

# Manitoba

## 2017 Annual Report

April 30, 2018

Submitted by:

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Submitted to:

Manitoba Conservation & Water Stewardship

**call 2 recycle**<sup>®</sup>  
Leading the charge for recycling.<sup>™</sup>



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## 1. About Call2Recycle Canada

Call2Recycle Canada, Inc. is Canada's first and largest consumer battery stewardship organization and operates the provincial collection program for the Province of Manitoba. The non-profit organization reports to a Canadian Board of Directors and fulfills the product stewardship obligations of 71 members who have been identified as the obligated producers for primary batteries in Manitoba (see [Appendix A](#)). It also represents close to 300 rechargeable battery manufacturers and product manufacturers (see [Appendix B](#)) who recycle their used batteries with Call2Recycle.

In 2017, Call2Recycle celebrated 20 years of pursuing its mission to responsibly manage end-of-life batteries.

In 2017, Call2Recycle celebrated 20 years of pursuing its mission to responsibly manage end-of-life batteries to keep them out of landfills and minimize their environmental impact. The program works through a network of public and private collection facilities in municipal offices, retail businesses, environmental organizations and other sites where consumers can drop off their batteries and cellphones for recycling. The convenience of Call2Recycle's drop-off boxes and its easy seal-and-ship process and tracking capabilities make the program ideal for participation by both consumers and partners.

Call2Recycle strives to support the Province in its environmental sustainability goals. The Manitoba program has diverted more than 468,000 kilograms of used batteries from landfills since it began in 2011, and the national program has recycled more than 13.5 million kilograms.

As required by Manitoba Conservation and Water Stewardship, this document reports on Call2Recycle's performance regarding the waste management of batteries collected between January 1, 2017 and December 31, 2017.

## 2. Executive Summary

For the Call2Recycle program, 2017 was a year of transition. Its national operations—formerly tied to Call2Recycle's U.S. organization—moved to being wholly Canadian-run, led by a Canadian board of directors. In February, Call2Recycle shifted from a licensee-funded model in the province to one with an Environmental Handling Fee (EHF) on primary (single-use) batteries.

In 2017, Call2Recycle sought to address gaps in the program's geographical coverage across the province to optimize the effectiveness of its collection locations. Call2Recycle saw a 22% reduction in the number of active sites. This in part reflects the program's planned efforts to eliminate redundancies and underperforming locations. It is important to note that this also only captures "moment-in-time" activity—i.e., an active site by



Call2Recycle's measure is one that has returned a full box in the past 365 days or began with the program in that time, regardless of box returns. There are other collection sites that continue to collect batteries but may not fall within these parameters and are thus not reflected in the numbers. Call2Recycle continues to encourage collections and seek new partnerships and collection site opportunities.

Call2Recycle consumer research shows that awareness and participation in battery recycling among residents of Manitoba remained steady at 77% and 48% respectively, offering room for growth in both areas. The research reveals particular opportunities to build awareness and action among millennials and women, and to forge new collection partner relationships to increase accessibility to Call2Recycle boxes.

Over this transition year, the collection results fell short of the previous year with a small decrease of 5% in overall battery collections, but Call2Recycle has positioned itself well to improve on these results as it moves into 2018. Call2Recycle will continue with multi-pronged promotional efforts, employing a range of print, online and in-person promotions, as well as partnerships with such organizations as Earth Rangers.

Call2Recycle remains dedicated to providing the Province and its residents with a high-profile, easy-to-use, highly effective program for recycling used batteries.

### 3. Raising Awareness

Call2Recycle continually seeks to “move the needle” toward greater awareness of and action on battery recycling. In 2017, it significantly invested in public awareness activities, including online advertising, tradeshow, and promotional events. Here are some of these activities:

**Winnipeg Waste Ace** – One of Call2Recycle's most anticipated annual campaigns is the Winnipeg Waste Ace competition held in partnership with Winnipeg Public Libraries. Now in its fourth year, the competition calls on library branches across the city to compete to create the most eye-catching battery display in order to collect the most used batteries (by weight). The winning library community is crowned Winnipeg's Waste Ace. This year, Henderson Library beat out 17 competing community libraries to win the honour by collecting 100 kilograms of used batteries. Its Halloween-themed visual display, “Recycle your BAT-teries”, included banners and decals of bats along the windows to engage their community in the contest.

**Earth Rangers Partnership** – Call2Recycle partnered with Earth Rangers for a third year on its Battery Blitz In-School Mission to teach students about responsible management of used batteries and encourage collections in Call2Recycle boxes at their school. Twenty-



Through 301  
online  
missions  
with  
Call2Recycle,  
Earth  
Rangers  
collected  
14,352  
batteries in  
2017.



one Manitoba schools participated in 2017, as the Battery Blitz continues to engage more students each year. Since 2015, the mission has seen an increase of 21% in average batteries collected per school.

February marked the launch of the online Battery Blitz Mission targeted to Earth Rangers members across the province. E-blasts encouraged the young rangers to download recycling materials, view a video, and collect and recycle batteries. Through 301 online missions, Earth Rangers collected 14,352 batteries in 2017.

**National Battery Day** – Call2Recycle built on the success of the first National Battery Day campaign in 2016 by once again encouraging consumers to [Lead the Charge](#) on February 18, 2017. Consumers were urged to collect and recycle their used batteries on National Battery Day. Call2Recycle teamed up with collection partners to raise awareness of the annual initiative and promoted the campaign in the week leading up to February 18 in the *Winnipeg Free Press*, on local radio, and on online channels.

**“Spring Forward & Recycle” and Fall Daylight Saving Campaigns** – As Canadians switched from or to Daylight Saving Time, Call2Recycle ran national campaigns to remind consumers to recycle the used batteries they remove from smoke detectors. For the spring campaign, national ads on WeatherNetwork.com garnered 3 million impressions, while TV ads on the local forecast reached 8.8 million viewers. There were more than 6,150 clicks on Call2Recycle’s paid online ads, and more than 5,200 unique page views.

In the fall, a similar approach was taken, adding four French and English banner ads in newspapers serving Winnipeg and Brandon, as well as 30-second radio spots in Thompson and TV ads in Winnipeg, Brandon, Portage la Prairie and Steinbach. Call2Recycle also ran English and French mobile display ads and Google Adwords buys in all regions.

**Charge Up Safety™ Campaign** – In July, the *Charge Up Safety™* campaign launched to raise the awareness of and emphasize safe collection and shipping practices among consumers, municipalities, retailers, sorters, processors and Call2Recycle employees. As part of the initiative, Call2Recycle introduced a [safety portal](#) on its website to encourage the safe collection and shipping of used batteries.

**Participant Case Studies and Profiles** – Call2Recycle celebrated its longtime partner London Drugs as the retailer marked a battery collection milestone this year, surpassing 300,000 kg in used batteries. Call2Recycle profiled this battery collection powerhouse on its website, social media and with a press release to Western Canada.

Four  
Manitoba-  
based  
companies  
were  
recognized  
as  
Call2Recycle  
Leaders in  
Sustainability  
in 2017.



Call2Recycle also recognized four Manitoba-based companies with its Leader in Sustainability Award. This recognition—given to the City of Winnipeg, Miller Environmental Corporation, Urbanmine and Exner E-Waste in 2017—celebrates organizations that have achieved exceptionally high battery returns and have made extra efforts to promote battery recycling.

**Website** – Thanks to many awareness initiatives, consumers made 6,216 searches on the Call2Recycle collection box locator to find a box near them in Manitoba.

Examples of Call2Recycle’s promotional activities are provided in [Appendix C](#).

In addition to national and provincial awareness and evaluation activities, Call2Recycle also does the following to support and encourage battery recycling in Manitoba:

- Operates a customer service call centre that assists consumers to find drop-off locations, educates them about battery recycling, and provides a variety of other battery-related information
- Maintains a robust social media presence on Facebook and Twitter
- Manages and updates the Call2Recycle website, which has a dedicated Manitoba section
- Produces regular email blasts and newsletters conveying new programs and highlights

## 4. Collections

### 4.1 Collection Sites & Accessibility

Call2Recycle Canada has a network of public and private drop-off boxes across Manitoba, enabling consumers to deposit their used batteries at locations convenient to their home or workplace. These locations have been selected with a variety of factors in mind (e.g., population, proximity to consumers, and increased access for remote communities) to maximize battery returns.

In 2017, there was a notable decrease in the number of active Call2Recycle drop-off locations across the province, from 709 in 2016 to 553 this year. Call2Recycle defines an active collection site as one that has shipped at least one receipt (full box of batteries) within the past 12 months, or any site that has enrolled in the program during the past 365 days regardless of receipt. Therefore, these numbers reflect the collection facilities that joined the program or sent in a shipment in 2017. Call2Recycle has other facilities registered that may ship on an infrequent basis and these infrequent shippers are not represented as active if a shipment was not received during 2017.

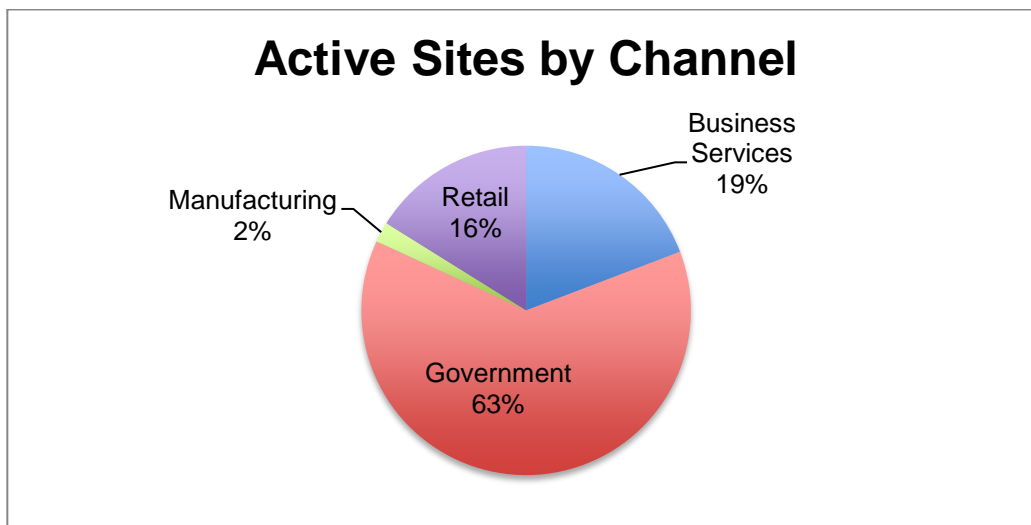


Call2Recycle Active Collection Sites in Manitoba		
Private	Public	Total Sites
<b>302</b>	<b>251</b>	<b>553</b>

The decrease in active collection facilities also reflects the ongoing process by Call2Recycle to optimize the efficiency of the Manitoba program—eliminating redundant and underperforming sites as it continues to identify potential new locations to address geographical gaps in coverage. The following charts provide a more detailed breakdown of the types of Call2Recycle collection sites in Manitoba.

Call2Recycle Collection Sites by Sector				
Sector	2017	2016	Change	
			#	%
Business Services	106	116	-10	-9%
Government	346	467	-121	-26%
Manufacturing	11	8	3	38%
Retail	89	117	-28	-24%
Unknown	1	1	0	/
<b>TOTAL:</b>	<b>553</b>	<b>709</b>	<b>-156</b>	<b>22%</b>

\*





### Accessibility

Call2Recycle strives to make it as convenient as possible for consumers to recycle their batteries by having drop-off boxes within a 15-kilometre radius of their home. The 15-kilometre distance was established and validated by a third-party marketing research firm as a reasonable distance that consumers would travel to recycle. Call2Recycle continues to work towards a target of 95% of Manitobans falling within this accessibility standard.

According to the program's accessibility analysis, 87%<sup>1</sup> of Manitobans now have access to a participating Call2Recycle collection location within this accessibility standard. This represents a 4% decrease from 2016 numbers as Call2Recycle continues its efforts to optimize the program in the province.

Call2Recycle is committed to a proactive strategy to increase the number of collection sites across the province and ensure that residents—regardless of their location—are served with a variety of battery recycling options.

## 4.2 Performance Results

Call2Recycle collection results fell short of 2016 numbers. After five years of battery collection increases, 2017 saw a small 5% decrease in overall battery collections in Manitoba, driven largely by a drop in rechargeable batteries. While more than 92,000 kg of used batteries were collected in the province in 2017, a trend towards lighter weight batteries replacing heavier units will continue to have a moderating effect on collections results even as higher quantities of batteries are collected.

The tables below provide an overview of Manitoba's collections from 2017 and 2016, as well as 2017 collections by sector.

Manitoba Battery Collections by Weight (kg)*			
Type	2017 Collections	2016 Collections	% Change
Single Use (Primary)	68,799	69,251	-1%
Rechargeable	23,417	28,229	-17%
<b>Call2Recycle Total</b>	<b>92,216</b>	<b>97,480</b>	<b>-5%</b>

\*Call2Recycle records collections in pounds. Any variances in column sums reflects conversion from lbs. to kg (conversion rate 0.453592).

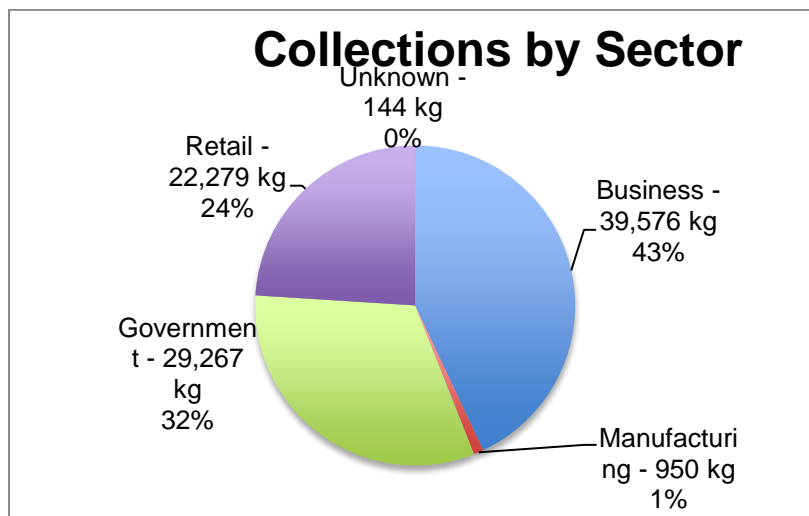
<sup>1</sup> Accessibility was determined by overlaying our collection site network against population information such as postal code or census data. We then used mapping software to determine the population that resides within a given radius of a collection site. The population total derived from this radius is aggregated and then divided by the population totals of larger geographic sets (market, province, country) to determine coverage levels.





Manitoba Battery Collections by Sector (in kg)*		
Type	2017 Collections	% of Total
Business Services	39,576	43%
Government	950	1%
Manufacturing	29,267	32%
Retail	22,279	24%
Unknown	144	0
<b>Call2Recycle Total</b>	<b>92,216</b>	<b>100%</b>

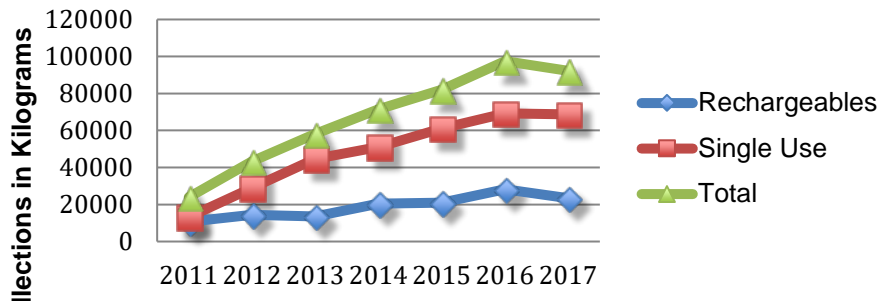
\*Call2Recycle records collections in pounds. Any variances in column sums reflects conversion from lbs. to kg (conversion rate 0.453592).



More than 468,000 kg of batteries have been collected and diverted from the waste stream in Manitoba since Call2Recycle's provincial program began in 2011. The chart below illustrates the seven-year performance.



### Call2Recycle Manitoba Annual Collections, 2011 - 2017



The following chart outlines the recovery rate for batteries collected in 2017 by Call2Recycle.

Manitoba Recovery Rate 2017*			
Type	Collected in 2017 (KG)	Sold in MB in 2017 (KG)	Recovery Rate
Primary	68,799	41,6427 (actual)	17%
Rechargeable excluding Small Sealed Lead Acid (SSLA)	18,215	33,882 (estimate)	55%
SSLA	4,702	Data Not Available	N/A
Total Recovery Rate (does not include SSLA)			19%

\*Environmental Handling Fees (EHFs) were introduced on primary batteries in Manitoba on February 1, 2017. Call2Recycle uses sales of primary batteries based on number of units as reported by Members. Units are then converted to weights (February 1 – December 31). January 2017 sales numbers are based on sales data as reported by battery manufacturers. Rechargeable replacement battery sales into the market is based on an extrapolation of number of units to sold into Quebec and then adjusted for the MB population. This excludes sales on small sealed lead acid batteries. Data for small sealed lead acid batteries is unavailable at this time.

Recovery rate excludes collection of small sealed lead (SSLA) batteries as estimates of sales into the market are not currently available. The recovery rate is based on 87,514 kg collected (4,702 kilogram was subtracted from total collection of 92,216 kilogram).

### 4.3 Collections by Chemistry

Call2Recycle tracks the various battery components that are extracted and recycled for other purposes. Except for a modest 1% increase in alkaline batteries, all battery types decreased in 2017.



Rechargeable Battery Collections by Chemistry (in kg*)			
	2017	2016	% Change
<b>Ni-Cd</b>	9,498	9,683	-2%
<b>Ni-Mh</b>	2,246	3,214	-30%
<b>Li-Ion</b>	6,971	10,213	-32%
<b>SSLA</b>	4,702	5,119	-8%
<b>Total</b>	<b>23,417</b>	<b>28,229</b>	<b>-17%</b>

Single Use Battery Collection by Chemistry (in kg*)			
	2017	2016	% Change
<b>Alkaline</b>	67,600	66,975	1%
<b>Lithium</b>	1,199	2,275	-47%
<b>Total</b>	<b>68,799</b>	<b>69,251</b>	<b>-1%</b>

\*Call2Recycle records collections in pounds. Each chemistry and the total are converted from lbs. to kg (conversion rate 0.453592) and rounded up or down to the nearest kilogram. Thus, addition variances may occur in the total indicated.

## 5. Recovered Product Management and Material Processing

When it comes to management of used batteries, the pollution prevention hierarchy—reduce, reuse and recycle—cannot be as easily applied to batteries as it is to other products. Call2Recycle does not promote a reduction in the use of batteries, and reconditioning batteries for reuse can pose an unacceptable safety risk to consumers if not done properly. Call2Recycle therefore, at this time, advocates the efficient and cost-effective option of battery recycling. The reclaimed metals, including nickel, iron, cadmium, lead, and cobalt, are reused in various products, such as new batteries, cookware, appliances and hardware.

Call2Recycle is a R2:2013 certified program with the Responsible Recycling Practices Standard. This includes an ISO 14001 certification with zero non-conformities. The R2:2013 is the highest achievable standard for recycling organizations and indicates that Call2Recycle has met stringent requirements in areas of environmental, public and worker health and safety.

The cellphones Call2Recycle receives are refurbished or, if unsuitable for refurbishment, recycled. Approximately 90% of the cellphones collected are recycled and processed for reclamation. No material managed through recycling is sent overseas, as per the requirements of the Basel Convention.

The following charts show how the various materials that are extracted from the recycling process are managed, as well as the recycling efficiency rates. Call2Recycle strives to have no intact battery that is received through its program go to landfill.



**Recycling Efficiency Rate Commitments and Current Performance**

Battery Chemistry	2010 Plan Commitment	2016 Efficiency Rate	Target Met or Exceeded
Alkaline	50%	84 -94.2%	Yes
Small Sealed Lead Acid (SSLA)	65%	81%	Yes
Nickel Cadmium (Ni-Cd)	75%	80%	Yes
Other Rechargeable (Li-Ion & Ni-MH)	50%	78.4%-86%	Yes

**Recycling Efficiency Rates**

Battery Type	Rechargeable Battery Chemistry						Primary Chemistry				
	NI-CD	LI-ION		NI-MH	SSLA		ALKALINE			LITHIUM	
Processor	Inmetco PA, USA	Retrie v BC	Glencore ON	Inmetco PA, USA	Terra-pure QC	Tonolli ON	Inmetco PA, USA	Teck Metals BC	RMC ON	BSR MI	Retrie v BC
% Material recovered – Recycled to*											
Metal(s)	50%	18.30%	27%	57%	98%	65%	21%	18.34 %	18.72%	93.97 %	35.30%
Co-product aggregate	2%	0%	0%	14%	0%	22%	1%	72.23 %	68.24%	4.00%	0%
Cadmium	12%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Secondary Recovery**	4%	60.10%	0%	5%	0%	0%	57%	0%	0%	0%	21.10%
Plastic Recovery or Reductant	12%	0%	44%	10%	0%	5%	5%	4.04%	0%	0%	0%
<b>Total Material Recovery %</b>	<b>80%</b>	<b>78.4%</b>	<b>71%</b>	<b>86%</b>	<b>98%</b>	<b>93%</b>	<b>84%</b>	<b>94.61 %</b>	<b>86.96%</b>	<b>97.97 %</b>	<b>56.4%</b>
Not Recovered for use in Secondary Market During Recycling Process: Water, Oxygen, Plastics, Organics (carbon, electrolytes).	20%	21.60%	29%	14%	2%	7%	16%	5.39%	13.04%	3.03%	43.60%
<b>Total:</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

\* Recovery rates provided by processor. \*\* This includes metals that are recovered at secondary processors.



**Product End Fate for Data Year Ending December 31, 2017**

Component Chemistry	Reuse*	Recycle	Energy Recovery	Landfill	Other
Ni-Cd	N/A	Yes	No	No	No
Ni-MH	N/A	Yes	No	No	No
Li-Ion	N/A	Yes	No	No	No
SSLA/Pb	N/A	Yes	No	No	No
Alkaline	N/A	Yes	No	No	No
Lead Carbonate	N/A	Yes	No	No	No
Lithium	N/A	Yes	No	No	No
Mercury	N/A	Yes	No	No	No
Nickel Iron	N/A	Yes	No	No	No
Silver Oxide	N/A	Yes	No	No	No
Zinc Carbon(mercury)	N/A	Yes	No	No	No
Zinc Carbon(no mercury)	N/A	Yes	No	No	No
Cardboard Boxes	No	Yes	No	No	No
Bags	No	Yes	No	No	No
Drums**	Yes	Yes	No	No	No
Non-Conforming***	No	Yes	No	Yes	No

\*Reuse: Please see page 10 for Call2Recycle’s position on battery reuse.

\*\* Drums are re-used by the sorter to send materials to the appropriate processor. If not suitable for reuse, then the metal is recycled

\*\*\*Non-conforming materials: Products found in shipments at time of shipment that are stewarded materials are forwarded to the appropriate stewardship program for responsible disposal. Any materials that are not stewarded materials (i.e., no recycling option available) are managed according to waste requirements and some may be HW managed, or may be discarded – this represents a small quantity of materials.

## 6. Research and Development

Call2Recycle evaluates battery recycling awareness and action in Manitoba through an annual survey of residents. The 2017 survey, conducted in October by Ipsos, revealed that Manitobans’ awareness of household battery recycling has remained steady at 78% for the last two years. Battery recycling activity among respondents also remained unchanged with 47% of respondents recycling some or all of their batteries.

The survey revealed some key opportunities to improve battery recycling awareness and activity:

- Emphasizing the ease of the program to combat misperceptions about convenience;
- Establishing and promoting more workplace and municipal partnerships to better integrate household battery recycling into Manitobans’ daily routines;



- Creating promotions targeted to millennials, whose participation is lower than other age segments and who are more likely to throw out batteries because “it’s easier” or they don’t know they can be recycled;
- Raising awareness of battery recycling among women, who showed significantly lower awareness of this option; and
- Targeting battery “hoarders”, who store batteries in their homes either to recycle later or because they don’t know what to do with them.

## 7. Program Funding

On February 1, 2017, Call2Recycle introduced a per-unit Environmental Handling Fee (EHF) on primary batteries. Rechargeable batteries will continue to be funded via the licensee agreement until EHF’s can be introduced on those batteries as well. The EHF schedule is as follows:

Battery Type	MB Fee
<b>AA</b>	\$0.05
<b>AAA</b>	\$0.05
<b>C</b>	\$0.15
<b>D</b>	\$0.25
<b>9V</b>	\$0.10
<b>Button</b>	\$0.04
<b>Small Primary</b>	\$0.10
<b>Medium Primary</b>	\$0.50
<b>Large Primary</b>	\$1.25

Please see [Appendix D](#) for Call2Recycle’s audited financial statements.

## 8. Organizational Reports

To view Call2Recycle’s 2017 Annual Report visit: <http://www.call2recycle.ca/annual-report/>  
Call2Recycle Canada’s Audited Financial Statement is included as [Appendix D](#) to this document and can also be found in the 2017 Annual Report:  
<http://www.call2recycle.ca/annual-report/>

If additional information is required, please contact the Chief Financial Officer at [gbroe@call2recycle.org](mailto:gbroe@call2recycle.org).



## Appendix A – Call2Recycle Members

### **PRIMARY BATTERY MEMBERS As of March 31, 2017**

Ace Canada	Magnacharge Battery Corporation
Acklands Grainger Canada	Mastermind LP
Amazon	McKesson Canada
Battery Canada	Michaels Stores Inc.
Bed Bath & Beyond	Mountain Equipment Co-op
Best Buy Canada Ltd.	Nedco West Division
Canadian Energy & Power Corp	NII Northern International Inc.
Canadian Tire Corporation, Ltd	Novexco
Canon Canada Inc.	Onlybatteries.com
Cardinal Health	Overwaitea Food Group
Château Manis Electronics Inc.	Peavey Industries
Connect Hearing	Princess Auto Ltd
Core-Mark International Inc.	Proflash Technologies Inc.
Costco Wholesale Canada	RONA Inc.
Dollar Tree Stores Canada	S.P. Richards Canada
Dollarama L.P.	Sears Canada Inc.
East Penn Canada (Power Battery Sales Ltd.)	Shoppers Drug Mart Inc.
Edma Marketing Ltd	Sobeys West Inc.
EECOL Electric ULC	Staples Advantage Inc. (Corporate Express)
Fastenal Canada	Staples Canada Inc.
Federated Co-operatives Ltd	Supreme Basics
Furniture de Bureau Denis	Tenaquip Limited
FuturPlus - Div Cathelle Inc	The Home Depot of Canada Inc.
Gescan (Sonepar Canada)	The North West Company
Grand & Toy	The Source (Bell) Electronics Inc.
Guillevin International Cie	The Stevens Medical Company
HearingLife Canada Ltd	Toys R Us Canada, Ltd
Henry's	UAP Inc.
Home Hardware Stores Limited	Uline Canada Corporation
Hudson's Bay Company	Veritiv Canada Inc
Ikea Canada	Wallace and Carey Inc.
Indigo Books and Music Inc.	Walmart Canada
Interstate Batteries Inc.	Wesco Distribution Canada
Ledvance Ltd	Wisdom Electronics Inc
Loblaws Inc.	Wurth Canada Ltd
London Drugs Limited	

## Appendix B – Battery Stewards

### **RECHARGEABLE BATTERY STEWARDS (LICENSEES) OF THE CALL2RECYCLE PROGRAM As of March 31, 2017**

3M Automotive Aftermarket Division  
3M Commercial Solutions Division (CSD)  
3M Constrctn & Home Imprv  
3M Materials Resources  
3M Personal Safety Division  
A2Z Development Center  
Accell North America  
Acer America Corporation  
Advanced Battery Systems  
Advanced Respiratory, Inc.  
Aero Design, Inc  
Aerosense Inc.  
Agilent Technologies  
Alcatel and Alcatel Onetouch  
Allied Intl/Allied Tools  
Alltrade Tools LLC  
Alpha Source, Inc.  
Amazon.com, Inc.  
American Honda Motor Co., Inc.  
American Lawn Mower Co  
American Toppower  
Anton/Bauer  
APC - Schneider Electric  
Arris Group, Inc  
Asus Computer International  
Audio Enhancement, Inc.  
Axiom Mobile Group  
Baccus Global  
barnesandnoble.com, LLC  
Battery Specialties  
Bayco Products  
Bayer Healthcare  
Belkin International, Inc.  
Best Buy Co., Inc.  
BionX International  
Bissell Homecare, Inc  
BlackBerry  
BlackBerry Limited

Bose Corporation  
Brother International  
Bushnell, Inc.  
BYD Company Limited  
Canadian Tire Corporation, Ltd  
Canon Canada Inc  
Canon USA Inc  
Casio America, Inc.  
Cell-Con Inc  
Century Optronic Inc.  
Changzhou Globe Tools Co. Ltd.  
Chervon HK Limited  
Chervon HK Limited/The Home Depot  
Chervon HK Lmtd/The Home Depot Canada  
Cisco Systems Inc.  
Cleva North America/LawnMaster  
Cognex Inc.  
Computer Technology Link Corp (DBA CTL)  
Conair Corporation  
CTE Energy Co., Ltd.  
Cybertron International  
DANTONA INDUSTRIES/ULTRALAST  
Deere & Company (John Deere)  
Dell Canada Inc.  
Dell Inc  
Deltran USA LLC  
Digi-Key Corporation  
DLG (Shanghai) Electronic  
Dongguan Sunly Battery Tech Co., LTD  
Dorcy International  
Duracell Canada Inc  
Duracell US Operations  
Eaton Corporation  
Echo Incorporated  
Enerco Group Inc.  
Energizer Holdings, Inc.  
Energizer Holdings, LLC.  
Energy Sales



EnerSys Delaware Inc.  
Epson America, Inc.  
Esselte Corporation  
Evergreen (C.P.) USA Inc  
EZsmart Gutter Cleaner, LLC  
FDK AMERICA  
Fedco Electronics, Inc.  
Ferno - Washington, Inc.  
Finish Thompson, Inc.  
Flying Dragon Development Ltd.  
FujiFilm Holdings America Corp  
Fujitsu America  
GammaTech Computer Corporation  
Garmin International, Inc  
GE Healthcare Canada, Inc.  
Getac Inc.  
Gibson Innovations USA, Inc.  
GiiNii Tech Corporation  
Global Technology Systems, Inc  
Gold Peak Industries (NA), Inc  
GRACO, Inc.  
Gradus Group  
Greatbatch Inc  
GreenSmoke, Inc.  
GS Battery (USA) Inc.  
Guangzhou Great Power Energy Tech Co LTD  
Harris Corporation  
Hewlett Packard Enterpris  
Hilti, Inc.  
Hitachi Koki Canada Co.  
Hitachi Koki USA Ltd  
Hobbico, Inc  
HoMedics  
Honeywell International Inc.  
HP Inc.  
HTC Corporation  
Huawei Device USA. Inc  
Husqvarna AB  
IDX System Technology Inc  
Illinois Tool Works  
IMA Test Steward  
Industrial Battery Service Inc  
Ingersoll Rand  
Inspired Energy, LLC  
Intec Industries Co. Ltd.

Intermetro Industries Corp  
Invacare Corporation  
Invox Hardware Limited  
iRobot Corp.  
iTech  
Jasco Products Company  
Jiawei Technologies (USA) Ltd.  
JIN CO Ltd  
JKH Health Co., Ltd.  
JLG Industries Inc  
JVCKENWOOD USA Corp  
KAN Battery Co., Ltd  
Karcher North America  
Keyence Corporation of America  
Keysight Technologies  
Konica Minolta  
Kwonne Electrical Products, LTD  
L'Image Home Products Inc. (IHP)  
LEDVANCE, LLC.  
Lego Group  
Leica Camera Inc  
Lenmar Enterprises, Inc.  
Lenovo (United States) In  
LEXEL BATTERY CO LTD  
LG Electronics Canada, Inc.  
LG Electronics MobileComm USA  
Logic Technology Development  
LOGITECH INC.  
Mag Instrument, Inc  
Maha Energy  
Makita Canada, Inc.  
Makita USA  
Mattel, Inc.  
Meritool LLC  
Metabo Corporation  
Microsoft  
Midland Radio Corporation  
Miller Mfg Co  
Milwaukee Electric Tool Corporation  
Moshi  
Motorola Mobility, LLC  
Motorola Solutions, Inc  
MTD Products Inc  
myCharge  
National Battery

National Power Corp  
NEC Corporation of America  
Neptune Technology Group Inc.  
Nest Labs, Inc.  
Netgear, Inc.  
Nikon Canada Inc  
Nippon Primex Inc.  
Normark Innovations Inc.  
Novatel Wireless Inc  
NU MARK LLC  
Nylube Products Company LLC  
O2COOL, LLC  
Olympus Corp of the Americas  
OOMA INC  
Oracle America, Inc.  
Palladium Energy  
Panasonic Canada Inc  
Panasonic Corporation  
Pantech Co Ltd  
Pelican Products, Inc.  
Philips Consumer Electron  
Philips Lighting  
Pioneer Home Entertainment  
Pitney Bowes, Inc.  
Plantronics, Inc.  
Polycom, Inc.  
Positec Tool Corporation  
POWER PRODUCTS  
Privoro, LLC  
ProTeam, Inc.  
PSA PARTS, INC.  
Quality One Wireless  
Rapport, Inc.  
Resistacap  
Richpower Industries, Inc.  
Ricoh Imaging Americas Corporation  
Ridge Tool Company (RIDGID)  
RKI Instrument, Inc  
Robert Bosch Tool Corporation  
Royal Consumer Information Products, Inc.  
RRC POWER SOLUTIONS  
Samsung Electronics America Inc.  
SANYO Energy (USA) Corp.  
Scosche Industries  
SDI Technologies Inc

Senco Products, Inc  
Sensidyne LP  
SharkNinja  
Sharp Electronics Corporation  
SHIMANO  
Sigma Corporation  
Sinopower Technology (HK) Ltd  
Snap-on Inc  
Sony Electronics, Inc  
Southern Telecom, Inc.  
SOUTHWICK TECHNOLOGIES INC  
Southwire Company  
Spectrum Brands  
SRAM, LLC  
Stanley Black & Decker, Inc.  
Stihl Incorporated  
Stihl Limited  
StorTronics  
Streamlight, Inc.  
Summer Infant, Inc.  
SUNBEAM PRODUCTS  
Surefire, LLC  
Tacony Corporation  
TCL Mobile  
TCT MOBILE INC-ALCATEL BlackBerry  
Technical Power Systems Inc.  
Techtronic Industries GmbH  
Techtronic Trading Ltd  
Test Rite Products Corp  
Texas Instruments Inc  
The Coleman Company  
The Gillette Co/Braun Div  
The Gillette Co/Oral-B Div  
The Source  
The Toro Company  
TNR Technical  
Tokyo Seimitsu Co., LTD  
TomTom Inc.  
TOSHIBA AMERICA  
Toshiba of Canada Limited  
Trans Cosmos America/GVIDO  
Transcosmos America Inc.  
Traxxas L.P.  
Trek Bicycle Corporation  
TTEK ASSEMBLIES INC

TTI (Macao Comm OfSh) Ltd  
ULTRALIFE CORPORATION  
Uniden America Corporation  
VARTA Microbattery Inc.  
Venom Power  
Vera Bradley  
Vernier Software and Technology  
Vibratex, Inc.  
Vizio Inc.

VTech Telecommunications Ltd  
WACOM TECHNOLOGY CORP  
WATER PIK, INC.  
Whill, Inc  
WOHLER USA  
Xplore Technologies Corp.  
Zebra Technolgies Corp  
Zippo Manufacturing Company

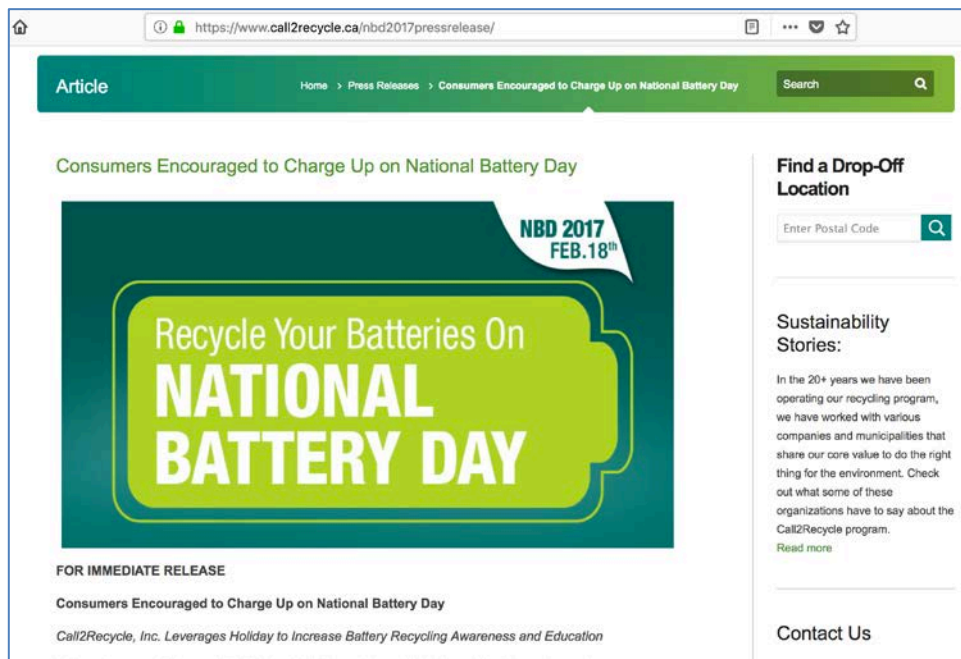
## Appendix C – Samples of Promotional Materials

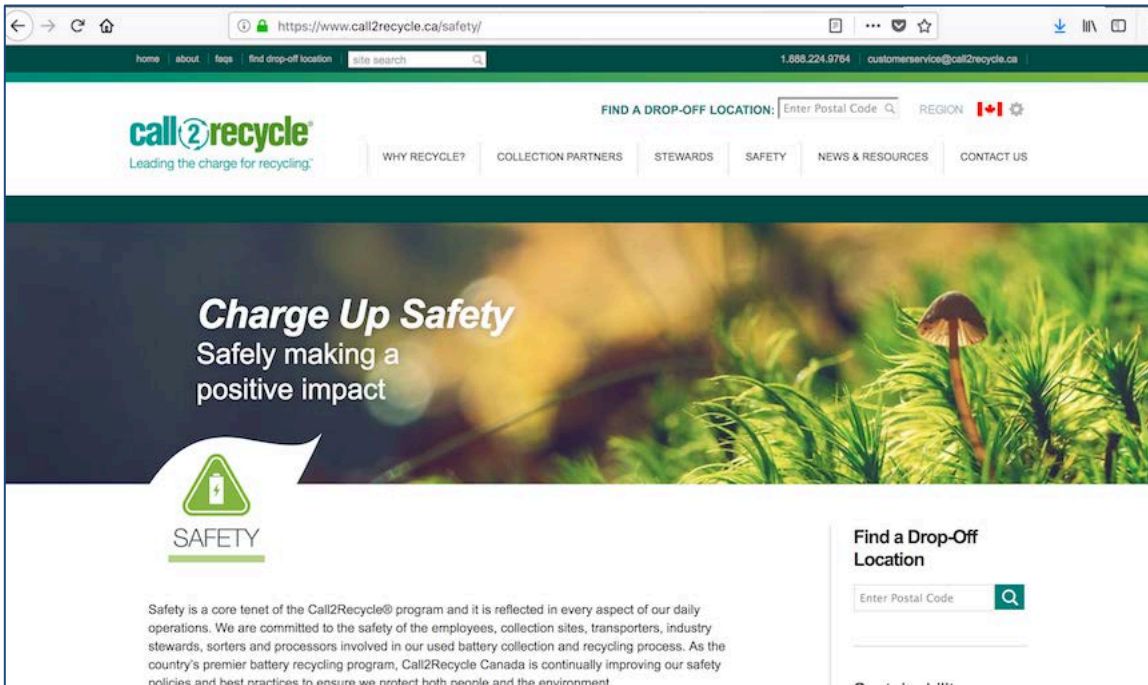
Earth Rangers and Call2Recycle engage Manitoba students to divert batteries from the province's waste stream



LEFT: Call2Recycle partnered with Earth Rangers to encourage young rangers to recycle their batteries in the in-school and online Battery Blitz Missions.

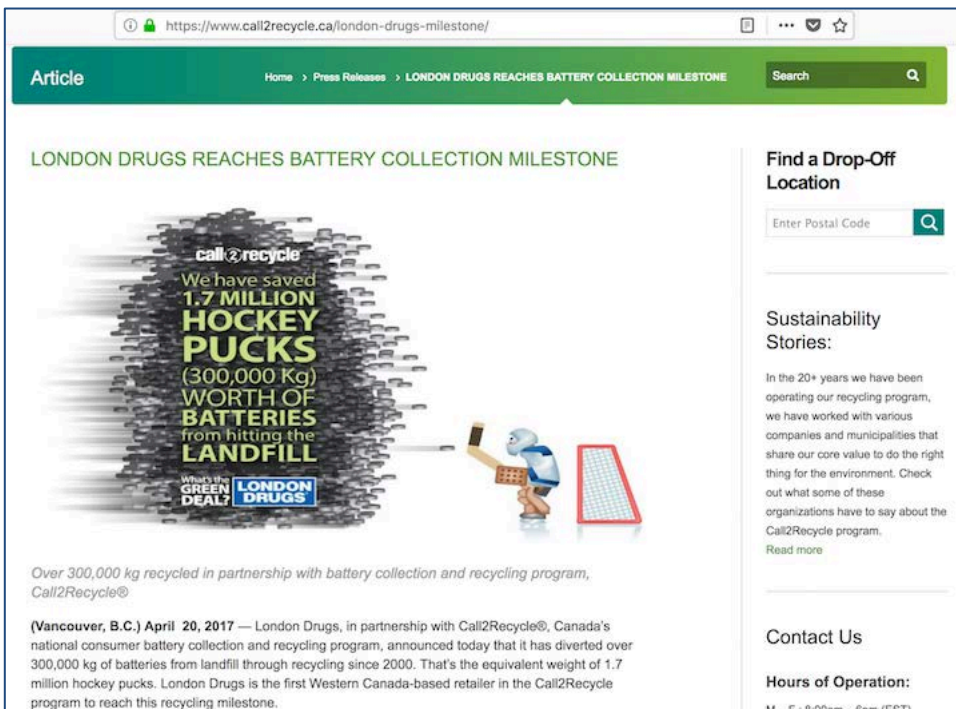
BELOW: National Battery Day was one of Call2Recycle's public awareness and action initiatives in 2017.





TOP: Call2Recycle launched a new online safety portal to promote safe collection and shipping practices among consumers, municipalities, retailers, sorters, processors and Call2Recycle employees.

BOTTOM: Call2Recycle promoted partners through such initiatives as the Leaders in Sustainability Awards and online profiles like the one below.



## Appendix D – Audited Financial Statements

See next pages – Audited Financial Statements will be submitted to Call2Recycle’s Board of Directors on June 27, 2018 for approval. The official approved statement will be available thereafter.

**Call2Recycle Canada, Inc.**  
**Financial Statements**  
**For the Year Ended December 31, 2017**

**Call2Recycle Canada, Inc.**  
**Financial Statements**  
**For the Year Ended December 31, 2017**

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Toll Free: 800 775 3328  
www.bdo.ca

BDO Canada LLP  
148 - 10<sup>th</sup> Street  
Brandon MB R7A 4E6 Canada

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## Independent Auditor's Report

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To the board of directors of  
Call2Recycle Canada, Inc.

We have audited the accompanying financial statements of Call2Recycle Canada, Inc., which comprise the statement of financial position as at December 31, 2017, and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

**Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of Call2Recycle Canada, Inc. as at December 31, 2017, and the results of its operations, changes in net assets and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

*BDO Canada LLP*

Chartered Professional Accountants

Brandon, Manitoba

June 27, 2018

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**Call2Recycle Canada, Inc.**  
**Statement of Financial Position**

**December 31**

**2017**

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**Assets**

Cash (Note 3)	\$ 1,730,879
Accounts receivable	5,521,576
Marketable securities	8,575,394
Other assets	<u>97,581</u>
	<u>\$15,925,430</u>

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**Liabilities and Net Assets**

Accounts payable and accrued expenses (Notes 6, 9)	<u>\$ 2,203,199</u>
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**Unrestricted Net Assets**

Undesignated	5,389,162
Board Designated (Note 8)	<u>8,333,069</u>
	<u>13,722,231</u>
	<u>\$15,925,430</u>

---

**Call2Recycle Canada, Inc.**  
**Statement of Changes in Net Assets**

<b>For the year ended December 31</b>	<b>Undesignated</b>	<b>Board Designated</b>	<b>2017 Total</b>
<b>Balance, beginning of the year</b>	\$ -	\$ -	\$ -
<b>Excess of revenues over expenses</b>	1,667,936	7,338,948	9,006,884
<b>Capital contribution (Note 2)</b>	3,721,226	994,121	4,715,347
<b>Balance, end of the year</b>	<b>\$ 5,389,162</b>	<b>\$ 8,333,069</b>	<b>\$ 13,722,231</b>

The accompanying notes and schedule are an integral part of these financial statements.

---

**Call2Recycle Canada, Inc.**  
**Statement of Operations**

**For the year ended December 31**

**2017**

**Revenues**

Steward fees	\$ 19,861,583
Investment income	75,394
Other	<u>326,490</u>

20,263,467

**Expenses**

Material management and processing	6,750,412
Marketing and communications	781,130
Other (Salary, Professional, Administrative)	<u>3,725,041</u>

11,256,583

**Excess of revenues over expenses**

**\$ 9,006,884**

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**Call2Recycle Canada, Inc.**  
**Statement of Cash Flows**

**For the year ended December 31**

**2017**

<b>Cash flows from operating activities:</b>	
Excess of revenues over expenses	\$ 9,006,884
Items not affecting cash:	
Net realized and unrealized gains on investments	<u>(45,319)</u>
	8,961,565
Changes in non-cash working capital:	
Accounts receivable	(39,217)
Accounts payable and accrued liabilities	(2,474,269)
Other assets	<u>117,955</u>
	<u>6,566,034</u>
<b>Cash flows from investing activities:</b>	
Marketable securities	(8,530,075)
Capital contribution	<u>3,486,301</u>
	<u>(5,043,774)</u>
<b>Cash flows from financing activities:</b>	
Opening contribution of cash	<u>208,619</u>
<b>Net increase in cash</b>	<b>1,730,879</b>
<b>Cash, beginning of the year</b>	<u>-</u>
<b>Cash, end of the year</b>	<b><u>\$ 1,730,879</u></b>

The accompanying notes and schedule are an integral part of these financial statements.

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# Call2Recycle Canada, Inc. Notes to Financial Statements

December 31, 2017

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## 1. Significant Accounting Policies

### **Nature and Purpose of Organization**

Call2Recycle Canada, Inc. (the Company) is a not-for-profit organization formed on January 1, 2017. The Company's head office is registered in Toronto Ontario, and conducts its operations throughout all of Canada.

The Company's purpose is to promote social welfare by addressing environmental concerns related to the recycling or proper disposal of consumer batteries. The Company operates battery collection and recycling programs and educates the public with respect to the proper disposal and recycling of batteries.

The Company seeks to be the leader in the environmentally sound collection, transportation and recycling of batteries. The Company is committed to a cleaner, healthier environment through public education on battery recycling. All aspects of the Company's business are conducted in an environmentally sensitive manner, as the Company is convinced that sound environmental product stewardship and sound business practices go hand in hand.

The Company is exempt from income tax under Section 149(1) of the Income Tax Act (Canada).

### **Basis of Accounting**

The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

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## Call2Recycle Canada, Inc. Notes to Financial Statements

December 31, 2017

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### 1. Significant Accounting Policies (continued)

#### Revenue Recognition

The Company follows the deferral method of accounting for revenues.

Unrestricted revenues are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted revenues are recognized as revenue in the year in which the related expenses are incurred.

Steward fees are received from legally obligated stewards in 3 regulated provinces (BC, MB and QC), and from non-legally obligated battery manufacturers in all other jurisdictions based on sales into those jurisdictions. The Company recognizes these fees as revenue in the year that battery units are sold by the stewards to consumers and businesses.

The costs of the corresponding collection and recycling for some of these batteries may occur in future years, and those associated costs are reported as expenses of the Company in the year that they are incurred. Call2Recycle Canada, Inc. is committed to the collection and recycling of these batteries.

Unrestricted net investment income is recognized as revenue when earned.

Unrestricted revenues from the sales of recycled materials are recognized in income when the recovered materials are sold and the amount to be recovered can be estimated and collection is reasonable assured.



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**Call2Recycle Canada, Inc.**  
**Notes to Financial Statements**

**December 31, 2017**

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**1. Significant Accounting Policies (continued)**

<b>Financial Instruments</b>	<p>Financial instruments are recorded at fair value at initial recognition.</p> <p>In subsequent periods, equities traded in an active market and derivatives are reported at fair value, with any change in fair value reported in income. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items measured at fair value.</p> <p>Financial assets are tested for impairment when indicators of impairment exist. When a significant change in the expected timing or amount of the future cash flows of the financial asset is identified, the carrying amount of the financial asset is reduced and the amount of the write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement, provided it is not greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously, and the amount of the reversal is recognized in net income.</p>
<b>Use of Estimates</b>	<p>The preparation of the financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Significant items subject to such estimates and assumptions include:</p> <ul style="list-style-type: none"><li>- accrued expenses</li><li>- allocation of expenses</li><li>- allowance for doubtful accounts</li></ul>
<b>Accounts Receivable</b>	<p>Uncollectable amounts receivable are written off at the time the accounts are determined to be Uncollectable. There is no allowance for doubtful accounts at December 31, 2017 as management of the Company considers any possible bad debts to be negligible.</p>
<b>Expenses</b>	<p>Material management and processing costs are recorded when the collection and processing services (freight, handling, recycling of materials) has been provided. Other expenditures are recognized as incurred.</p>

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## Call2Recycle Canada, Inc. Notes to Financial Statements

December 31, 2017

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### 2. Commencement of Operations

This Company was formed upon the amalgamation of Call2Recycle Canada, Inc. and Appel A Recycler Canada, Inc. on January 1, 2017. Prior to that date the former entities were under the common control of Call2Recycle, Inc., an entity located in the United States of America. The Company and Call2Recycle US entered into a separation agreement, effective January 1, 2017, to formalize the Company as an independent entity. Prior to January 1, 2017, Call2Recycle, Inc US and Call2Recycle Canada, Inc. presented combined financial statements. Based on the separation agreement, the Company received an initial capital contribution of \$4,715,347 to fund its continuation into Canada as a separate legal entity.

### 3. Cash

The Company maintains the majority of its cash balance in a Canadian financial institution. The Canada Deposit Insurance Corporation (CDIC) insures this account up to \$100,000 for this financial institution. From time to time the aggregate funds held in this institution may exceed the CDIC insured limits and may not be covered by CDIC insurance. Management does not anticipate any material effect on the financial position of the Company as a result of this concentration.

### 4. Line of Credit

The Company has a line of credit agreement with a bank which provides borrowings up to \$1,500,000. Borrowings under the agreement bear interest at Canadian Dollar Offer Rate plus 2%. At December 31, 2017, there were no borrowings against the line of credit. Borrowings under the line of credit are secured by substantially all of the investments held by the Company.

### 5. Investments

The carrying amounts of investments are comprised of the following:

	<u>2017</u>
At fair value:	
Cash held for long-term investment	\$ 4,189,985
Equity investments	1,312,518
Bonds	2,509,255
Real estate	229,901
Hedge fund investments	<u>333,735</u>
	<u>\$ 8,575,394</u>

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## Call2Recycle Canada, Inc. Notes to Financial Statements

December 31, 2017

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### 6. Government Remittances

Included in accounts payable and accrued liabilities are government remittances payable of \$684,650.

### 7. Allocation Expenses

Expenses are charged directly to their respective jurisdiction based on actual costs as incurred. When expenses are not identified to a specific jurisdiction, but benefit all jurisdictions, they are allocated among the jurisdictions based on the Company's allocation methodology. Collections and processing costs are allocated based on battery collections for each jurisdiction. Salary and benefits are allocated based on employee time allocation by jurisdiction. Other expenses, including professional fees, general marketing, communication and promotion, shared service costs, office supplies, and occupancy, which cannot be identified with a specific jurisdiction are allocated based on the percentage of all battery collections for each jurisdiction.

### 8. Board Designated Net Assets

The Company's governing board has designated \$8,333,069 as of December 31, 2017 for future use in the regulated provinces of Quebec, British Columbia and Manitoba. The designated balances by regulated province are as follows:

Quebec	\$ 5,790,695
British Columbia	1,944,387
Manitoba	<u>597,987</u>
Total	<u>\$ 8,333,069</u>

### 9. Significant Contractual Arrangements

The Company is governed by a Board of Directors that is separate and independent of its former parent entity, but continues to contract accounting and managerial services from Call2Recycle, Inc. US. Fees paid for contracted services to Call2Recycle, Inc. US for 2017 were CDN \$1,099,871. This fee is assessed to the Company net of a US \$552,860 fee recovery collected by Call2Recycle, Inc. US for battery seal license fees collected from US battery companies who are selling into certain Canadian markets. Included in accounts payable and accrued expenses is an amount of \$628,889 in respect of these contracted services.

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## Call2Recycle Canada, Inc. Notes to Financial Statements

December 31, 2017

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### 10. Financial Instruments

#### 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. The Company is exposed to credit risk resulting from the possibility that the registrants of the Company defaults on their financial obligations; if there is a concentration of transactions carried out with the same counterparty; or of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions. The Company's financial instruments that are exposed to concentrations of credit risk relate primarily to its accounts receivable. The Company's registrants are numerous and diverse, which reduces the concentration of risk. Management closely evaluates the collectibility to mitigate this risk.

#### Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is exposed to financial risk that arises from fluctuations in the sale of recyclable batteries and consumer electronic products. This risk is minimized by an expected corresponding decrease in program delivery and recycling process expenses and by the regulations established by the respective Department of the Environment in each jurisdiction in which the Company operates.

#### Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to currency risk as a result of its significant contractual arrangement for accounting and managerial services (Note 9) with a US organization.

**Call2Recycle Canada, Inc.**  
**Schedule of Operations by Province**

**For the year ended December 31, 2017**

<b>Revenue</b>	QC	Regulated Provinces		Total	General and Other Jurisdictions	Grand Total
		BC	MB			
Steward fees	\$ 9,004,355	\$ 5,068,297	\$ 1,135,376	\$ 15,208,028	\$ 4,653,555	\$ 19,861,583
Investment income	34,154	9,788	3,010	46,952	28,442	75,394
Other	87,765	38,774	8,162	134,701	191,789	326,490
<b>Total revenue</b>	<b>9,126,274</b>	<b>5,116,859</b>	<b>1,146,548</b>	<b>15,389,681</b>	<b>4,873,786</b>	<b>20,263,467</b>
<b>Expenses</b>						
Material management & processing	2,467,972	1,830,841	235,810	4,534,623	2,215,789	6,750,412
Marketing & communications	360,215	277,502	76,762	714,479	66,651	781,130
Other (Salary, Professional, Administrative)	1,501,513	1,064,129	235,989	2,801,631	923,410	3,725,041
<b>Total expense</b>	<b>4,329,700</b>	<b>3,172,472</b>	<b>548,561</b>	<b>8,050,733</b>	<b>3,205,850</b>	<b>11,256,583</b>
<b>Excess revenue over expense</b>	<b>4,796,574</b>	<b>1,944,387</b>	<b>597,987</b>	<b>7,338,948</b>	<b>1,667,936</b>	<b>9,006,884</b>
Capital contribution (Note 2)	994,121	-	-	994,121	3,721,226	4,715,347
<b>Excess revenue over expense</b>	<b>4,796,574</b>	<b>1,944,387</b>	<b>597,987</b>	<b>7,338,948</b>	<b>1,667,936</b>	<b>9,006,884</b>
<b>End of year net assets</b>	<b>\$ 5,790,695</b>	<b>\$ 1,944,387</b>	<b>\$ 597,987</b>	<b>\$ 8,333,069</b>	<b>\$ 5,389,162</b>	<b>\$ 13,722,231</b>