



2022 ANNUAL REPORT



MARRC MANITOBA ASSOCIATION FOR
RESOURCE RECOVERY CORP.

MARRC ANNUAL REPORT

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WHO IS MARRC

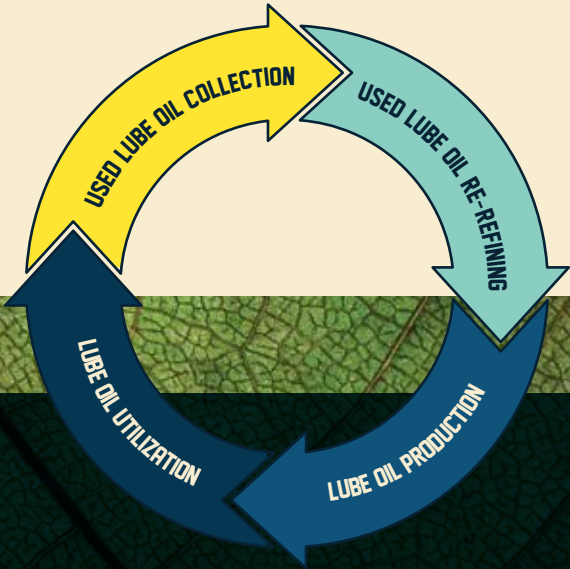
The Manitoba Association for Resource Recovery Corp. (MARRC) is a non-profit corporation established in 1997 by manufacturers and marketers of lubricating products in Manitoba. MARRC's mandate is to develop, implement and administer a cost-effective, sustainable, user financed, stewardship program for used oil, used oil filters, used antifreeze and used oil & antifreeze containers for all Manitobans.

MARRC was incorporated under The Corporations Act of Manitoba on April 1, 1997. MARRC submitted Applications for renewal for both the Used Oil and Antifreeze Stewardship Programs in August 2017 and has received approval of these Applications from the Minister of Sustainable Development on July 26, 2018 through June 30, 2023 with Diesel Exhaust Fluid containers included in the approval.

MARRC is managed by a five person Board of Directors drawn from MARRC Member companies, other stakeholder organizations and the public at large.

MARRC provides incentives to government licensed collectors of these products to help recycle them throughout the province. These incentives increase incrementally by distance to ensure all areas in Manitoba are serviced. The products are delivered to MARRC registered processors where they are then recycled, reused or converted into energy products.

MARRC also provides the convenience for all Manitobans to recycle these products by supporting a network of 103 EcoCentre and collection facilities across the province through funding, advertising, training, supplies, promotional materials and our new website which conveniently directs users from their current location to the nearest facility.



DID YOU KNOW...

Motor oil does not wear out, it just gets dirty, so recycling it saves a valuable resource. Less energy is required to produce a litre of re-refined base stock than a base stock from crude oil.

BY THE NUMBERS...

1.6 Litres of used motor oil provides the same 1 Litre of lubricating oil as 67 litres of crude oil.

Re-refined oil—must meet the same stringent refining, compounding, and performance standards as virgin oil for use in automotive, heavy-duty diesel, and other internal combustion engines. Extensive laboratory testing and field studies conclude that re-refined oil is equivalent to virgin oil—it passes all prescribed tests and, in some situations, even outperforms virgin oil.

APPROVAL LETTER FROM THE MINISTER OF SUSTAINABLE DEVELOPMENT



MINISTER OF
SUSTAINABLE DEVELOPMENT

Legislative Building
Winnipeg, Manitoba, CANADA
R3C 0V8

III 26 2018

Mr. Ron Benson
Executive Director
Manitoba Association for Resource Recovery Corp.
35-1313 Border Street
Winnipeg MB R3H 0X4

Dear Mr. Benson:

I am pleased to issue an Approval to the Manitoba Association for Resource Recovery Corp. (MARRC) for the Manitoba Stewardship Program Plan for Used Oil and Antifreeze Products (the Program) effective July 1, 2018. This Approval will expire June 30, 2023, pursuant to Section 7(4) of the both the Used Oil, Oil Filters and Containers Stewardship Regulation and the Household Hazardous Material and Prescribed Material Stewardship Regulation (the Regulations) under the Waste Reduction and Prevention Act (WRAP Act).

This Approval is issued to MARRC under Section 7(2) of the Regulations and is subject to MARRC meeting the conditions as set forth in "Attachment A" of this letter, and which forms part of this Approval.

If I am not assured that MARRC is implementing or operating the Program substantially in accordance with its intent, or where I or my officials have concluded, based on relevant circumstances, that the Program or terms of this Approval, including "Attachment A: Conditions of Approval" should be reviewed, then pursuant to Section 7.1 of the Used Oil, Oil Filters and Containers Stewardship Regulation and Section 8 of the Household Hazardous Material and Prescribed Material Stewardship Regulation, new or additional conditions may be imposed as deemed appropriate so as to ensure that the environmental outcomes and regulatory requirements are fulfilled.

The Department intends to establish guidelines for third party assurance of non-financial information to be reported by all approved stewardship program operators in the Province of Manitoba. My officials in Manitoba Sustainable Development will work with MARRC to establish guidelines to provide the Manitoba government with a reasonable level of assurance that key performance measures of the Program are reported accurately.

It is a priority of this department that the Program provide convenient, province-wide accessibility to all Manitoba communities including Manitoba's northern, remote and First Nations communities. I expect MARRC to work collaboratively with other Producer Responsibility Organizations to maximize synergies and deliver program outcomes in a cost effective and efficient manner.

I will take this opportunity to remind you that under Section 10(1) of the Used Oil, Oil Filters and Containers Stewardship Regulation and Section 11(1) of the Household Hazardous Material and Prescribed Material Stewardship Regulation, as Minister, I have the authority to suspend or cancel the Approval of the Program at any time if there is a breach or contravention by MARRC as the operator of the Program, of either the WRAP Act or the Regulations or the conditions set forth in this Approval and, if applicable, subsequent amendments of this Approval.

Any notices to be provided to department officials pursuant to this Approval shall be submitted in writing to: Senior Manager, Waste Diversion and Recycling Unit, Manitoba Sustainable Development, Box 38, 200 Saulteaux Crescent, Winnipeg, Manitoba, R3J 3W3.

MARRC should submit their next application for renewal of this Approval by January 31, 2023 to allow adequate time for review and public consultations.

I look forward to the continued operation of the Program in the Province of Manitoba.

Yours sincerely,

Rochelle Squires
Minister

Attachment

c: Joe Casciano, Chair of the Board
Glen Holmes

MARRC'S APPLICATION FOR STEWARDSHIP PROGRAM RENEWAL

MARRC's Application was presented to the Ministry of Environment Climate and Parks ahead of their January 31, 2023 deadline. A major component within the Application was the required Consultation Process in which an email with a link to the plan was sent out to the following:

MEMBERS

COLLECTORS

PROCESSORS

ECOCENTRES



Used Oil, Used Oil Filters, Used Antifreeze, Used Oil, Antifreeze and Diesel Exhaust Fluid (DEF) Containers all pose a potential risk to the environment if disposed of incorrectly.

The Used Oil & Antifreeze Program ensures Manitobans have a safe solution to dispose of these products responsibly.



SHARE YOUR VIEWS
Please review our next 5 year plan and feel free to comment.
Learn more at:
UsedOilRecyclingMB.com/shareyourviews/



The General Public was also informed of our Application for Renewal using the ad above by way of multiple placements in the Winnipeg Free Press as well as the Winnipeg Press Community Review West and East editions.

A page on our website was established where comments on the plan could be placed should someone wish to do so.

AMBASSADOR PROGRAM

2022 saw the return of MARRC's flagship Ambassador Program which had been on hiatus for the past 2 years due to Covid-19. Each year MARRC participates in various tradeshow and exhibitions throughout Manitoba for the purpose of enhancing awareness towards improving the recovery of used oil and antifreeze products. Here is a listing of the events we participated in:

Red River Exhibition
Gimli Icelandic Festival
Transcona Hi-Neighbour
Morden Corn & Apple
Selkirk Triple Fair & Rodeo

Winkler Harvest
Brandon Exhibition
Rodorama Car Show
Morris Stampede
Carman County Fair

Dauphin Street Fair
Altona Sunflower Festival
Steinbach Summer in the City
Gimli Canada Day
Melita Banana Days

Eriksdale Festival
Austin Thresherman's Reunion
Hanover Fair
Niverville Fair



The participants also entered for a chance to win a \$50 Canadian Tire gift card.



Our Ambassadors engaged with the visitors by having them respond to our survey which asked:

1. Do you change your own oil and antifreeze or do you take your vehicle in for service?
2. If you change your own oil, what products do you take in for recycling: Oil, Filters, Containers, Antifreeze, None of the above
3. Where do you recycle your used oil and antifreeze products: EcoCentre, Canadian Tire, Dealer/FastLube, No vehicle, Other
4. Did you know you can recycle your used oil and antifreeze products at the (location of local EcoCentre in town)

The participants then spun our Wheel of Fortune for a chance to win some great prizes.

We had over 4,800 people participate. Some of the conclusions obtained from our Survey are:

- 1 The general public is conscious of the importance of recycling used oil and antifreeze products with greater awareness of a recycling facility in their area now than in the past.
- 2 The Dealer/Fast Lubes represent the largest percentage of where the products are being recycled.
- 3 The Canadian Tire stores in the City of Winnipeg are further complemented by having the City's three - 4R depot locations at Brady Rd., 1120 Pacific Ave. & 429 Panet Rd. effectively on stream.
- 4 The EcoCentres will be strongly encouraged to utilize their advertising support budgets that MARRC provides within their local communities, most have up to \$2,000 to spend.
- 5 The Ambassador Program will continue to focus on communities throughout the Province with radio, newspaper & social media ads supporting the upcoming local community events, as well as the local EcoCentre in proximity.

AMBASSADOR PROGRAM



Wristbands



Bookmarks

MARRC utilized a flashing Wheel of Fortune to generate excitement at the Ambassador booth. After visitors completed the used oil recycling survey, they could spin the wheel to determine what prizes had been won. Participation at the MARRC booth was very high with long line-ups at the booth in many cases. All prizes featured oil recycling branding and were very well received. Bookmarks, wristbands and brochures were distributed at the tradeshow, exhibitions and parades as well.



MARRC also introduced an LED lit Kornhole game this year for people to participate in at our booth. The game features a graphic of our EcoCentre building which illustrates the goal of bringing in your used oil and antifreeze products to any of our 103 collection locations in Manitoba.

This is how we're doing!

		2021		
		Collected	Net Recoverable	%
Oil	Litres	14.0M	18.0M	78%
Filters	Units	1.6M	2.07M	77%
Oil Containers	Kgs	263K	707.6K	37%
AF Fluid	Litres	389.4K	1,274.6K	31%
AF Containers	Kgs	34.4K	92.5K	37%
DEF Containers	Kgs	14.9K	40.0K	37%

Thank you Manitobans for MAKING EVERY DROP COUNT

Use your mobile phone to discover where your closest collection centre is. **Now over 100 in Manitoba!**

Be sure to follow us on Facebook!

This is how we keep used Oil, Filters, Antifreeze, and their containers OUT of Manitoba's ecosystem.

MARRC MANITOBA ASSOCIATION FOR RESOURCE RECOVERY CORP.
UsedOilRecyclingMB.com 1-888-410-1440

BROCHURES

The Ambassadors also distributed brochures which detail important information about the MARRC Stewardship Program such as what happens to the products once they are collected; where people can take the products throughout Manitoba; our collection progress to date as well as advising that your mobile phone can now show you where your closest collection centre is.

Manitoba's Used Oil Recycling Program
Your role in our success:

- Collect the used oil from your vehicle, lawnmower, farm equipment, fishing vessels, or other machinery and recycle them at a licensed facility.
- Do not contaminate the oil with other liquids. Solvents, paint thinner, bleachers, antifreeze, gasoline, PCBs, household chemicals, insecticides, herbicides, pesticides, grease, or water are not accepted. EcoCentre staff have information on where to take contaminated oil.
- Collect your used oil, filters, and containers and recycle them at a licensed facility.
- Collect your used antifreeze and containers and recycle them at a licensed facility.

MARRC - Manitoba Association for Resource Recovery Corp.
1-888-410-1440
UsedOilRecyclingMB.com

What Happens to Recovered Products?

USED OIL can be refined into lube oil and other petroleum products. As well, it can be used for energy recovery.

USED OIL FILTERS are made with 85% recyclable metal that becomes rebar used in construction.

USED ANTIFREEZE becomes new antifreeze again when shipped to licensed processors.

THE CONTAINERS of used oil, antifreeze and Diesel Exhaust Fluid (DEF) are now recycled into energy using an innovative clean technology called Rapid Organic Conversion. This energy is used for heating water, buildings, and generating electricity in seconds.

Licensed Depots for Used Oil and Antifreeze in the City of Winnipeg

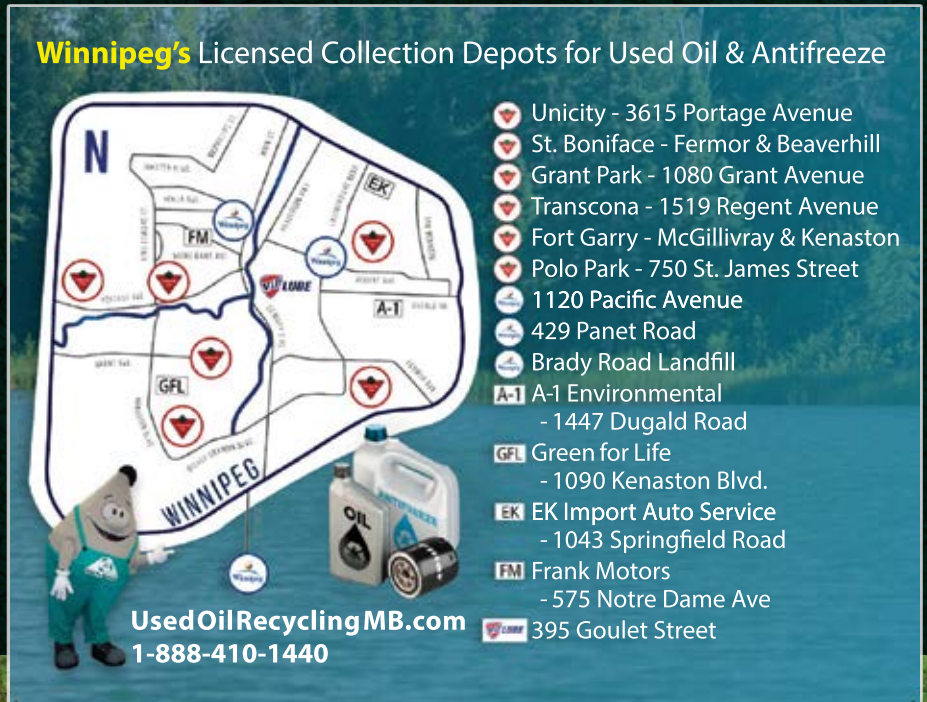
- Unicity - 3615 Portage Avenue
- St. Boniface - Fermor & Beaverhill
- Grant Park - 1080 Grant Avenue
- Transcona - 1519 Regent Avenue
- Fort Garry - McGillivray & Kenaston
- Polo Park - 750 St. James Street
- 1120 Pacific Avenue
- 429 Panet Road
- Brady Road Landfill
- 395 Goulet Street

Licensed Depots for Used Oil and Antifreeze in Rural Manitoba

- A-1 Environmental - 1447 Dugald Road
- Green for Life - 1090 Kenaston Blvd.
- EK Import Auto Service - 1043 Springfield Rd
- Frank Motors - 575 Notre Dame Ave.

AMBASSADOR PROGRAM

MARRC also distributed the City of Winnipeg and rural Manitoba fridge magnets detailing where used oil and antifreeze collection facilities are located around the Province.



Prizes distributed from both the Kornhole game as well as the Wheel of Fortune were helpful in generating excitement for our booth.



Insulated Cooler Bags



Mr. & Mrs. Oil Drop Tattoos



Hats



Tape Measures



Mr. Oil Drop Beanie Babies



Notebooks

AMBASSADOR PROGRAM

OUR PARTNERS IN PROGRESS

As everyone continued to navigate the COVID-19 pandemic and adapt to new realities, MARRC has had to adapt as well. In 2020 and 2021, we shifted our marketing and communications from our Ambassador Program, to an increased online presence as people continued an overall shift to using their media devices.

As the pandemic waned in 2022 with more people having received vaccinations, the public was eager to socialize again so we re-introduced our Ambassador Program.

The main focus of the Program was to engage with visitors by highlighting the importance of recycling. Visitors received information on recycling used oil and antifreeze products as well as valuable prize giveaways.

MARRC also partnered with 2 other Producer Responsible Organizations (PROs) and distributed their brochures and information as well:



This program is a free and easy way for people to dispose of old batteries and cell phones safely and reliably, diverting them away from landfills.



Cleanfarms is a national agricultural industry stewardship organization that contributes to a healthier environment and a sustainable future by recovering and recycling agricultural and related industry plastics, packaging and products. It collects materials for recycling and safe disposal through a network of some 1,500 ag retail and municipal partners. It is funded by its members in the crop protection, fertilizer, seed, animal health medication, and ag plastics industries. It has staff located in Lethbridge, Alberta; Moose Jaw, Saskatchewan; Winnipeg, Manitoba; Etobicoke, Ontario; and St-Bruno, Quebec.



MARRC rented a Suburban and a Rav4 for the Ambassador Program which were both wrapped with colourful advertising for used oil & antifreeze recycling and included both of our sponsors logos on 3 sides of each vehicle. The vehicles were very well received at each trade show, exhibition and parade.

SOCIAL MEDIA ADVERTISING

FACEBOOK

MARRC continued its Facebook advertising campaign that targetted individuals who would most likely find our ads relevant such as those with interests in ATVs, Automobiles, Motorcycles, CarGurus, Mechanics, Boating, Farming, RVs etc.

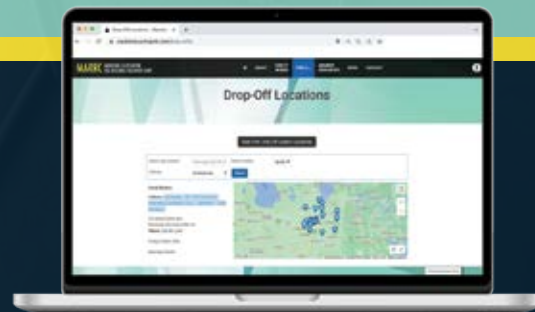
Every 2 weeks we updated our ads with fresh and interesting content including the promotion of our summertime Ambassador Program now back from a 2 year hiatus due to the covid pandemic.

We received quarterly updates on what was generating the most amount of interest through interactions (clicks), likes, impressions and number of people reached.



GOOGLE ADS COST PER CLICK (CPC)

Text ads in Google search results are triggered when a searcher, within the right geographical area, searches for something related to 15 keywords and or phrases that we target such as: Used oil, collection depots, used filters, antifreeze, used oil containers, motor oil disposal, recycling, ecocentres etc.



Our quarterly report advised how we fared for number of impressions for each key word, as well as number of clicks on our display ad. Changes can be made to more popular keywords if needed. Clicking on our ad directed the user to our collection depot drop-off location map where that person's nearest location could easily be found.

BUS ADS & TV COMMERCIAL



BACK OF THE BUS ADS

MARRC advertised on the back of 23 buses from the end of May until the beginning of September. As these buses travelled all over Winnipeg, they were viewed numerous times by drivers during this time period.



GLOBAL TV COMMERCIALS

MARRC advertised with 260 - fifteen second ads promoting our 4 - sixty second "Recycling Minute" segments which all aired on Global TV.

The sixty second segments highlighted the need to recycle used oil products and aired during the 10 o'clock news as well as the 6 o'clock news.



RADIO MEDIA PARTNERSHIPS



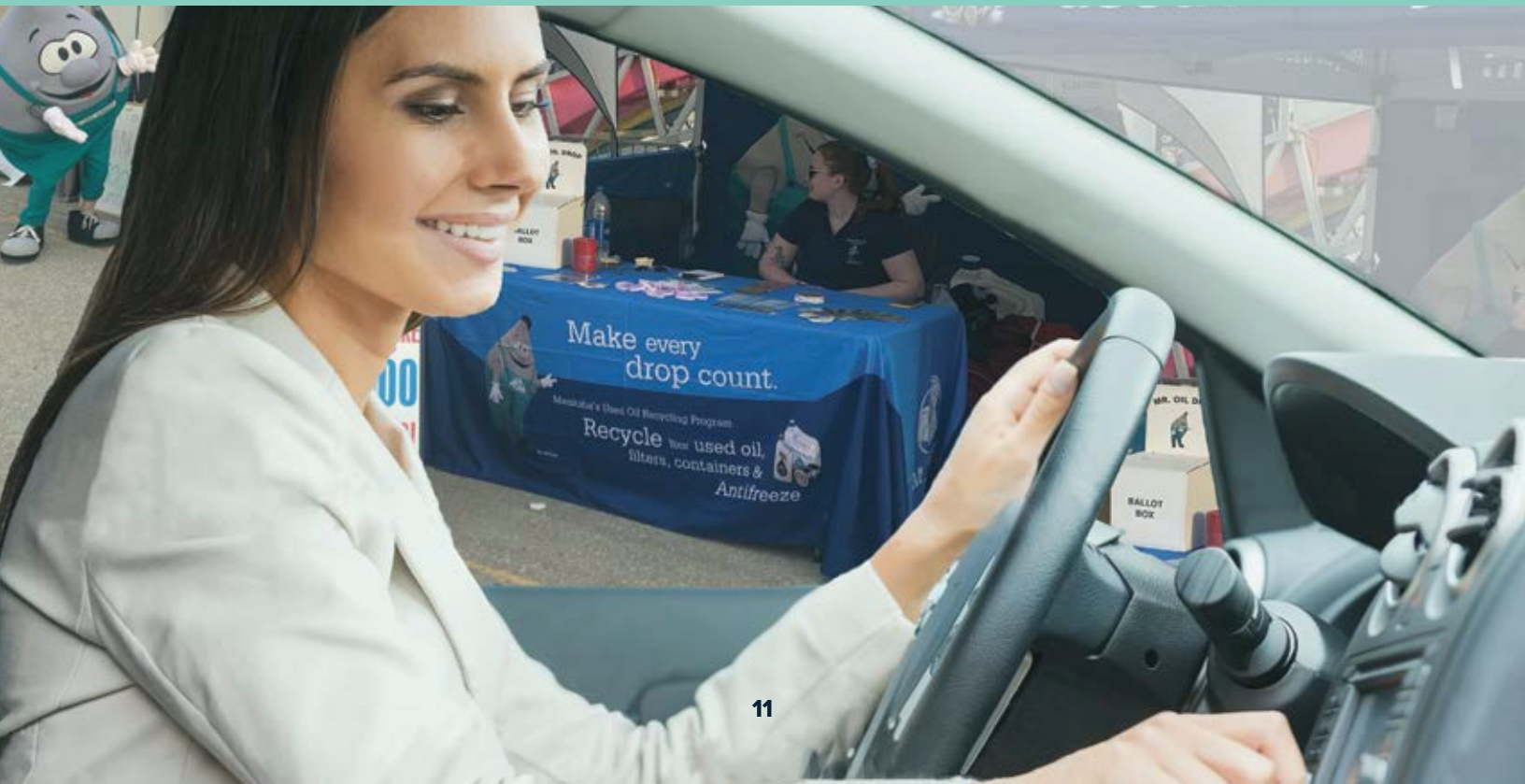
CJOB AM and Power 97 FM, Winnipeg radio stations aired over 700 ads promoting each specific local Ambassador event during the summer.



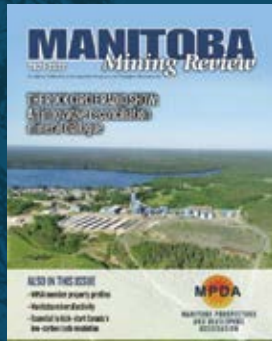
9 Manitoba rural radio stations aired over 600 ads promoting each specific local Ambassador event during the summer as well.



As we renewed our Ambassador Program after a 2 year hiatus, we expanded our advertising for the program in our radio network to also include Q Country 91.5FM | 94.7 STAR FM



NEWSPAPER & MAGAZINE PARTNERSHIPS



MANITOBA MINING REVIEW

Manitoba Mining Review is distributed to association members, all pertinent government officials and to all companies with an interest in mining.



FIRST NATIONS VOICE

First Nations Voice is a privately owned newspaper with a distribution of over 100,000 that provides an educational and information-sharing vehicle for both First Nations / Aboriginal communities and non-Aboriginal communities in Manitoba. The purpose is to educate, inspire and inform the general public from a First Nations / Aboriginal perspective.



THE LEAF & STREETS NEWSPAPERS

The Leaf is distributed to 4,100 residences in the Wolseley, Armstrong Point and South Broadway areas while the Streets is delivered to 4,500 residences in Winnipeg's West End.



WINNIPEG FREE PRESS COMMUNITY REVIEW EAST & WEST NEWSPAPERS

Winnipeg Free Press Community Review East & West Newspapers - have a combined circulation of over 230,000 in the City of Winnipeg and Headingly. MARRC advertised on the front page of both of these newspapers for Earth Day in April as well as Waste Reduction Week in October.

City of Winnipeg bolsters efforts to divert waste

Waste it comes to recycling, a little education can go a long way. It's not always clear to know whether items should be recycled, buried in the trash or even burned. The second hand we know it can be confusing, as we encourage people to find out what is acceptable to recycle in Winnipeg.

Winnipeg's waste management program, which has been in place since 1977, is one of the most advanced in the world. It's a city-wide program that has been successful in diverting waste from landfills and incinerators.

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MARRC EcoCentres help keep environment clean

By Tony Zerucha
 Special to Canstar

The Manitoba Association for Resource Recovery (MARRC) is working hard to keep used oil, antifreeze, and related products from damaging the environment.

Celebrating its 25th anniversary this year, MARRC was formed in 1997 by manufacturers and marketers of oil products in Manitoba. Its focus is the administration of a cost-effective, sustainable, user-financed, and province-wide stewardship program for used oil and antifreeze containers on behalf of its members.



at a company in St. Eustache, Man. "The shredded plastic goes through a series of chambers that generate intense heat," Strub said. "The material is vaporized into gas used to heat water and buildings and generate electricity. It's different from incineration that produces ash."

MARRC's efforts are paying off. Since 1998, Manitobans have helped recover 318 million litres of used oil, 36.1 million used oil filters, 5.6 million kilograms of used containers, and 34 million litres of used antifreeze.

Strub added that you don't have to be a repair shop or oil change centre to recycle used oil, filters, antifreeze, and containers. MARRC has 103 locations across Manitoba where smaller operations, hobbyists and backyard mechanics can drop off their used items. They include 53 EcoCentres that exceed used oil requirements, oil filters and container stewardship regulations, 36 licensed rural depots, and 14 in Winnipeg. Visit www.usedoilrecyclingmb.com to find a location near you.

Before you visit an EcoCentre, call ahead to confirm which materials and amounts are accepted and when they are open. Ensure the materials are not mixed with water, antifreeze, paint, or solvents. If you have larger quantities of used oil, filters, or containers, call a MARRC-registered collector to arrange pickup of those items. Recycling your used oil, antifreeze, filters, and containers has never been easier. Learn more at usedoilrecyclingmb.com or phone 1-888-410-1440 to find a convenient location.

EARTH DAY & WASTE REDUCTION WEEK

MARRC was interviewed for Waste Reduction Week in October as well as Earth Day in April and received free full page spreads in the Winnipeg Free Press Community Review in both issues.

LOCAL INITIATIVES

HARTNEY & MINTO SCHOOLS

Over 100 elementary school students from Grades K - 6 from both Hartney and Minto schools participated in a local colouring promotion. All students were presented with an animated sketch which depicted a true panel box (to be coloured in) and a false panel box depicting what to do or not to do with used oil products. All students received great prizes of bookmarks, beanie babies, wristbands and colourful notebooks.



ARBORG AND SURROUNDING AREA SCHOOLS

Over 250 students participated in a colouring promotion in Arborg schools where more of MARRC's prizes were distributed.

NORTHERN REMOTE & FIRST NATIONS COMMUNITIES COLLECTIONS

Producer Responsible Organizations (PROs) continue to sponsor the Backhaul Project which is aimed at removing stewardship and non-stewardship materials from participating First Nations Communities.

This year the communities involved were Barren Lands, Bunibonibee, Northlands Dene, Saisi Dene, St. Theresa Point and Wasagamack. Contact was made with **Manto Sipi** and **Pauingassi** for participation next year as they are upgrading their waste management / diversion infrastructure.

The success of the project in 2021/22 is in large part due to a continued collaborative process with the PROs, community operators, transporters, and processors.

COLLABORATION PARTNERSHIPS

10 participating PROs included the Canadian Battery Association, Call2Recycle, Electronic Products Recycling Association, Heating Refrigeration and Air Conditioning Institute of Canada, Health Products Stewardship Association, Manitoba Association for Resource Recovery Corp., Multi-Material Stewardship Manitoba Inc., Product Care Association of Canada, Recycle My Cell & Tire Stewardship Manitoba.

In total, 14 semi-trailer loads of material were removed from 4 communities, representing 6 PROs comprised of approximately 92,350 kg of non-stewardship and stewardship material.

Supplies to enhance material packing and storage capabilities were delivered to six communities. Through 2021/22 three additional used oil burning units were installed and certified in Wasagamack, Bunibonibee and Garden Hill.



Work continued to have burning units installed in 3 communities (Barren Lands, Northlands and Saisi).

KEY OUTCOMES

We are continuously fine-tuning our program delivery model that considers the full transportation cycle of products being delivered into communities, backhaul of diverted material out of communities on the same trucks and receiving and processing the material in Winnipeg.

The costs have been identified in detail and areas for efficiencies continue to be refined. The need to support community waste diversion workers, including training, proper equipment to safely do their jobs, and supplies to safely pack the material has been reinforced. Ideally this would involve periodic community visits to advise and train workers as well as provision of proper equipment and supplies.

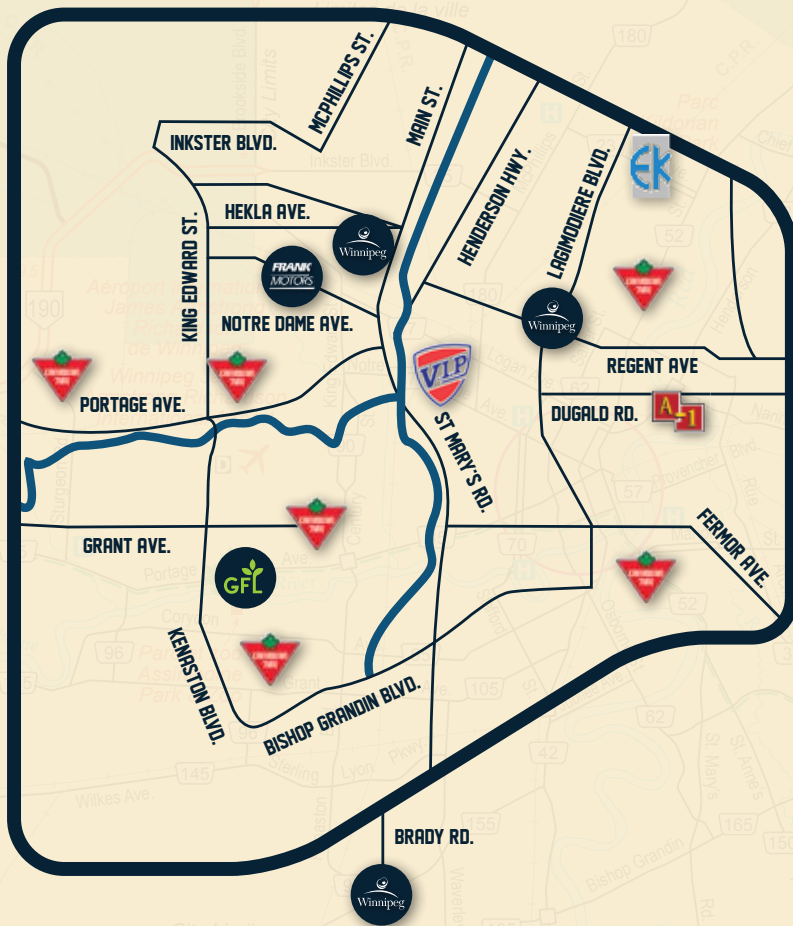
The need for communities to have adequate budgets to support worker wages, training, consumable supplies and costs for transport and handling of non-stewardship material has been reinforced. The cost/benefit of including all diverted material including stewardship and non-stewardship in backhaul transport trucks has been recognized.

There is a need for infrastructure and equipment to store diverted material and safely load it onto backhaul trucks including weather protected areas for material storage, loading equipment, and lights for loading at night.

Continued collaboration amongst the PROs is essential for any future northern backhaul collection program.

2022 HIGHLIGHTS

WINNIPEG COLLECTION DEPOT NETWORK



Brady Road Landfill



1120 Pacific Avenue



429 Panet Road

Canadian Tire

- Unicity - 3615 Portage Ave.
- St. Boniface - Fermor & Beaverhill
- Grant Park - 1080 Grant Ave.
- Transcona - 1519 Regent Ave.
- Fort Garry - McGillivray & Kenaston
- Polo Park - 750 St. James St.

VIP Lube - 395 Goulet St.

- Green for Life - 1090 Kenaston Blvd.**
- A-1 Environmental - 1447 Dugald Rd.**
- Frank Motors - 575 Notre Dame Ave.**
- EK Import Auto Service - 1043 Springfield Rd.**

City of Winnipeg Depots

- Brady Road Landfill
- 1120 Pacific Ave.
- 429 Panet Rd.

Go to UsedOilRecyclingMB.com to find the closest EcoCentre to your current location.

CHURCHILL

THOMPSON



FLIN FLON

CRANBERRY PORTAGE

THE PAS

LEGEND



CONVENTIONAL 10' X 24' ECOCENTRE BUILDING IN OPERATION

RED

OTHER LICENSED DEPOTS

14

14 LICENSED FACILITIES IN WINNIPEG

ST.THERESA POINT X2

GRAND RAPIDS

SWAN RIVER

BLOODVEIN

RORKETON

MOOSEHORN

HOLLOW WATER

ROBLIN

DAUPHIN

FISHER BRANCH

ARBORG

ASHERN

CHATFIELD

ARNES

GIMLI

RUSSELL

ONANOLE

ERIKSDALE

MELEB

TRAVERSE BAY

ROSSBURN

KELWOOD

INWOOD

DUNNOTAR

ST.GEORGES

ST. LAZARE

SHOAL LAKE

LANGRUTH

ST.LAURENT

CLANDEBOYE

BIRTLE

EDEN

WESTBOURNE

TEULON

STONEMALL

LAC DU BONNET

HAMIOTA

NEEPAWA

GLADSTONE

EARL GREY

BEAUSEJOUR

MINNEDOSA

PLUMAS

MAC GREGOR

RM OF ST CLEMENTS X2

SELKIRK

BRANDON X2

CARBERRY

PORTAGE X2

14

WHITEMOUTH

RM WALLACE

SOURIS

GLENBORO

ELM CREEK

HEADINGLEY

SPRINGFIELD X2

MINTO

DUNREA

NOTRE DAME

CARMAN

ST.PIERRE

LORETTE

HARTNEY

BALDUR

MORRIS

ST.JEAN

MONOMINTO

KILLARNEY

PILOT MOUND

ST.JEAN

STEINBACH X2

MELITA

DELORAINE

WINKLER X2

ALTONA

WASKADA

VITA

16

ECOCENTRES - REFLECTING AMALGAMATIONS

LOCATION	OWNER/OPERATOR	LOCATION	OWNER/OPERATOR
1 Steinbach	City of Steinbach	27 The Pas	Town of The Pas
2 Carman	Town of Carman	28 Winkler	City of Winkler
3 Melita	S K L Enterprises Ltd.	29 Morris	Town of Morris
4 Altona	Town of Altona / Municipality of Rhineland	30 St. Georges	RM of Alexander Town of Powerview-Pinefalls
5 Neepawa	Town of Neepawa	31 Traverse Bay	RM of Alexander & RM of Victoria Beach
6 Selkirk	City of Selkirk	32 Clandeboye	RM of St. Andrews
7 Russell	Municipality of Russell-Binscarth / Riding Mountain West	33 Vita	RM of Stuartburn
8 Glenboro	Municipality of Glenboro South Cypress	34 Lac du Bonnet	RM of Lac du Bonnet
9 Minto	Municipality of Grassland	35 Waskada	Municipality of Brenda-Waskada
10 Pilot Mound	Louise Integrated Waste Management	36 Carberry	RM of North Cypress-Langford
11 Baldur	RM of Argyle	37 Thompson	Thompson Recycling Centre
12 Swan River	Town of Swan River	38 St. Laurent	RM of St. Laurent
13 Hamiota	Hamiota Municipality	39 Erickson	Municipality of Clanwilliam-Erickson
14 Inwood	RM of Armstrong	40 Eriksdale	C.E.W.D.G. Board
15 Chatfield	RM of Armstrong	41 Flin Flon	City of Flin Flon
16 Meleb	RM of Armstrong	42 Dunrea	RM of Prairie Lakes
17 Virden	RM of Wallace-Woodworth	43 MacGregor	Municipality of North Norfolk
18 Arborg	BAR Waste Authority Co-op Inc.	44 Roblin	Municipality of Hillsburg-Roblin-Shell River
19 Gladstone	Municipality of Westlake-Gladstone	45 Onanole	Municipality of Harrison Park
20 Rosburn	Rosburn Municipality	46 Whitemouth	Whitemouth-Reynolds-North Whiteshell
21 Portage la Prairie	Portage & District Recycling Inc.	47 Gimli	RM of Gimli
22 Teulon	Town of Teulon & RM of Rockwood	48 Arnes	RM of Gimli
23 Brandon	City of Brandon	49 St. Lazare	RM of Ellice-Archie
24 Earl Grey	RM of St. Andrews	50 St. Pierre	RM of De Salaberry
25 Langruth	Municipality of Westlake-Gladstone	51 Lorette	RM of Taché
26 Elm Creek	RM of Grey	52 Souris	Municipality of Souris-Glenwood
		53 Birtle	Municipality of Prairie View



OTHER LICENSED COLLECTION FACILITIES

LOCATION	OWNER/OPERATOR	LOCATION	OWNER/OPERATOR
1 Winnipeg	A-1 Environmental Services, 1447 Dugald Rd.	24 Deloraine	Municipality of Deloraine-Winchester
2 Winnipeg	GFL Green For Life 1090 Kenaston Blvd.	25 Fisher Branch	RM of Fisher
3 Winnipeg	Frank Motors 575 Notre Dame Ave.	26 Moosehorn	RM of Grahamdale
4 Winnipeg	EK Import Auto Service Ltd., 1043 Springfield Rd.	27 Ashern	Municipality of West Interlake
5 Winnipeg	Canadian Tire Grant Park 1080 Grant Ave.	28 Dauphin	RM of Dauphin
6 Winnipeg	Canadian Tire East Kildonan 1519 Regent Ave.	29 Beausejour	Beausejour Tire
7 Winnipeg	Canadian Tire Polo Park 750 St. James St.	30 Hillside	RM of Springfield
8 Winnipeg	Canadian Tire Fort Garry McGillivray & Kenaston	31 Oakwood	RM of Springfield
9 Winnipeg	Canadian Tire St. Boniface Fermor & Beaverhill	32 Steinbach	Great Canadian Oil Change, 41 Hwy 12 North
10 Winnipeg	Canadian Tire Unicity 3615 Portage Ave.	33 Winkler	Great Canadian Oil Change, 611 Main Street
11 Winnipeg	VIP Lube 395 Goulet Street	34 Portage la Prairie	Great Canadian Oil Change, 1040 Saskatchewan Ave W
12 Winnipeg	4R, Brady Road Landfill		
13 Winnipeg	4R, 1120 Pacific Avenue	35 Brandon	Great Canadian Oil Change, 827 18th St
14 Winnipeg	4R, 429 Panet Road	36 Monominto	RM of Taché
15 Headingley	Recycle West 6 Sabrina Way	37 Shoal Lake	RM of Yellowhead
16 Stonewall	RM of Rockwood	38 Minnedosa	Evergreen Environmental Technologies
17 Notre Dame	Jean Farms Ltd.	39 Plumas	Municipality of Westlake-Gladstone
18 Hartney	Southwest Recycling	40 Westbourne	Municipality of Westlake-Gladstone
19 Grand Rapids	ET Development Ltd.	41 Eden	Municipality of Rosedale
20 Killarney	Town of Killarney	42 Kelwood	Municipality of Rosedale
21 Dunnottar	Village of Dunnottar	43 Dunning	RM of St. Clements
22 Cranberry	Portage LUD of Cranberry Portage	44 Clarke	RM of St. Clements
23 Rorketon	RM of Lakeshore	45 Libau	RM of St. Clements

NORTHERN REMOTE COMMUNITIES

LOCATION	OWNER/OPERATOR
1 St. Theresa Point	St. Theresa Point First Nation - Fire Station
2 St. Theresa Point	St. Theresa Point First Nation - End of Life Vehicle Garage
3 Churchill	The Town of Churchill
4 Hollow Water	Manitoba Aboriginal and Northern Affairs
5 Bloodvein	Bloodvein First Nation

MARRC SUPPORTS ITS ECOCENTRE NETWORK

As our used oil recycling program continues to grow, we strive to inform and educate as many Manitobans as possible. MARRC provides free initial and recurrent training for management and staff. The training and follow-up audits are designed to promote safe operation and compliance within provincial regulations on the handling of used oil products. We also provide funding of over \$350,000 to our existing network of collection facility drop-off locations which are all conveniently located across the province. This funding helps each owner/operator with costs for things like supplies, insurance and advertising to aid in the smooth operation of the facility.

Often times, prizes such as shop towels, windshield washer fluid or even new oil are distributed for free to those who recycle at these locations in order to encourage and sustain good recycling habits and help spread the word about drop off locations in the local community.

COLLECTION ACTIVITY

OIL

83.8%
TARGET 75%

Litres Sold **28.87 M Litres**
Less Lost in Service 35% **-10.11 M**

Net Recoverable **18.76 M Litres**



* 15.85 M litres were collected in 2022. In a 2022 MARRC study, 1.8 M litres of used oil was analyzed and 0.75% was found to be used Antifreeze or 118.8 K litres. This leaves 15.73 M litres of Used Oil collected.

FILTERS

76.7%
TARGET 75%

Filters Sold **2.194 M**
Filters Recoverable **2.194 M**
1,210,810 Kgs collected x 1.3479 Filters / Kg = **1.632 M filters collected +**
*51,000 filters were recycled in Manitoba vehicles = **1.683 M filters**



* 6% of the Canadian Auto Fleet is retired and then shredded each year resulting in 51 K filters being added in this total. Filters are not removed by auto shredders as they are recycled with the vehicle.

ANTIFREEZE

37.5%

Litres Sold - Concentrate 750.7 x 2 = **1,501.4 K Litres**
Pre-Mix **+2,493.1**

TOTAL **3,994.5**
Less Lost in Service 57%* **-2,276.9**

Net Recoverable **1,717.6 K Litres**



* Result of National Antifreeze Recoverable Rate Study by Chamard Environmental Strategies

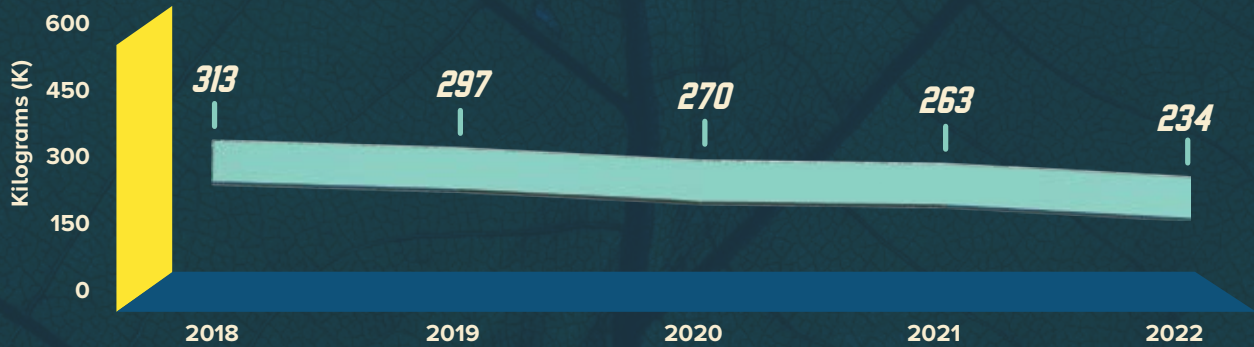
~ MARRC analyzed 1.84 Million litres of used oil in 2022 and discovered that 0.75% of all used oil collected is in fact used antifreeze. This is fairly consistent with other studies done across Canada. 15,848,474 L of used oil collected x 0.75% = 118,864 of pure Antifreeze x 2 conversion to pre mix is an extra 237,727 litres added on to the 405,645 litres already collected.

COLLECTION ACTIVITY

OIL CONTAINERS

39.1%

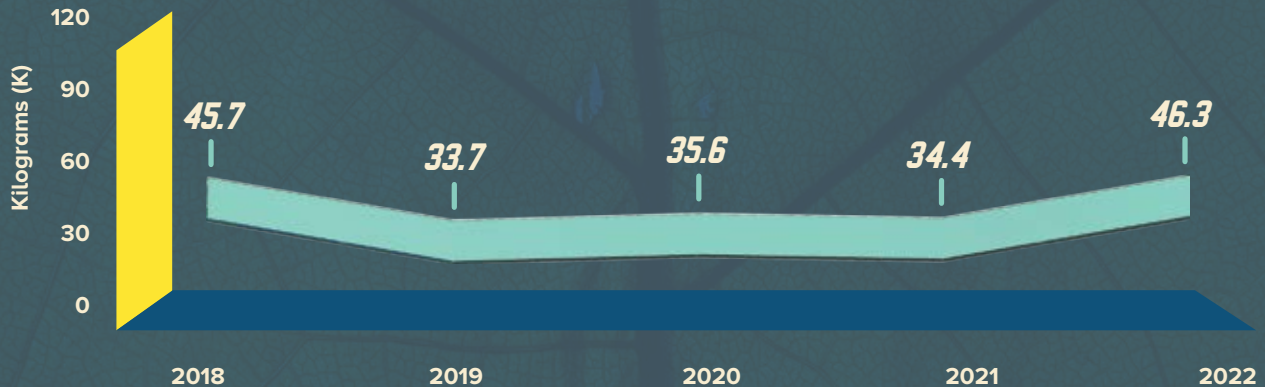
Units sold in litres **11,883 . 11 K Litres**
Converted to Kgs **÷ 19 . 83**
Net Recoverable **597 . 40 K Kgs**



ANTIFREEZE CONTAINERS

39.1%

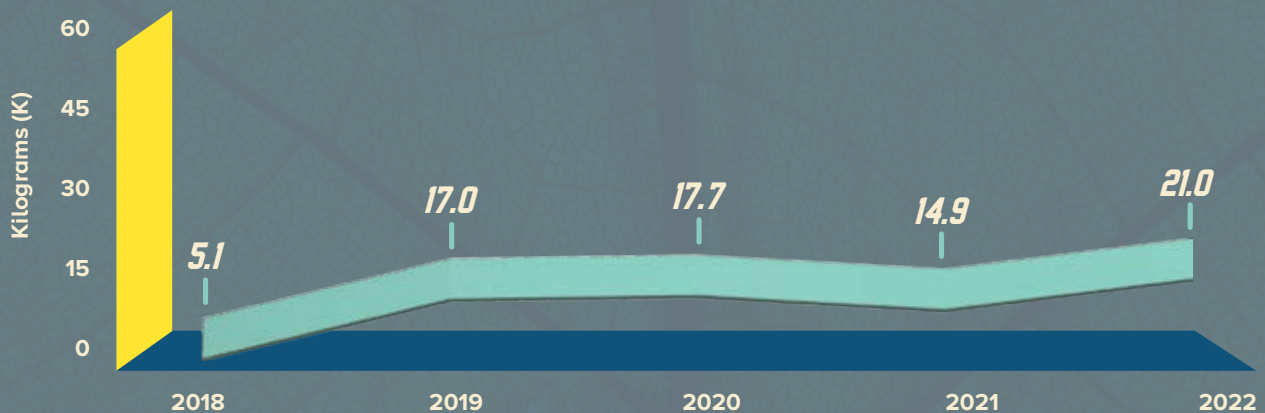
Units Sold in Litres **2,770 . 00 K Litres**
Converted to Kgs **÷ 23 . 38**
Net Recoverable **118 . 51 K Kg**



DEF CONTAINERS

39.1%

Units Sold in Litres **1,442 . 50 K Litres**
Converted to Kgs **÷ 26 . 32**
Net Recoverable **54 . 81 K Kg**



MARRC MEMBERS PAGE

49 North Lubricants Ltd.
10046880 Manitoba Ltd. (Oil Source)
A & I Products Canada Inc.
ADP Distributors Inc.
AGCO Corporation
AGS Company Automotive Solutions
AMSOIL Inc.
Acklands-Grainger Inc.
Agricity Crop & Nutrition Ltd.
Altrom Auto Group Ltd.
Applied Industrial Technologies Lp
April Super Flo Inc.
Atlas Copco Compressors Canada
Aviall Canada Ltd.
BASF Canada Inc.
BMW Canada Inc.
BOSS Lubricants
BP Lubricants USA Inc.
Baldwin Filters, Inc.
Beck/Arnley Worldparts, Inc.
BestBuy Distributors Limited
Blue Streak - Hygrade Motor Products
Bombardier Recreational Products Inc.
Bosch Rexroth Canada Corp.
Brandt Tractor Ltd.
Buhler Versatile Inc.
CLAAS of America Inc.
CNH Industrial Canada Ltd.
CORE-MARK International Inc.
CPT Canada Power Technology Limited
Cabela's Retail Canada Inc.
CanAgro Exports Inc.
Canadian Kawasaki Motors Inc.
Canadian Pacific Railway
Canadian Tire Corporation, Limited
Canadian Tire Petroleum
Castrol Industrial North America Inc.

Cervus Equipment Corporation
Champion Laboratories, Inc.
Chevron Canada Limited
Churchill Marine Tank Farm Co.
Cleanair Filter Service
Club Car LLC - Ingersoll Rand
Comairco Ltd.
Costco Wholesale Canada Ltd.
Cummins Western Canada
DAS Companies, Inc.
Daimler Trucks Canada Ltd.
Daleco Systems Inc.
Davanac Inc.
Ducati Canada Inc.
Echo Power Equipment (Canada)
FCA Canada Inc.
FHC Enterprises Inc.
FRAM Group Canada Inc.
Fastenal Canada Ltd.
Federated Co-operatives Limited
Ford Motor Company of Canada Ltd.
Forest River Inc.
Fort Garry Industries Ltd.
Fuchs Lubricants Canada Ltd.
Fuelex Energy Ltd.
G.F. Thompson Company Limited
G.K. Industries Ltd.
GEA Farm Technologies Canada Inc.
GFL Environmental Corp.
Gamma Sales Inc.
Gates Canada Inc.
General Motors of Canada Limited
Greenland Corporation
Harley-Davidson Canada L.P.
Hastings Filters
Henkel Canada Corporation
Hino Motors Canada Ltd.

Hitachi Energy Canada Inc.
Home Depot of Canada Inc.
Home Hardware Stores Limited
Honda Canada Inc.
Husky Energy Inc.
Husqvarna Canada Corp.
Hyundai Auto Canada Corp.
ITW Permatex Canada
Imperial Oil Ltd.
Importations Thibault Ltée
Industrial Truck Service Ltd.
Irving Blending & Packaging
Isuzu Commercial Truck of Canada Inc.
Jaguar Land Rover Group Canada Inc.
John Deere Canada ULC
KLONDIKE Lubricants Corporation
KTM Canada Inc.
Kadex Aero Supply Ltd.
Kaeser Compressors Canada Inc.
Kalmar USA Inc.
Kia Canada Inc.
Kimpex Inc.
King-O-Matic Industries Limited
Kleen-Flo Tumbler Industries Limited
Krone North America
Kubota Canada Ltd.
LCT Lubricants Inc.
Leibherr Canada Ltd.
Loblaw Inc.
Lubricon Industries Canada Limited
Lucas Oil Products (Canada) Company
MANN & HUMMEL Filtration Technology US ULC
MANN & HUMMEL Purolator Filters LLC
MFTA Canada Inc.
Maddon Industries Ltd.
Machinerie R. Gagnon Inc.
Mahle Aftermarket Inc.

MARRC MEMBERS PAGE

Manitoba Hydro	Parker Hannifin Canada	The North West Company Inc.
Maxim Transportation Services Inc.	Parkland Industries Ltd. (Bluewave Energy)	Toromont Industries Ltd.
Mazda Canada Inc.	Partner Technologies Inc.	Total Canada Inc.
Mercedes-Benz Canada Inc.	Parts Canada	Toyota Canada Inc.
Mid-Canada Filtration Solutions	PartsSource Inc.	Transt Warehouse Distribution
Midwest Sales	Peavey Industries Limited	UAP Inc.
Miller Supply Ltd.	Petro-Canada Lubricants Inc.	Ultra Clear Engine Fluids Inc.
Mitsubishi Motor Sales of Canada, Inc.	Phillips 66 Canada Ltd.	United Chemical Services
Modern Sales Co-op	Polaris Industries Inc.	United Farmers of Alberta Co-op Ltd.
Mopac Auto Supply (Alberta) Ltd.	Porsche Cars Canada Inc.	Univar Canada Ltd.
Mopac Auto Supply Ltd.	Prestone Canada	Vallen Canada Inc.
Motion Industries (Canada) Inc.	Prévost, a Division of Volvo Group Canada Inc.	Valvoline Canada Ltd.
Motor Coach Industries Limited	Princess Auto Ltd.	Vermeer Canada Inc.
Motosel Industrial Group Inc.	RONA Inc.	Viscosity Oil Company
Motovan Corporation	Radiator Specialty Company of Canada Ltd.	Volkswagen Canada Inc.
NCH Canada Inc.	Recochem Inc.	Volvo Cars of Canada Corp.
National Energy Equipment Inc.	Reesink Canada Wholesale	Volvo Group Canada Inc.
Navistar Canada Inc.	Robco Inc.	Wainbee
NemCo Resources Ltd.	Robert Bosch Inc.	Wajax Equipment
New Flyer Industries Ltd.	SC CLS Holding ULC	Wajax Industrial Components
Nissan Canada Inc.	SMS Equipment Inc.	Wakefield Canada Inc.
Noco Lubricants LP	Safety-Kleen Canada Inc.	Wal-Mart Canada Corp.
Norcan Fluid Power Ltd.	Shell Canada Products Ltd.	Wallace & Carey Ltd.
Nynas Inc.	Sherwin Williams Canada Inc.	Westcon Equipment & Rentals Ltd.
Oil Depot Limited	Southwestern Petroleum Lubricants LLC	Westpower Equipment Ltd.
Oil Mart Limited	Stihl Limited	Worldpac Canada Inc.
Orgill Canada Hardlines ULC	Subaru Canada Inc.	Wurth Canada Limited
OBR Oil and Marine Inc.	Suzuki Canada Inc.	Yamaha Motor Canada Ltd.
PACCAR of Canada, Ltd. Parts Division	TVH Canada Ltd.	Yetman's Ltd.
PTI Transformers Inc.	Texas Refinery Corp. of Canada Limited	
PSC-Power Source Canada Ltd.	Textron	

EHC ONLINE REPORTING SYSTEM

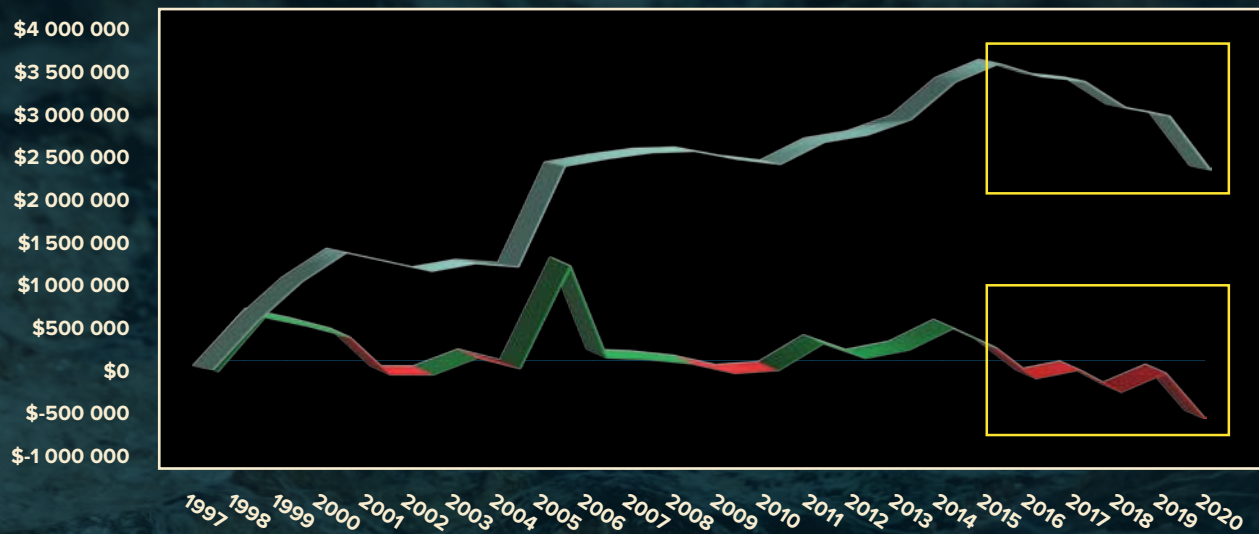
Feedback from the UOMA Members on our “EHC OneWindow” portal remains positive as the site continues to evolve in order to meet the needs of our Membership.

ENVIRONMENTAL HANDLING CHARGE (EHC) INCREASE

As MARRC had incurred 5 years of consecutive losses since we last increased the Return Incentives for our collectors in 2016, an increase in the EHC was now necessary.

NET ASSETS

Retained Earnings — Annual Gain or Annual Loss



EFFECTIVE SEPTEMBER 1 2021 MARRC'S EHC INCREASES CONSISTED OF THE FOLLOWING

- Oil - \$0.01 per litre (First increase on oil since inception in 1997)
- Oil, AF & DEF Containers - \$0.02 per litre capacity (Second increase on containers since inception)
- Non-HDPE & Non Metal Containers - \$0.03 per litre capacity (First increase on these since we accepted them into the program).

This is expected to bring in an additional \$620,000 into the program.

RETURN INCENTIVE (RI) INCREASE

We received letters from 3 of our Collectors, who represent 95% of MARRC's overall collections, requesting a substantial RI increase and providing many legitimate reasons for the request as inflation had affected every aspect of their businesses. To support overall collections, MARRC is distributing the recent EHC increase to collectors by raising the RI rates. MARRC's RIs were well below our neighboring Province of Saskatchewan who recently increased their own Return Incentive Rates. Harmonization with other provinces is always desired when possible. Effective July 1, 2022, MARRC's RI Rates increased across all products. It is anticipated that MARRC will spend an additional \$440,000 annually, which represents 71% of the overall EHC increase.

**Manitoba Association for
Resource Recovery Corp.**

Financial Statements
December 31, 2022



Independent auditor's report

To the Members of Manitoba Association for Resource Recovery Corp.

Our opinion

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

What we have audited

The Corporation's financial statements comprise:

- the balance sheet as at December 31, 2022;
- the statement of operations for the year then ended;
- the statement of changes in net assets for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

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

Independence

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

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal

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T: +1 204 926 2400, F: +1 204 944 1020

"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation'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 Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.



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

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

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Winnipeg, Manitoba
March 31, 2023

Manitoba Association for Resource Recovery Corp.

Balance Sheet

As at December 31, 2022

	2022 \$	2021 \$
Assets		
Current assets		
Cash and cash equivalents	913,218	1,332,900
Short-term investments (note 4)	-	223,501
Environmental handling charges receivable	1,365,659	1,344,993
Accrued interest receivable	3,472	5,745
Prepaid expenses and deposits	905	905
Inventory	36,667	55,000
	<u>2,319,921</u>	<u>2,963,044</u>
Long-term investments (note 4)	<u>1,496,868</u>	<u>519,064</u>
Capital assets		
Office furnishings, equipment, leasehold improvements, and computer software	162,683	160,191
Less: Accumulated amortization	92,998	70,110
	<u>69,685</u>	<u>90,081</u>
	<u>3,886,474</u>	<u>3,572,189</u>
Liabilities and Net Assets		
Current liabilities		
Return and processing incentives payable	576,694	411,587
Accounts payable and accrued liabilities (note 5)	277,991	285,042
Current portion of amount payable to member (note 6)	-	137,763
	<u>854,685</u>	<u>834,392</u>
Long-term liabilities		
Amount payable to member (note 6)	-	<u>275,527</u>
Net Assets		
Invested in capital assets	69,684	90,081
Unrestricted	<u>2,962,105</u>	<u>2,372,189</u>
	<u>3,031,789</u>	<u>2,462,270</u>
	<u>3,886,474</u>	<u>3,572,189</u>

Commitments (note 7)

Approved by the Board of Directors



Director



Director

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

Manitoba Association for Resource Recovery Corp.

Statement of Operations

For the year ended December 31, 2022

	2022 \$	2021 \$
Revenue		
Environmental handling charges	5,147,299	4,424,133
Membership fees	2,395	2,000
	<hr/> 5,149,694	<hr/> 4,426,133
Expenses		
Return and processing incentives	3,615,082	3,294,479
EcoCentre support costs (note 8)	339,748	380,888
Wages, contract and benefits	142,287	200,249
Ambassador program (note 9)	99,623	815
Professional fees	89,969	92,955
Public relations and promotion (note 10)	81,574	56,440
Computer software support	56,112	58,286
Rent	47,984	45,651
Compliance reviews	27,442	32,000
Amortization	22,888	22,303
Director fees and expenses	18,239	19,885
Travel and automobile	17,450	5,634
Meetings	14,654	3,007
Office and administration	13,006	18,786
Telephone and fax	10,694	10,735
Insurance	7,193	6,456
Bank charges and interest	4,641	1,647
Bursaries	2,500	5,000
Container freight and plastic processing costs	2,398	73,517
Antifreeze study	1,783	-
Used oil lost in service study	-	7,305
	<hr/> 4,615,267	<hr/> 4,336,038
Excess of revenue over expenses from operations	534,427	90,095
Investment income	35,092	31,474
Excess of revenue over expenses	<hr/> 569,519	<hr/> 121,569

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

Manitoba Association for Resource Recovery Corp.

Statement of Changes in Net Assets

For the year ended December 31, 2022

	2022 \$	2021 \$
Balance – Beginning of year	2,462,270	2,340,701
Excess of revenue over expenses	<u>569,519</u>	<u>121,569</u>
Balance – End of year	<u>3,031,789</u>	<u>2,462,270</u>

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

Manitoba Association for Resource Recovery Corp.

Statement of Cash Flows

For the year ended December 31, 2022

	2022 \$	2021 \$
Cash and cash equivalents provided by (used in)		
Operating activities		
Excess of revenue over expenses	569,519	121,569
Item not affecting cash		
Amortization	22,888	22,303
	<hr/>	<hr/>
	592,407	143,872
Changes in non-cash working capital items	(255,294)	(407,338)
	<hr/>	<hr/>
	337,113	(263,466)
Investing activities		
Purchase of capital assets	(2,492)	(5,008)
Purchase of investments	(977,804)	(12,500)
Proceeds on redemption and sale of investments	223,501	1,073,811
	<hr/>	<hr/>
	(756,795)	1,056,303
(Decrease) increase in cash and cash equivalents during the year	<hr/>	<hr/>
	(419,682)	792,837
Cash and cash equivalents – Beginning of year	<hr/>	<hr/>
	1,332,900	540,063
Cash and cash equivalents – End of year	<hr/>	<hr/>
	913,218	1,332,900

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

Manitoba Association for Resource Recovery Corp.

Notes to Financial Statements

December 31, 2022

1 Nature of operations

Manitoba Association for Resource Recovery Corp. (the Corporation) was formed by oil and oil filter first sellers in Manitoba to develop, implement and administer a used lubricating products stewardship program in the province and began operation on January 1, 1997. The Corporation was incorporated as a not-for-profit corporation without share capital under The Corporations Act of Manitoba on April 1, 1997. On February 26, 1998, the Corporation received approval to operate its Used Lubricating Products Stewardship Program from the Minister of Environment, Province of Manitoba. On May 1, 2011, the Corporation was also approved to operate its Antifreeze Stewardship Program by the Minister of Conservation, Province of Manitoba. The Antifreeze Stewardship Program began active operations on August 1, 2011. On April 25, 2018, the Corporation was also approved to operate its Other MARRC Designated Materials Program by the Minister of Sustainable Development, Province of Manitoba. The Other MARRC Designated Materials Program began active operations November 5, 2018 with the collection of an environmental handling charge on diesel exhaust fluid containers.

On July 26, 2018, the Corporation received approval to continue to operate the Used Lubricating Products Stewardship Program and the Antifreeze Stewardship Program from the Minister of Sustainable Development, Province of Manitoba until June 30, 2023. The Corporation submitted application for the Used Lubricating Products Stewardship Program, the Antifreeze Stewardship Program and the Other MARRC Designated Materials Program in January of 2023 and is currently waiting approval of the applications from the Province of Manitoba.

As a not-for-profit corporation, no provision for corporate income taxes has been made in these financial statements pursuant to paragraph 149(1)(l) of the Income Tax Act.

2 Basis of presentation

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

3 Summary of significant accounting policies

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and cash and cash equivalents held at banking institutions.

Inventory

Inventory is valued at the lower of cost and net realizable value. Inventory consists of promotional items on hand for the Ambassador program.

Investments

Investments consist of guaranteed investment certificates (GICs). Investments that are intended to be held or that have maturity dates under a year are deemed to be short-term investments, with all others classified as

Manitoba Association for Resource Recovery Corp.

Notes to Financial Statements

December 31, 2022

long-term investments. Realized and unrealized gains and losses are included as investment income in the statement of operations. Purchases and sales are recognized using trade date accounting.

Capital assets

Capital assets are carried at acquisition cost less accumulated amortization. Amortization of office furnishings, equipment, leasehold improvements, and computer software is calculated on a straight-line basis at an annual rate of 20%, based on the estimated useful lives of these assets. One-half of the annual rates are charged in the year of acquisition.

Revenue recognition

The Corporation follows the deferral method of accounting for revenues. Revenue from environmental handling charges is recognized in the year for which suppliers and end-users assess it, as regulated by the Used Oil, Oil Filters and Containers Stewardship Regulation, the Household Hazardous Material and Prescribed Material Stewardship Regulation and by the Packaging and Printed Paper Stewardship Regulation, all under The Waste Reduction and Prevention Act. The one-time membership fees are recorded as revenue when the participating companies join the Corporation.

Dividend and interest income from investments and cash equivalents is recognized when earned and is recorded as investment income in the statement of operations.

Return and processing incentives

The return and processing incentives are recognized as an expense in the year to which the claim relates.

Use of estimates

The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual amounts could differ from those estimates.

Financial instruments

Financial assets and financial liabilities are initially recognized at fair value and subsequently measured at amortized cost.

Financial assets measured at amortized cost include cash and cash equivalents, investments, environmental handling charges receivable and accrued interest receivable.

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

Manitoba Association for Resource Recovery Corp.

Notes to Financial Statements

December 31, 2022

Financial assets are tested for impairment at the end of each reporting period when there are indications that the assets may be impaired.

Change in accounting policy

During 2021, the Corporation changed its accounting policy related to the classification of its accounts for financial reporting purposes. In previous periods, the accounts of the Corporation were maintained in accordance with the principles of fund accounting. Fund accounting is a procedure whereby a self-balancing group of accounts is provided for each accounting fund established by the Corporation. For financial reporting purposes, the accounts were previously classified into several funds, including Used Lubrication Products Stewardship Program, Antifreeze Stewardship Program, Diesel Exhaust Fluid Program and Invested in Capital Assets. On October 14, 2021, the Province of Manitoba gave permission to MARRC to consolidate the programs' revenue and expenses in its financial statements going forward. Therefore, the Corporation has decided to not apply fund accounting. Management judges that the new policy is preferable because it simplifies the presentation of the financial statements of the Corporation and provides more relevant information.

4 Investments

	Maturity date	Interest rate %	2022 \$	2021 \$
Short-term investments				
Crosstown Credit Union GIC			-	107,009
Crosstown Credit Union GIC			-	116,492
			-	223,501
Long-term investments				
Access Credit Union GIC	August 22, 2024	2.75	250,234	243,537
Access Credit Union GIC	November 20, 2025	1.80	285,535	275,527
Access Credit Union GIC	December 23, 2027	4.90	250,000	-
Access Credit Union GIC	December 23, 2027	4.90	250,000	-
Access Credit Union GIC	December 23, 2027	4.90	250,000	-
Access Credit Union GIC	December 23, 2025	4.70	211,099	-
			1,496,868	519,064
			1,496,868	742,565

5 Government remittances

Government remittances consist of amounts required to be paid to government authorities and are recognized when the amounts become due. In respect of government remittances, \$53,860 (2021 – \$33,288) is included in accounts payable and accrued liabilities.

Manitoba Association for Resource Recovery Corp.

Notes to Financial Statements

December 31, 2022

6 Payable to member

	2022 \$	2021 \$
Environmental handling charge overpayment, repayable over five years, non-interest bearing	-	413,290
Less: Current portion	-	137,763
	<hr/>	<hr/>
	-	275,527

The Corporation repaid the entire balance payable to member during 2022.

The Corporation had a standby letter of credit available in the amount of \$275,526 as security against the payable to member. The letter of credit is secured by long-term investments. The letter of credit was cancelled on January 25, 2023.

7 Commitments

Operating lease

The minimum rental for leased premises under a lease to February 28, 2028 is as follows:

	\$
Fiscal year ending December 31, 2023	47,738
2024	47,738
2025	47,738
2026	47,738
2027 and thereafter	55,694

EcoCentres

The Corporation has entered into automatic two-year renewal agreements with 89 EcoCentres and licensed collection facilities that were established to provide no-cost drop-off centres for used oil and antifreeze materials.

As part of its contractual agreement with each EcoCentre owner-operator, the Corporation is committed to provide annual operating support until July 31, 2023. The operating support payments for the EcoCentres currently in operation are estimated to be as follows:

	\$
Fiscal year ending December 31, 2023	207,309

Manitoba Association for Resource Recovery Corp.

Notes to Financial Statements

December 31, 2022

8 EcoCentre support costs

	2022 \$	2021 \$
Operating and capital support	317,193	347,608
Remote Centres support	7,643	1,613
Operational audits, training and supplies	1,495	10,461
Winter road project	13,417	21,206
	<hr/> 339,748	<hr/> 380,888

9 Ambassador program

	2022 \$	2021 \$
Wages	35,304	500
Handouts, bookmarks, ball caps and draw prizes	27,081	-
Transportation, meals and accommodation	30,364	-
Trade show fees, uniforms, supplies and insurance	6,874	315
	<hr/> 99,623	<hr/> 815

10 Public relations and promotion

	2022 \$	2021 \$
Radio	19,096	17,712
Website	9,408	6,422
Marketing, advertising and promotional material	42,395	7,809
Northern region advertising	1,939	2,574
Annual report	8,736	7,923
Collection facility advertising	-	12,000
Mural	-	2,000
	<hr/> 81,574	<hr/> 56,440

Manitoba Association for Resource Recovery Corp.

Notes to Financial Statements

December 31, 2022

11 Financial instruments

The Corporation manages risk and risk exposures by applying policies approved by the Board of Directors.

Credit risk

Credit risk arises from the potential that a counterparty will fail to perform its obligations. The Corporation is exposed to credit risk through its environmental handling charges receivable. The risk is minimized due to the large registrant base.

Interest rate risk

Interest rate risk refers to the risk that a financial instrument or cash flows associated with the instrument will fluctuate due to the changes in interest rates. The Corporation's exposure to interest rate risk pertains to interest-bearing, short-term and long-term investments, which are subject to future changes in interest rates.

Liquidity risk

Liquidity risk is the risk that the Corporation will encounter difficulty in meeting its financial obligations associated with financial liabilities in full. A range of alternatives is available to the Corporation including cash flow provided by operations, debt or a combination thereof.

12 Comparative information

Certain prior year balances have been reclassified to conform with the current year's presentation.

MANITOBA ASSOCIATION OF RESOURCE RECOVERY CORP. MARRC BOARD OF DIRECTORS AND STAFF



BACK ROW: Lutz Ehrentraut (Secretary-Treasurer), Paul Linchuang (Director), Michael Strub (Administrative Assistant).

FRONT ROW: Aaron Strub (Executive Director), Richard Waller (Director), Manny Micklash (Director), Joe Casciano (Chairman).

BOARD OF DIRECTORS

Joe Casciano, Midwest Sales

CHAIRMAN

Lutz Ehrentraut, Representing the Public

SECRETARY TREASURER

Richard Waller, Imperial Oil

DIRECTOR

Paul Linchuang, Fram Group Canada Inc.

DIRECTOR

Manny Micklash, Valvoline Canada Corp.

DIRECTOR

MARRC OFFICE

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LEGAL COUNSEL

Fillmore Riley, Barristers & Solicitors

AUDITORS

PricewaterhouseCoopers LLP, Chartered

Professional Accountants

STAFF

Aaron Strub

EXECUTIVE DIRECTOR

Michael Strub

ADMINISTRATIVE ASSISTANT

MARRC MANITOBA ASSOCIATION FOR
RESOURCE RECOVERY CORP.





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