,532
Recycling development and other			
Research and development	10,000	14,825	9,825
Public information	91,350	58,079	71,597
Rural Alberta project and municipal grants	100,875	41,331	59,407
Total recycling development and other	202,225	114,235	140,829
Program delivery expenditures			
Compensation and advisory services	507,269	396,904	168,853
Contract program administration fees	131,203	136,538	312,442
Compliance and assurance activities	277,411	112,859	71,878
Other program expenses	116,519	73,348	-
Total program delivery expenditures	1,032,402	719,649	553,173
Corporate administration expenditures			
Compensation and professional fees	514,437	468,916	290,291
Office and general expenses, including amortization	405,007	280,624	266,627
Total corporate administration expenditures	919,444	749,540	556,918
Total expenditures	16,157,457	13,086,692	15,447,452
Revenue net of program expenditures	(33,368)	1,438,773	733,548
Fund Investment			
Investment income	151,500	267,806	189,834
Unrealized investment gain (loss)	-	74,824	(82,021)
Investment managers and related expense	(9,000)	(11,291)	(9,137)
Net investment income	142,500	331,339	98,676
Excess of revenues over expenditures	\$ 109,132	\$ 1,770,112	832,224

Basis of presentation (Note 2)

Schedule 4(b) Statement of Changes in Net Assets

Used Oil Recycling Alberta ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

	<u>2021</u>		<u>2020</u>
	<u>Allocated</u>	<u>Total</u>	<u>Total</u>
Net assets, beginning of year	\$ 8,822,216	\$ 8,822,216	\$ 7,989,992
Excess of revenue over expenditures	1,770,112	1,770,112	832,224
Net assets, end of year	\$ 10,592,328	\$ 10,592,328	\$ 8,822,216

Basis of presentation (Note 2)

Schedule 4(c) Statement of Cash Flow

Used Oil Recycling Alberta ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

	2021	2020
Cash flow from operating activities		
Recycling revenue collected	\$ 14,588,828	16,293,108
Program expenditures	(13,052,564)	(14,945,954)
Investment income	267,806	189,834
Investment management costs	(11,291)	(9,137)
	<u>1,792,779</u>	<u>1,527,851</u>
Cash flow used by investing activities		
Investment contributions	(1,699,322)	(1,699,403)
	<u>(1,699,322)</u>	<u>(1,699,403)</u>
Increase (decrease) in cash position	93,457	(171,552)
Cash, beginning of year	357,040	528,592
	<u> </u>	<u> </u>
Cash, end of year	\$ 450,497	\$ 357,040

Basis of presentation (Note 2)

Schedule 5 Statement of Financial Position

Household Hazardous Waste
ALBERTA RECYCLING MANAGEMENT AUTHORITY

March 31, 2021

		2021	2020
ASSETS			
	CURRENT		
	Cash	\$ 14,574	\$ 131,914
	Accounts receivable	285,691	-
	Prepaid expenses	-	6,085
		\$ 300,265	\$ 137,999
LIABILITIES AND NET ASSETS			
	CURRENT		
	Payable to recyclers and related accruals	\$ 205,009	\$ 93,089
	Accounts payable and accrued liabilities	62,214	5,513
	Interfund payable (Note 5)	32,031	38,386
		299,254	136,988
	COMMITMENTS (Note 10)		
	EXTERNALLY RESTRICTED NET ASSETS (Note 11)		
	Allocated	1,011	1,011
		\$ 300,265	\$ 137,999
	Basis of presentation (Note 2)		

Schedule 5(a) Statement of Revenue and Expenditures and Changes in Net Assets

Household Hazardous Waste
ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

	2021 Budget Unaudited	2021 Actual	2020 Actual
Recycling revenue			
Government contract	\$ 1,400,000	\$ 1,343,036	\$ 1,400,000
Interest	1,400	558	2,552
Total recycling revenue	1,401,400	1,343,594	1,402,552
Recycling expenditures			
Broker contracts	1,227,994	1,199,192	1,241,005
Total recycling expenditures	1,227,994	1,199,192	1,241,005
Recycling development and other			
Rural Alberta project and municipal grants	35,625	12,687	24,954
Total recycling development and other	35,625	12,687	24,954
Program delivery expenditures			
Contract administration fees	123,199	119,919	124,363
Compliance and assurance activities	2,400	-	-
Contract delivery expenditures	12,182	11,796	12,230
Total program delivery expenditures	137,781	131,715	136,593
Total expenditures	1,401,400	1,343,594	1,402,552
Excess of revenue over expenditures	-	-	-
Net assets, beginning of year	1,011	1,011	1,011
Net assets, end of year	\$ 1,011	\$ 1,011	\$ 1,011

Basis of presentation (Note 2)

Schedule 5(b) Statement of Cash Flow

Household Hazardous Waste ALBERTA RECYCLING MANAGEMENT AUTHORITY

Year ended March 31, 2021

	2021	2020
Cash flow used by operating activities		
Government contracts received	\$ 1,057,345	\$ 1,475,000
Program expenditures	(1,175,243)	(1,588,414)
Other income	558	2,552
	<u>(117,340)</u>	<u>(110,862)</u>
Decrease in cash position	(117,340)	(110,862)
Cash, beginning of year	131,914	242,776
Cash, end of year	<u>\$ 14,574</u>	<u>\$ 131,914</u>

Basis of presentation (Note 2)