

# **Major Appliance Recycling Roundtable**

## **Annual Report to the Director**

### **2013 Calendar Year**

**(January 1 – December 31, 2013)**

**Submitted to:** David Ranson  
Director, Waste Management  
PO Box 9341, STN PROV GOVT  
Victoria, BC V8W 9M1

**Prepared by:** Warrington Ellacott, Chair of MARR Board of Directors  
Major Appliance Recycling Roundtable (MARR)  
105 West 3<sup>rd</sup> Avenue  
Vancouver, British Columbia, V5Y 1E6  
1-888-252-4621

**June 30, 2014**

## Table of Contents

<b>1. Executive Summary .....</b>	<b>1</b>
<b>2. Program Outline.....</b>	<b>3</b>
<b>3. Public Education Materials and Strategies.....</b>	<b>4</b>
<b>4. Collection System and Facilities .....</b>	<b>5</b>
<b>5. Product Environmental Impact Reduction, Reusability and Recyclability .....</b>	<b>6</b>
<b>6. Pollution Prevention Hierarchy and Product / Component Management .....</b>	<b>8</b>
<b>7. Product Sold and Collected and Recovery Rate .....</b>	<b>9</b>
<b>8. Summary of Deposits, Refunds, Revenues and Expenditures .....</b>	<b>12</b>
<b>9. Plan Performance .....</b>	<b>13</b>
 <b>APPENDIX A – Educational Materials .....</b>	 <b>14</b>
<b>APPENDIX B – Detailed List of Sites that Accept All MARR Products .....</b>	<b>17</b>
<b>APPENDIX C – Third Party Assurance Statement for Non-Financial Information .....</b>	<b>28</b>
<b>APPENDIX D – 2013 MARR Financial Statements .....</b>	<b>33</b>

## 1. Executive Summary

<b>Products within plan</b>	<p>The MARR plan includes major household appliances powered either by 120 volt or 240 volt input power that have been designed for use in residential homes, including those that use natural gas or propane for heating purposes. Appliances used in or sold for industrial, commercial and/or institutional (IC&amp;I) applications that have the same essential design characteristics as major household appliances, as defined above, are also included.</p> <p><b>Major product types include:</b></p> <ul style="list-style-type: none"> <li>• Refrigerators, wine coolers and beverage centers</li> <li>• Freezers</li> <li>• Portable, room and window air conditioners</li> <li>• Portable Dehumidifiers</li> <li>• Clothes washers and dryers</li> <li>• Ranges, built-in ovens and surface cooking units</li> <li>• Built-in and over the range microwave ovens</li> <li>• Dishwashers</li> <li>• Food waste disposers and trash compactors</li> <li>• Electric water dispensers</li> </ul> <p>For a detailed list of included products and relevant definitions, please refer to the MARR website at <a href="http://www.marrbc.ca">www.marrbc.ca</a></p>
<b>Program website</b>	<a href="http://www.marrbc.ca">www.marrbc.ca</a>

Recycling Regulation Reference	Topic	Summary Report
Part 2, section 8(2)(a)	<a href="#">Public Education Materials and Strategies</a>	<ul style="list-style-type: none"> <li>• Formation of MARR-Local Government Advisory Committee</li> <li>• MARR website (MarrBC.ca) updated in 2013</li> <li>• MARR participated in SABC Task Group communications discussions</li> <li>• Two newsletters emailed to participants</li> <li>• Key deliverables completed include point of sale materials, participation in the Recycling Council of BC Hotline and Recyclepedia, and FAQs</li> </ul>

Recycling Regulation Reference	Topic	Summary Report
Part 2, section 8(2)(b)	<a href="#">Collection System and Facilities</a>	<ul style="list-style-type: none"> <li>Existing comprehensive collection network available in market-driven system</li> <li>System study research mainly completed in 2013, results submitted in early 2014.</li> <li>251 drop-off collection sites were found to accept all types of major appliances, in addition to pick-up services offered</li> <li>Accessibility for BC residents to a drop off location for major appliances was estimated at 98.5% for all locations, and 93.6% for free drop-off locations.</li> </ul>
Part 2, section 8(2)(c)	<a href="#">Product Environmental Impact Reduction, Reusability and Recyclability</a>	<ul style="list-style-type: none"> <li>Processing standard to be implemented to ensure proper decommissioning and safe handling of substances of concern</li> <li>Certification and audit system to be implemented to monitor adherence to the standard</li> <li>MARR Technical Committee continued stakeholder engagement in 2013</li> </ul>
Part 2, section 8(2)(d)	<a href="#">Pollution Prevention Hierarchy and Product / Component Management</a>	<ul style="list-style-type: none"> <li>System study research completed in 2013, reported to PCA in early 2014.</li> <li>74% of the total weight of end-of-life major appliances are ultimately recycled.</li> </ul>
Part 2, section 8(2)(e)	<a href="#">Product Sold and Collected and Recovery Rate</a>	<ul style="list-style-type: none"> <li>Producers registered for MARR and began reporting sales for August 1, 2013</li> <li>System study estimated the quantity of products collected to be 35,699 tonnes, with an estimated collection rate of 98%</li> </ul>
Part 2, section 8(2)(e.1)		
Part 2, section 8(2)(f)	<a href="#">Summary of Deposits, Refunds, Revenues and Expenses</a>	<ul style="list-style-type: none"> <li>Please see Appendix D for independently audited financial statements.</li> </ul>

Comparison of Key Performance Targets*			
Part 2 section 8(2)(g); See full list of targets in <a href="#">Plan Performance</a>			
Performance Measure	Target	2013 Results	Remediation Strategies
Collection rate	75% interim target for first two years. Target to be established for years 3-5	98% of major appliances available to collect were captured.	n/a

\*Refer to Section 5 for additional information that MARR will be providing on an annual basis, once available.

## 2. Program Outline

The Major Appliance Recycling Roundtable (MARR) is a not-for-profit stewardship agency created to implement and operate a stewardship plan for end-of-life major household appliances in the province of British Columbia (BC) on behalf of the major appliance “producers” who are obligated under the BC Recycling Regulation. The MARR stewardship plan was developed jointly by the Association of Home Appliance Manufacturers Canada (AHAM Canada) and Retail Council of Canada (RCC) and received the approval of BC’s Ministry of Environment on June 29, 2012.

The MARR stewardship plan is fundamentally unique compared to many other British Columbia product stewardship programs. The financial value of end-of-life major appliances has given rise to a highly effective market-driven collection and recycling system for EoL major appliances. As such, the MARR plan is focused on enhancing the performance and transparency of the existing market-based system of collecting and recycling major household appliances in BC, rather than supplanting or replacing this system with a traditional stewardship model.

In particular, the MARR stewardship plan includes commitments to:

- Implement a recycling and processing standard as well as a processor certification and audit program to address the proper decommissioning of substances of concern in end-of-life major appliances;
- Work with collectors and recyclers to research and promote best practices to ensure on-going system performance and improvement;
- Create a branding and communications program to encourage market participation in the MARR processing standard; and
- Conduct operational system studies on the operation and performance of the market-driven recycling system.

Product Care Association (PCA) was contracted in early 2013 by MARR to provide program management services and to assist in implementing the MARR stewardship plan in BC. Some of the highlights of 2013 for MARR include development of a website for producers, consumers and collectors/recyclers of major appliances in BC as well as the launch of the producer recruitment phase of the program. In support of recruitment, branding and communications tools were developed and a thorough Frequently Asked Questions (FAQ’s) section was made available.

The MARR stewardship plan also refers to one or more studies that are to be completed on the market-driven collection and recycling system for major appliances in BC within the first two years of the program:

- s6.6 - study to validate the performance of the BC market driven system for major appliances
- s6.9 - study of accessibility and fees for collection in the BC system to assess the extent to which the public has access to free versus fee for service appliance collection services;
- s7.1 - study into the BC major appliances recycling system in order to develop a more complete picture of how the market-driven system functions in BC including its overall diversion rates.

Given the largely overlapping objectives and information that would be collected under each of these commitments, MARR combined these three commitments into one large study entitled the MARR Study on the Operations and Effectiveness of the British Columbia End-of-Life Major Appliance Collection and Recycling System which was well underway in 2013, and completed in May 2014.

The MARR-Local Government Advisory Council (MARR-LGAC) was created in 2013 to provide a forum for local governments to deliver their unique perspective and advice to MARR, and for MARR to better understand municipal and regional needs, capabilities and capacities. MARR also continues to engage stakeholders on the Major Appliance Processing Standard, as well as being a member of SABC.

### 3. Public Education Materials and Strategies

In 2013, the first full year of operations, and the beginning of the collection of administrative handling fees, the MARR Communications Committee began developing appropriate communications materials and strategies. MARR developed an informational point of sale rack card available to retailers and wholesalers, to provide tailored and effective information regarding the MARR program and product Administrative Program Fees (APFs). See **Appendix A** for an example.

A Frequently Asked Questions (FAQ) document was also prepared consisting of common inquiries about what MARR does, which products are included and APFs and what they are used for. Both the FAQ and rack cards were mailed to all registered retailers and wholesalers and additional copies can be ordered online and are supplied free of charge. Two newsletters were created in 2013 and sent to registered and inactive members that included information such as program updates and reporting and remitting reminders.

MARR representatives also participated in meetings of the Stewardship Agencies of BC (SABC), which included discussions on joint communications efforts as well as participating in the Recycling Council of BC Hotline and Recyclepedia. RCBC is a trusted public information resource used by consumers to learn about the recycling options available in their community. In 2013, RCBC Hotline staff received more than 131,000 inquiries about recycling from residents across B.C. The Recyclepedia is a user-friendly online/web feature and mobile established by RCBC to help consumers find recycling information 24 hours a day, 7 days a week.

On May 1, 2013 *MarrBC.ca* was launched and between launch and December 31, 2013, the website was viewed by 1,861 unique visitors, each spending on average over 4 minutes on the site. Product Care staff also responded to numerous consumer phone calls and email inquiries. All consumer concerns and questions were dealt with in a timely manner.

Between January 1 and December 31, 2013, Product Care and RCBC collectively answered over 5,000 phone and email consumer inquiries on products included in the MARR Program. In addition, the RCBC Recyclepedia webpage received over 6,700 web hits/searches for MARR Program materials.<sup>1</sup>

---

<sup>1</sup> In spring 2013, the RCBC Recycling Hotline upgraded to a new database system with enhanced features and functionality. While the new database has allowed frontline agents to better serve callers, a programming error was discovered in May 2014, specifically for the collection of Hotline query data. As such, the numbers outlined above are likely under-reported. When more accurate numbers become available, an addendum will be provided.

#### 4. Collection System and Facilities

As described in the MARR Program Plan, there is an existing recycling system for major appliances that has been in place in British Columbia for decades, driven by the positive financial value of these products at end-of-life. This system is comprised of a variety of collectors; including retailers, local governments, utilities and private companies that accept major appliances and then channel those products to scrap metal consolidators and processors. As part of the much larger commodities market, these scrap metal companies process the products to recover metal components which are sold to end markets such as steel mills for recycling.

In 2013 through a competitive process, an independent third-party consultant, Ecoinspire Planning Services, was contracted by MARR to undertake a System Study of the BC market driven system for major appliance recycling. *The Study on the Operations and Effectiveness of the Major Appliance Collection and Recycling System in British Columbia, May 8, 2014* report ("The System Study") examined the operation and performance of the existing collection and recycling system, including identifying collection site locations.

##### Drop-Off Collection Sites:

In addition to the numerous pick-up services for major appliances offered by retailers and some municipalities as well as utility bounty programs, the report identifies 305 locations across BC that will accept some or all household major appliances for drop off. The list was further refined to include only those that accept all Major Appliance products, as defined by MARR, which includes 251 locations. Local government facilities and private collectors are estimated to account for 51.5% of all collected appliances by weight.

Table 1 provides an estimate of the breakdown of the different types of locations accepting major appliances across the province at the time of the research<sup>2</sup>. **Appendix B** lists all of the sites which were active in the Fall of 2013, at the time of the research.<sup>3</sup>

**Table 1: Estimate of Sites that Accepted All MARR Products in 2013**

Type of Collection Site	Number of Sites in 2013
Processors (Private)	9
Metal Recycling Facility (Private)	68
Local Government Facility	174
<b>Total</b>	<b>251</b>

<sup>2</sup> The list of collectors provided is based upon reports of which sites were accepting major appliances at the time of the study, this list is not exhaustive, nor guaranteed to be current depending on business operations. The list only includes drop off sites of local governments and private/non-profit collectors and does not include the numerous collection options that may be offered through retailers, utility bounty programs or other possible pick up options. It represents the best available information at the time that the study was conducted.

<sup>3</sup> Ibid.

**Pick-up Services:**

Local government curbside collection days are another way that generators can manage their major appliances. The system study indicated curbside collection was offered by twelve municipalities and one regional district and are arranged in different ways, depending on the local government. Options provided in some communities included:

- A community-wide large item pick-up day once or twice a year,
- Pick-up days occurring throughout the year (usually on the garbage collection day) where residents arrange for pick-up, or
- A pick-up arranged by the resident calling the service provider to set the day.

Many retailers also offer a delivery/take-back option when you buy a new appliance at their store. Through a survey of 125 retail companies conducted as a part of the System Study, it was determined that 84% of respondents offered a take-back service to their customers for end-of-life appliances. After pick up, the appliances are generally delivered to a drop-off site although some retailers report that appliances may also go to a refurbisher. Overall, retailers are estimated to account for 27% of all collected appliances at end-of-life.

There are two electric utilities in BC, one servicing the majority of the province (BC Hydro) and a smaller one (Fortis BC) servicing an area centred in the Okanagan. Both utilities have offered bounty programs to retire working full-size refrigerators that are older and less energy efficient. The bounty program objective is to save energy by reducing the number of secondary refrigerators in households, and to prevent the reuse of less energy-efficient models.

The Fortis BC program provided a pick-up fee rebate to the resident when an old unit was picked up at the time that a new unit was delivered. Fortis provided rebates for 121 refrigerators in 2012 and for 210 refrigerators in 2013. BC Hydro residential customers received a \$30 rebate if they retired an old refrigerator with a lifetime limit of two refrigerators per customer. BC Hydro contractors picked up the old refrigerators at the household. In the fiscal 2012 year, 28,000 units were collected and delivered to three contracted dismantlers for removal of refrigerant and recycling.

**Accessibility:**

According to a GIS analysis completed as a part of the System Study, 98.5% of British Columbians had convenient access to a drop-off location for major appliance products included in the MARR program, and, accessibility to free drop-off locations for BC residents was estimated at 93.6%. Accessibility was defined as a 30-minute drive or less for those within urban areas, and a 45-minute drive or less for those in rural areas of the province.

**5. Product Environmental Impact Reduction, Reusability and Recyclability****Design for the Environment:**

The environmental impact of major appliances can be reduced in three principal ways:

- Reducing toxic components;
- Reducing the materials used in manufacture and use of the products; and
- Increased energy efficiency, which is by far the most significant environmental impact of these products when considering their long life cycles.



All of these areas of environmental impact reduction have received, and will continue to receive, significant attention from major appliance manufacturers.

Most importantly, in the area of energy efficiency significant gains have been made over the past 20 years. The average energy consumption of the typical set of major household appliances has declined by 50.2% since 1990. These gains are the result of a combination of factors including lower minimum energy efficiency standards, major research and development investments by manufacturers, and through promotion, resulting in increased market penetration of Energy Star rated and utility rebate and promoted appliances.

In terms of the reduction in toxic components manufacturers have eliminated the use of mercury switches and PCB containing capacitors. Significant changes have and will continue to be made in the types of refrigerants used in refrigerators and freezers as manufacturers seek out refrigerants with lower GHG impacts, having already eliminated ozone depleting potential (ODP) refrigerants from their products.

Likewise, in terms of refrigerator insulation foam, the development of foam blowing agents which have significantly lower GHG potential and no ODP are being researched and used. Major appliance manufacturers have also been working to discontinue the use of brominated flame retardants in plastics.

In terms of material reduction, manufacturers have been working to reduce the amount of material used in the manufacture of many major appliances and in the packaging used to transport them. These efforts must, however, be balanced against ensuring consumer safety and the overall protection and lifespan of the product.

On the issue of water consumption, manufacturers have been able to reduce water consumption through design changes to dishwashers and innovations such as front-load and high efficiency top-load washers. For example water consumption in dishwashers has been reduced by 37.3% (litres/cycle) between 1990 and 2009. Water usage in washers has also been reduced by 43.4% between 2005 and 2010. These reductions in water consumption also significantly reduce energy demand as there is less water to heat to perform the same cleaning task.

In addition to the above activities the Association of Home Appliance Manufacturers (AHAM) is currently engaged in the development of a North American Sustainability Standard for major appliances. The sustainability standards for refrigeration products and clothes washers are complete. These standards use a broad multi-attribute approach utilizing life cycle assessment and hot button analysis and other key factors that influence product environmental performance. These sustainability standards are published jointly by CSA, UL, and AHAM.

**Processing Standard and Certification Program:**

As outlined in the MARR stewardship plan, MARR will be implementing the Major Appliance Processing Standard to ensure the proper decommissioning of end-of-life appliances and the safe handling of substances of concern, including mercury switches and refrigerants. It is intended that the collectors of major appliances (retailers, municipalities etc.) will either agree to decommission the appliances they collect in accordance with the standard, or require their processors to whom they sell or provide their appliances to be certified against the standard. MARR will also be implementing a certification and audit

program to ensure that applicable processors are processing appliances in accordance with the standard.

Over 2013, the MARR Technical Committee, and MARR-LGAC consulted with system stakeholders on the draft of the processing standard. MARR is now working to finalize the standard, in collaboration with system stakeholders. Once the processing standard has been finalized and implemented, MARR will report annually on its progress.

## **6. Pollution Prevention Hierarchy and Product / Component Management**

MARR strives to promote the principles of the pollution prevention hierarchy as much as possible, including the design considerations and environmental impact initiatives outlined above in Section 5. According to research conducted for the System Study, the lifespan of 99.9% of major appliances is between 10 and 20 years. This long life often results in many different owners of a product over its lifetime, usually facilitated by a used appliance retailer or refurbisher. Refurbishers are organizations involved in appliance reuse or the reuse of parts. They generally receive used major appliances from commercial generators or through retailers. The main goal of the refurbisher is to resell the unit into the second hand market, or at least use some of the parts for appliance repair.

Once an appliance is retired, or reaches end-of-life, it enters the collection system described above in Section 4. Major appliances are primarily manufactured with metal (both ferrous and non-ferrous) and plastics as well as small amounts of other materials like glass, rubber, foam, paper, electronics, refrigerants, oils, mercury and other substances.

Currently there are two mechanical processing facilities in BC that utilize shredders to break up scrap metal, including major appliances. The shredded material is then sorted; ferrous and non-ferrous metals are separated from other materials such as plastic and foam. Processors report that 98% of ferrous and non-ferrous metal that enters the shredder is recovered and recycled back into the commodities market.

As the material composition of major appliances is reportedly approximately 75% metal, processors recover and recycle 74% of all major appliances. The other 26% of major appliance materials including plastic, glass, rubber and foam do not undergo further processing, and are currently sent to landfill as part of the shredder residue.

Prior to shredding, products undergo decommissioning to remove refrigerant and to look for any other substances of concern. In general the system study identified that refrigerant is extracted responsibly, but that there remain some gaps. The vast majority of retailers transfer major appliances with refrigerant to secondary collectors and most processors have onsite staff to perform refrigerant removal. At local government sites that accept appliances with refrigerants, most will contract out the removal of refrigerants as part of the scrap metal removal contract. Refrigerant removal generally occurs at the first location to receive the appliance, the refrigerant is removed by a technician and subsequently sent for recycling or destruction.

Very few appliances reaching end of life will contain mercury switches or PCBs though some will contain heavy metals (circuit boards), mercury (fluorescent lights), compressor oil and polyurethane foam

(insulation). A limited number of sites in BC check for these substances of concern, perhaps due to their lack of knowledge or the low unlikely hood that these substances are present.

Table 2, below, illustrates the percent of weight collected by material commodity (based on results from the System Study), as well as a description of the downstream process for each material stream, as reported to the consultants.

**Table 2: Estimate of the Percent of Weight of All Appliances by Material Commodity**

Material Commodity	% of Total Weight of All Appliances	Downstream Process
Ferrous Metal	69.2%	Recycled as Scrap Metal
Non-Ferrous Metal	5.6%	Recycled as Scrap Metal
Plastic	15.5%	Landfilled
Refrigerant	<0.1%	Recycled or Safe Destruction
Other	10.1%	Landfilled

## 7. Product Sold and Collected and Recovery Rate

### Products Sold:

Registered participants of MARR (i.e. producers that have appointed MARR as their “agent” under the Regulation) began reporting their sales and remitting Administrative Program Fees (APFs) to MARR on August 1, 2013. Table 3 displays the number of major appliance units sold in BC between August 1 and December 31, 2013, as reported by MARR participants. The findings of the 2013 MARR non-financial audit can be found in Appendix C.

**Table 3: Total Sales of Major Appliances in BC between August 1 and December 31, 2013**

MARR Category	Total Sales in Units
1. Full-Size Refrigerators & Wine Coolers/Beverage Centres	44,686
2. Compact Refrigerators & Wine Coolers/Beverage Centres	27,468
3. Freezers	24,153
4. Room Air Conditioners	2,303
5. Portable Air Conditioners	1,874
6. Dehumidifiers	11,947
7. Clothes Washer	32,560
8. Clothes Dryers	32,690
9. Ranges	40,420
10. Range Hoods & Downdrafts	21,088
11. Built-In Ovens	8,046

MARR Category	Total Sales in Units
12. Built-In & Over the range Microwave Ovens	22,379
13. Surface Cooking Units	4,164
14. Dishwashers	31,565
15. Food Waste Disposers	11,621
16. Trash Compactors	46
17. Electric Water Dispensers	2,100
<b>Total</b>	<b>319,110</b>

**Products Collected:**

As outlined in the MARR stewardship plan, the results of the system studies described above were used to estimate the volume of end-of-life major appliances collected under the market-driven system. The volume of major appliances available to collect in BC was developed by using a lifespan model to produce theoretical estimates of the quantity entering life annually. The lifespan model combines historical unit sales data for the MARR list of 17 product categories, with lifespan data and unit weight data by product category to estimate the number of units and the total tonnage of MARR products at end-of-life each year.

The consultants for the system study estimated that approximately 35,699 tonnes of major appliances were collected in 2012. Table 4 below shows the estimated quantity of large appliances collected by regional district and for the province overall. The quantities listed by regional district reflect the combined tonnes of major appliances collected by local government, non-profit and private sector collectors. Quantities collected by bounty programs, retailers, scavengers and refurbishers are presented separately, with tonnes reported on a provincial basis. The result would be similar for 2013 as no significant changes in collection processes were reported.

**Table 4: Estimated Tonnes of Collected Major Appliances by Region**

Local Government, Non-Profit and Private Collectors including Processors	Estimated Tonnes Collected
Alberni Clayoquot	82
Bulkley-Nechako	294
Capital	1,520
Cariboo	206
Central Coast	22
Central Kootenay	271
Central Okanagan	997
Columbia Shuswap	204
Comox Valley/Strathcona	606
Cowichan Valley	318
East Kootenay	332
Fraser Valley	1,453
Fraser-Fort George	497
Kitimat Stikine	164
Kootenay-Boundary	198
Metro Vancouver	11,027
Mount Waddington	66
Nanaimo	600
North Okanagan	324
Northern Rockies	24
Okanagan Similkameen	339
Peace River	313
Powell River	129
Skeena Queen Charlotte	76
Squamish-Lillooet	349
Sunshine Coast	172
Thompson-Nicola	656
<b>Subtotal</b>	<b>21,240</b>
<b>Other Collectors (tonnes collected provincially)</b>	<b>Estimated Tonnes Collected</b>
<i>Bounty programs</i>	3,368
<i>Retailers</i>	9,836
<i>Refurbishers</i>	627
<i>Scavengers</i>	627
<b>TOTAL</b>	<b>35,699</b>

**Collection Rate:**

The system study also estimated the collection rate of the BC market-driven collection and recycling system using a “capture rate” calculation, which compares the estimated weight of products “available to collect” with the estimated weight of products collected.

Estimates of the number and weight of major appliances that will reach end-of-life in BC in 2012 were developed using a lifespan model. The lifespan model estimated that approximately 594,000 major appliances, with a weight of about 36,428 tonnes, reached end-of-life in BC in 2012. This would not be significantly different for 2013 as the historic sales did not change significantly and the same lifespan estimates would apply.

The collection rate, as determined by the system studies, was estimated at 98% of all discarded appliances. This result is consistent with research that has been completed in other jurisdictions, where it was estimated that the market-driven collection and recycling system for end-of-life appliances was achieving a collection rate of over 90%.

**8. Summary of Deposits, Refunds, Revenues and Expenditures**

MARR is funded by administrative program fees (APFs), which are remitted to MARR by its participants based on the volume of sales of new major appliances sold in British Columbia. The APF fee rates were set by MARR in consultation with industry and retailers. In some cases, retailers recover the fees from consumers as a separate visible environmental handling fee. Program revenues are applied to the management of the program, including education, outreach and administration. Table 5 illustrates the administrative program fee rates for program products effective since August 1, 2013.

A copy of the audited financial statement can be found in **Appendix D**.

**Table 5: Administrative Program Fees for Major Appliances per Category**

Product Category	Fee Per Unit
<b>Refrigerant Appliances</b>	
1. Full-Size Refrigerators & Wine Coolers/Beverage Centres	\$1.25
2. Compact Refrigerators & Wine Coolers/Beverage Centres	\$1.25
3. Freezers	\$1.25
4. Room Air Conditioners	\$1.25
5. Portable Air Conditioners	\$1.25
6. Dehumidifiers	\$1.25
<b>Non-Refrigerant Appliances</b>	
7. Clothes Washer	\$1.10
8. Clothes Dryers	\$1.10
9. Ranges	\$1.10
10. Range Hoods & Downdrafts	\$1.10
11. Built-In Ovens	\$1.10
12. Built-In & Over the range Microwave Ovens	\$1.10
13. Surface Cooking Units	\$1.10
14. Dishwashers	\$1.10
15. Food Waste Disposers	\$1.10
16. Trash Compactors	\$1.10
17. Electric Water Dispensers	\$1.10

## 9. Plan Performance

**Table 6: Plan Performance Measures and Results**

Performance Measure*	Target	2013 Results	Remediation Strategies
Collection rate	75% interim target for first two years. Target to be established for years 3-5.	98% of major appliances available to collect were captured.	n/a

*\*Refer to Section 5 for additional information that MARR will be providing on an annual basis, once available.*

## **APPENDIX A – Educational Materials**



# Major Appliance Recycling Roundtable



Building upon BC's recycling  
system for major appliances.



**MARR**  
Major Appliance Recycling Roundtable

Visit [marrbc.ca](http://marrbc.ca) or call **1.800.667.4321**  
(604.732.9253 in the Lower Mainland)  
for more information.

## The Major Appliance Recycling Roundtable (MARR)

MARR is a not-for-profit industry association developed in response to the requirements of the BC Recycling Regulation. MARR is focused on improving the performance and transparency of the existing collection and recycling system for major appliances in BC.

### MARR Funding

The MARR initiatives are funded by Administrative Program Fees (APFs) applied to the sale of new major appliances in BC. APFs may be included in a product's price or displayed as a separate charge.

The APFs cover all costs associated with MARR's initiatives, including public education efforts and the implementation of a processing standard and certification system to ensure end-of-life appliances are responsibly recycled.

### Recycling Options

A number of options are typically available to individuals with major appliances to recycle in BC. Many retailers, municipalities and private companies offer collection services, which may include drop-off and/or pick-up options. To find the most convenient recycling option, please call the Recycling Hotline at 1.800.667.4321 (604.732.9253 in the Lower Mainland).

### Products and APF Rates

#### Refrigerant Appliances

- › Refrigerators
- › Wine Coolers & Beverage Centres
- › Freezers & Ice Makers
- › Room & Portable Air Conditioners
- › Dehumidifiers

APF Rate:  
**\$1.25**

#### Non-Refrigerant Appliances

- › Built-In & Over-the-Range Microwave Ovens
- › Ranges, Built-In Ovens & Surface Cooking Units
- › Range Hoods & Downdrafts
- › Dishwashers
- › Clothes Washers & Dryers
- › Food Waste Disposers
- › Electric Water Dispensers
- › Trash Compactors

APF Rate:  
**\$1.10**

Visit [marrbc.ca](http://marrbc.ca) or call **1.800.667.4321**  
(604.732.9253 in the Lower Mainland)  
for more information.

## **APPENDIX B – Detailed List of Sites that Accept All MARR Products**

**Table B-1: List of Collection Sites that Accept All Major Appliances**

Collection Site Name	City	Regional District
100 Mile House Refuse Site	100 Mile House	Cariboo
150 Mile House Transfer Station	150 Mile House	Cariboo
7 Mile Landfill	Black Creek	Mount Waddington
70 Mile house	70 Mile House	Thompson-Nicola
AABC Recycler's Group	Richmond	Metro Vancouver
ABC Metals Recycling	Kelowna	Central Okanagan
ABC Metals Recycling	Prince George	Fraser-Fort George
ABC Metals Recycling	Surrey	Metro Vancouver
ABC Metals Recycling	Burnaby	Metro Vancouver
ABC Metals Recycling	Fort St. John	Peace River
ABC Metals Recycling	Campbell River	Strathcona
ABC Metals Recycling	Terrace	Kitimat-Stikine
Accel Towing & Consulting Ltd	Parksville	Nanaimo
ACRD Recycling Depot	Port Alberni	Alberni-Clayoquot
Action Steel Sales	Penticton	Okanagan-Similkameen
Alberni Foundry Ltd	Port Alberni	Alberni-Clayoquot
Alberni Valley Landfill	Port Alberni	Alberni-Clayoquot
Alert Bay Recycling Depot	Alert Bay	Mount Waddington
Alexis Creek Transfer Station	Alexis Creek	Cariboo
Area 'D' Transfer Station	Fraser Lake	Bulkley-Nechako
Armstrong-Spallumcheen Regional Disposal Facility	Armstrong	North Okanagan
A-Star Automotive Recyclers Ltd.	Prince George	Fraser-Fort George
Augusta Recyclers Inc.	Powell River	Powell River
Bailey Landfill	Chilliwack	Fraser Valley
Baker Creek Transfer Station	Baker Creek	Cariboo
Balfour Towing and Salvage	Balfour	Central Kootenay
Balfour Transfer Station	Balfour	Central Kootenay
Barnhartvale Landfill	Kamloops	Thompson-Nicola
Beaverdell Transfer Station	Beaverdell	Kootenay Boundary
Bessborough Landfill	Dawson Creek	Peace River
Big Lake Refuse Site	Big Lake	Cariboo

Collection Site Name	City	Regional District
Big Y Auto	Grand Forks	Kootenay Boundary
Bings Creek SWM Complex	Duncan	Cowichan Valley
Blackpoint Auto Recyclers	Powell River	Powell River
Blue River	Blue River	Thompson-Nicola
Boswell Transfer Station	Boswell	Central Kootenay
Brentwood Auto and Metal Recyclers	Saanichton	Capital
Burnaby Recycling Depot	Burnaby	Metro Vancouver
Burns Lake Transfer Station	Burns Lake	Bulkley-Nechako
Burton Transfer Station	Burton	Central Kootenay
Campbell Mountain Landfill	Penticton	Okanagan-Similkameen
Campbell River Waste Management Centre	Campbell River	Strathcona
Canal Flats	Canal Flats	East Kootenay
Capital Salvage Co	Vancouver	Metro Vancouver
Capt'n Crunch Auto Wrecking Ltd.	Abbotsford	Fraser Valley
Carl's Metal Salvage	Nanaimo	Nanaimo
CCON Steel Inc.	Abbotsford	Fraser Valley
Central Landfill	Salmo	Central Kootenay
Century Truck Sales & Parts Inc.	Port Coquitlam	Metro Vancouver
Chaumox Landfill	Boston Bar	Fraser Valley
Cherryville & Area E Regional Disposal Facility	Cherryville	North Okanagan
Chetwynd Landfill	Chetwynd	Peace River
Christina Lake Transfer Station	Christina Lake	Kootenay Boundary
Church Road Transfer Station	Parksville	Nanaimo
Clearwater Eco depot	Clearwater	Thompson-Nicola
Clinton	Clinton	Thompson-Nicola
Cochin Refuse Site	Cochin Lake	Cariboo
Columbia Recycle	Trail	Kootenay Boundary
Columbia Recycle Ltd	Kimberly	East Kootenay
Columbia Valley Landfill	Windermere	East Kootenay
Comox Valley Waste Management Centre	Cumberland	Comox Valley
Coquitlam Transfer Station	Coquitlam	Metro Vancouver
Cranbrook Transfer station	Cranbrook	East Kootenay

Collection Site Name	City	Regional District
Crawford Bay Transfer Station	Crawford Bay	Central Kootenay
Creston Landfill	Creston	Central Kootenay
Dawson Creek Transfer Station	Dawson Creek	Peace River
Dead Or Alive Auto & Metals Recycling	Vernon	North Okanagan
Earls Towing	Creston	Central Kootenay
Ecowaste	Richmond	Metro Vancouver
Edgewood Landfill	Edgewood	Central Kootenay
Elkford Transfer Station	Elkford	East Kootenay
Ellice Recycle Ltd	Victoria	Capital
Everclear Recycling	Mission	Fraser Valley
Falkland Transfer Station	Falkland	Columbia-Shuswap
Fernie Transfer Station	Fernie	East Kootenay
Foothills Boulevard Regional Landfill	Prince George	Fraser-Fort George
Forest Grove Transfer Station	Forest Grove	Cariboo
Fort St. James Transfer Station	Fort St James	Bulkley-Nechako
Fox Disposal Services Ltd	Port Hardy	Mount Waddington
Fraser Valley Metal Exchange	Maple Ridge	Metro Vancouver
Gabriola Island Recycling Organization	Gabriola	Nanaimo
Galiano Recycling	Galiano Island	Capital
Gibsons Disposal	Gibsons	Sunshine Coast
Glanford Bottle Depot	Victoria	Capital
Glenemma Transfer Station	Salmon Arm	Columbia-Shuswap
Glenmore Landfill	Kelowna	Central Okanagan
Gold Bridge Transfer Station	Gold Bridge	Squamish-Lillooet
Gold River Waste Management Centre	Gold River	Strathcona
Golden Landfill	Golden	Columbia-Shuswap
Goodies Trading Ltd	Chilliwack	Fraser Valley
Grand Forks and Electoral Area B Landfill	Grand Forks	Kootenay Boundary
Granisle Transfer Station	Granisle	Bulkley-Nechako
Greater Vernon Recycling and Disposal Facility	Vernon	North Okanagan
GT Recycling	100 Mile House	Cariboo
Happy Stan's Recycling Services Ltd.	Port Coquitlam	Metro Vancouver

Collection Site Name	City	Regional District
Hartland Landfill	Saanich, BC	Capital
Hazelton Landfill	Hazelton	Kitimat-Stikine
Heffley Creek Eco depot	Heffley Creek	Thompson-Nicola
Hope Landfill/Transfer Station	Hope	Fraser Valley
Hornby Island Recycling Depot	Hornby Island	Comox Valley
Horsefly Transfer Station	150 Mile House	Cariboo
Hudson's Hope Transfer Station	Hudson's Hope	Peace River
Island Bottle Depot	Saanich	Capital
Islands Landfill	Port Clements	Skeena-Queen Charlotte
J. D. Towing	Grand Forks	Kootenay Boundary
Kamloops Scrap Iron Ltd	Kamloops	Thompson-Nicola
Kaslo Transfer Station	Kaslo	Central Kootenay
Kelly Lake Transfer Station	Tomslake	Peace River
Keremeos Transfer Station	Keremos	Okanagan-Similkameen
Kimberley Transfer station	Kimberley	East Kootenay
Kingfisher Transfer Station	Kingfisher-Enderby	North Okanagan
Kleena Kleene Refuse Site	Kleena Kleene	Cariboo
Knockholt Sub-Regional Landfill	Houston	Bulkley-Nechako
Knutsford	Knutsford	Thompson-Nicola
Kool Country Auto Parts	Invermere	East Kootenay
Lac La Hache Transfer Station	Lac La Hache	Cariboo
Lane's Auto Towing Ltd	Avola	Thompson-Nicola
Likely Refuse Site	Likely	Cariboo
Lillooet Landfill	Lillooet	Squamish-Lillooet
Logan Lake	Logan Lake	Thompson-Nicola
Loon Lake	Clinton	Thompson-Nicola
Louis Creek Eco depot	Barriere	Thompson-Nicola
Lower Nicola Eco Depot	Merritt	Thompson-Nicola
Lumby and Area D Regional Disposal Facility	Lumby	North Okanagan
Lytton	Lytton	Thompson-Nicola
Mackenzie Landfill	Mackenzie	Fraser-Fort George
Mac's Traders Inc.	Langley	Metro Vancouver

Collection Site Name	City	Regional District
Malakwa Transfer Station	Malakwa	Columbia-Shuswap
Malcolm Island Transfer Station	Sointula	Mount Waddington
Marblehead Transfer Station	Meadow Creek	Central Kootenay
Masset TS	Masset	Skeena-Queen Charlotte
Matsqui Transfer Station	Abbotsford	Fraser Valley
MC Metal Recycling	Revelstoke	Columbia-Shuswap
Mcleese Lake Transfer Station	Mcleese Lake	Cariboo
McNeils DBA Ideal U Pick	Chilliwack	Fraser Valley
Meade Creek Recycling Dropoff Depot	Lake Cowichan	Cowichan Valley
Mile 62.5 Transfer Station	Montney	Peace River
Minnie's Pit/Mission Landfill	Mission	Fraser Valley
Mission Flats Landfill	Kamloops	Thompson-Nicola
Mission Recycling Depot	Mission	Fraser Valley
Moberly Lake Transfer Station	Moberly Lake	Peace River
Mostly German	Port Coquitlam	Metro Vancouver
Nakusp Landfill	Nakusp	Central Kootenay
Nanaimo Recycling Exchange Society	Nanaimo	Nanaimo
Nazko Refuse Site	Nazko	Cariboo
Nelson Transfer Station	Nelson	Central Kootenay
Nemaiah Valley Refuse Site	Nemaiah	Cariboo
New West Recycling Depot	New Westminster	Metro Vancouver
North Peace Regional Landfill	Charlie Lake	Peace River
North Shore Transfer Station	North Vancouver	Metro Vancouver
NRRM Landfill	Fort Nelson	Northern Rockies
Okanagan Falls Landfill	Okanagan Falls	Okanagan-Similkameen
Oliver Landfill	Oliver	Okanagan-Similkameen
Ootischenia Landfill	Castlegar	Central Kootenay
Osoyoos & District Sanitary Landfill	Osoyoos	Okanagan-Similkameen
Parksville Bottle & Recycling Depot	Parksville	Nanaimo
Parson Transfer Station	Skookumchuck	Columbia-Shuswap
Paul Lake	Paul Lake	Thompson-Nicola
Peerless Road Recycling Dropoff Depot	Ladysmith	Cowichan Valley



Collection Site Name	City	Regional District
Pemberton Transfer Station	Pemberton	Squamish-Lillooet
Pender Harbour Landfill	Garden Bay	Sunshine Coast
Pender Island Recycling	Pender Island	Capital
Pink Mountain Transfer Station	Pink Mountain	Peace River
Planet Earth Recycling	West Kelowna	Central Okanagan
Port Renfrew Recycling Depot	Port Renfrew	Capital
Prespatou Transfer Station	Prespatou	Peace River
Princeton landfill	Princeton	Okanagan-Similkameen
Puds Auto Wrecking Ltd	Osoyoos	Okanagan-Similkameen
Puntzi Lake Refuse Site	Puntzi	Cariboo
Quesnel Landfill	Quesnel	Cariboo
R.J.'s Rentals & Repairs Inc.	Mackenzie	Fraser-Fort George
Regional Landfill	Nanaimo	Nanaimo
Regional Recycling Abbotsford	Abbotsford	Fraser Valley
Regional Recycling Burnaby	Burnaby	Metro Vancouver
Regional Recycling Nanaimo	Nanaimo	Nanaimo
Regional Recycling Nanaimo Bottle Depot - Fremont	Nanaimo	Nanaimo
Regional Recycling Richmond	Richmond	Metro Vancouver
Regional Recycling Vancouver	Vancouver	Metro Vancouver
Regional Recycling Whistler	Whistler	Squamish-Lillooet
Revelstoke Landfill	Revelstoke	Columbia-Shuswap
Richmond Recycling Depot	Richmond	Metro Vancouver
Ridge Meadows Recycling	Maple Ridge	Metro Vancouver
Riske Creek Transfer Station	Riske Creek	Cariboo
Rock Creek Transfer Station	Rock Creek	Kootenay Boundary
Rose Prairie Transfer Station	Rose Prairie	Peace River
Rosebery Transfer Station	New Denver	Central Kootenay
Salmon Arm Landfill	Salmon Arm	Columbia-Shuswap
Salt Spring Island Recycling Depot	Saltspring Island	Capital
Sandspit TS	Sandspit	Skeena-Queen Charlotte

Collection Site Name	City	Regional District
Savona	Savona	Thompson-Nicola
Schnitzer Steel Pacific Recycling	Duncan	Cowichan Valley
Schnitzer Steel Pacific Recycling	Surrey	Metro Vancouver
Scotch Creek Transfer Station	Scotch Creek	Columbia-Shuswap
Scott Rd. Trading Ltd.	Surrey	Metro Vancouver
Scrap King Auto Wrecking & Towing Ltd	Salmo	Central Kootenay
Sechelt Landfill	Sechelt	Sunshine Coast
Seymour Arm Transfer Station	Seymour Arm	Columbia-Shuswap
Sheridan Lake Refuse Site	Canim Lake	Cariboo
Sherwood Auto Parts	Port Alberni	Alberni-Clayoquot
Sicamous Landfill	Sicamous	Columbia-Shuswap
Skeena-Queen Charlotte Regional Recycling Depot	Prince Rupert	Skeena-Queen Charlotte
Skidegate TS	Skidegate	Skeena-Queen Charlotte
Skimikin Transfer Station	Chase	Columbia-Shuswap
Slocan Transfer Station	Slocan	Central Kootenay
Smithers-Telkwa Transfer Station	Smithers	Bulkley-Nechako
Smokey Creek Salvage Ltd.	Nelson	Central Kootenay
Solutions Auto Recycler Inc.	Coquitlam	Metro Vancouver
South Thompson Eco Depot	Chase	Thompson-Nicola
Southside Transfer Station	Grassy Plains	Bulkley-Nechako
Sparwood Transfer Station	Sparwood	East Kootenay
Squamish Landfill	Squamish	Squamish-Lillooet
Starlite Auto	Sorrento	Columbia-Shuswap
Stewart Landfill	Stewart	Kitimat-Stikine
Summerland Landfill	Summerland	Okanagan-Similkameen
Sunshine Valley Transfer Station	Cawston	Fraser Valley
Surrey Transfer Station	Surrey	Metro Vancouver
Sylvester Road Transfer Station	Mission	Fraser Valley
Tahsis Waste Management Centre	Tahsis	Strathcona
Tatla Lake Refuse Site	Tatla Lake	Cariboo

Collection Site Name	City	Regional District
Terrace Landfill	Terrace	Kitimat-Stikine
Texada TS	Texada Island	Powell River
Thornhill Landfill	Thornhill	Kitimat-Stikine
Thorsen Creek Waste and Recycling Center	Bella Coola	Central Coast
Tie Lake Transfer Station	Jaffray	East Kootenay
Tomslake Transfer Station	Tomslake	Peace River
Township of Langley	Aldergrove	Metro Vancouver
Trout Lake Transfer Station	Trout Lake	Columbia-Shuswap
Tumbler Ridge Transfer Station	Groundbirch	Peace River
Vancouver Landfill	Delta	Metro Vancouver
Vancouver South Transfer Station	Vancouver	Metro Vancouver
Vanderhoof Transfer Station	Vanderhoof	Bulkley-Nechako
Village of Port Alice	Port Alice	Mount Waddington
Wasa Transfer Station	Wasa	East Kootenay
Watch Lake Refuse Site	Lone Butte	Cariboo
Wells Refuse Site	Wells	Cariboo
West Boundary Landfill	Greenwood	Kootenay Boundary
West Chilcotin Refuse Site	West Chilcotin	Cariboo
West Coast Landfill	Ucluelet	Alberni-Clayoquot
Westcoast Metal Recycling	Langley	Metro Vancouver
Westshore Auto Recycling /AMP Disposal	Sooke	Capital
Westside Residential Disposal & Recycling Centre	West Kelowna	Central Okanagan
Westwold	Westwold	Thompson-Nicola
Whistler Transfer Station	Whistler	Squamish-Lillooet
Wildwood Transfer Station	Williams Lake	Cariboo
Williams Lake Scrap Metal	Williams Lake	Cariboo
Williams Scrap Metal Recycling	Victoria	Capital
Williams Scrap Metal Recycling	Victoria	Capital
Wonowon Transfer Station	Wonowon	Peace River
Woss Transfer Station	Woss	Mount Waddington

Collection Site Name	City	Regional District
YI Metal Recycle	Mission	Fraser Valley
Zeballos Waste Management Centre	Zeballos	Strathcona

**Table B-2: List of Collection Sites that Accept All Major Appliances per Regional District**

Regional District	Number of Sites
Alberni-Clayoquot	5
Bulkley-Nechako	8
Capital	12
Cariboo	25
Central Coast	1
Central Kootenay	18
Central Okanagan	4
Columbia-Shuswap	14
Comox	2
Cowichan Valley	4
East Kootenay	11
Fraser-Fort George	5
Fraser Valley	15
GVRD (Metro Vancouver)	27
Kitimat-Stikine	5
Kootenay Boundary	8
Mt. Waddington	6
Nanaimo	9
North Okanagan	6
Northern Rockies	1
Okanagan-Similkameen	9
Peace River	15
Powell River	3
Skeena-Queen Charlotte	5
Squamish-Lillooet	6
Strathcona	5
Sunshine Coast	3
Thompson-Nicola	19
<b>TOTAL</b>	<b>251</b>

## **APPENDIX C – Third Party Assurance Statement for Non-Financial Information**

**MAJOR APPLIANCE RECYCLING  
ROUNDTABLE  
INDEPENDENT AUDITORS' REPORT  
31 DECEMBER 2013**



**ROLFE, BENSON LLP**

**CHARTERED ACCOUNTANTS**

1500 – 1090 West Georgia Street

Vancouver, B.C. V6E 3V7

Telephone: 604-684-1101

Fax: 604-684-7937

E-mail: admin@rolfebenson.com

---

## **INDEPENDENT AUDITORS' REPORT**

---

To the British Columbia Ministry of Environment:

We have audited the following Sections within the Major Appliance Recycling Roundtable's ("MARR") Annual Report for the year ended 31 December 2013 (together the "Subject Matter"):

- Table 1 and Appendix B (Table B-1) - *Collection facilities;*
- Table 3 - *Product sold; and*
- Table 4 – *Product collected.*

The objective of this Report is to disclose how MARR's management has discharged its responsibility to report on the Subject Matter in accordance with Sections 8(2)(b), and (e) of the Recycling Regulation.

The Subject Matter is the responsibility of MARR's management who have prepared the Subject Matter in accordance with the evaluation criteria which are an integral part of the Subject Matter. Our responsibility is to express an opinion on this Subject Matter based on our audit. Our audit does not constitute a legal determination on MARR's compliance with the Recycling Regulation.

### **Evaluation Criteria**

The suitability of the evaluation criteria is the responsibility of management. The evaluation criteria presented in Attachment 1 are an integral part of the Subject Matter and address the relevance, completeness, reliability, neutrality and understandability of the Subject Matter.

### **Scope of the Audit**

We carried out our audit in accordance with Canadian Auditing Standard 5025, as published by the Chartered Professional Accountants of Canada. This Standard requires, amongst others, that the assurance team possesses the specific knowledge, skills and professional competencies needed to understand and audit the information included within the Subject Matter, and that they comply with specific requirements to ensure their independence.







An audit includes examining, on a test basis, evidence supporting the amounts and disclosures within the Subject Matter. An audit also includes assessing the evaluation criteria used and significant estimates made by management, as well as evaluating the overall presentation of the Subject Matter. The main elements of our work were:

- evaluating the qualifications and independence of contractors used to prepare the Study on the Operations and Effectiveness of the Major Appliance Collection and Recycling System in British Columbia (the "System Study");
- agreeing the estimated number of collection facilities to the System Study;
- agreeing the estimated volume of product collected to the System Study;
- checking the units of product sold during the year and agreeing to the audit work performed in relation to MARR's audited financial statements;
- re-performing conversion calculations on a test basis; and
- ensuring wording of the Annual Report is reflective of audit findings.

### Opinion

In our opinion, the Subject Matter within MARR's Annual Report for the year ended 31 December 2013 presents fairly in accordance with the evaluation criteria, in all material respects:

- the location of collection facilities, and any changes in the number and location of collection facilities from the previous report in accordance with Section 8(2)(b) of the Recycling Regulation; and
- the description of how total amounts of the producer's product sold and collected has been calculated in accordance with Section 8(2)(e) of the Recycling Program.

Our report has been prepared solely for the purposes of management's stewardship under the Recycling Regulation and is not intended to be and should not be used for any other purpose. Our duties in relation to this report are owed solely to MARR, and accordingly, we do not accept any responsibility for loss occasioned to any other party acting or refraining from acting based on this report.

*Rolfe, Benson LLP*

CHARTERED ACCOUNTANTS

Vancouver, Canada  
27 June 2014



## Attachment 1

### Evaluation Criteria

The following evaluation criteria were applied to the assessment of the location of collection facilities, and any changes in the number and location of collection facilities from the previous report in accordance with Section 8(2)(b) of the Recycling Regulation:

- The content of the System Study appears to be sufficient to meet the reporting requirements by MARR to the British Columbia Ministry of Environment with respect to the number and location of collection facilities.
- The contractors are independent from MARR and have no business relationship outside of the System Study.
- The contractors' qualifications appear sufficient to be able to prepare the report.
- The number of collection facilities as disclosed in the Annual Report agree with the estimated number of collection facilities as reported in the System Study.

The following evaluation criteria were applied to the assessment of the description of how total amounts of the producer's product sold and collected has been calculated in accordance with Section 8(2)(e) of the Recycling Regulation:

- The content of the System Study appears to be sufficient to meet the reporting requirements by MARR to the British Columbia Ministry of Environment with respect to the total amounts of producer's product sold.
- The contractors are independent from MARR and have no business relationship outside of the System Study.
- The contractors' qualifications appear sufficient to be able to prepare the report.
- MARR maintains a listing of product sold by product category for the fiscal year which agrees to the amounts disclosed in the Annual Report.
- The units of product sold per program category have been recalculated using the data included the audit work performed in relation to MARR's audited financial statements.
- The volumes of product collected as disclosed in the Annual Report agree with estimated collection volumes as reported in the System Study.

## **APPENDIX D – 2013 MARR Financial Statements**

**MAJOR APPLIANCE RECYCLING ROUNDTABLE**

**FINANCIAL STATEMENTS**

**31 DECEMBER 2013**



**ROLFE, BENSON LLP**  
CHARTERED ACCOUNTANTS

## **MAJOR APPLIANCE RECYCLING ROUNDTABLE**

### **Financial Statements**

For the year ended 31 December 2013

#### **Contents**

---

Independent Auditors' Report	
Statement of Financial Position	4
Statement of Changes in Net Assets	5
Statement of Operations	6
Statement of Cash Flows	7
Notes to the Financial Statements	8 - 10





**ROLFE, BENSON LLP**

**CHARTERED ACCOUNTANTS**

1500-1090 West Georgia Street

Vancouver, B.C. V6E 3V7

Telephone: 604-684-1101

Fax: 604-684-7937

E-mail: [admin@rolfebenson.com](mailto:admin@rolfebenson.com)

---

## **INDEPENDENT AUDITORS' REPORT**

---

To the Members,  
Major Appliance Recycling Roundtable

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Major Appliance Recycling Roundtable, which comprise the statement of financial position as at 31 December 2013, and the statements of changes in net assets, operations 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.

### **Auditors' 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 auditors' 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 auditors consider internal control relevant to the organization'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 organization'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.



---

## INDEPENDENT AUDITORS' REPORT - Continued

---

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 Major Appliance Recycling Roundtable as at 31 December 2013, 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.

*Rolfe, Benson LLP*

CHARTERED ACCOUNTANTS

Vancouver, Canada  
25 June 2014



---

**MAJOR APPLIANCE RECYCLING ROUNDTABLE**  
**Statement of Financial Position**  
31 December 2013

---

**Assets**

**Current**

Cash	\$ 134,989
Accounts receivable	253,739
Prepaid expenses	<u>500</u>
	<u>\$ 389,228</u>

**Liabilities**

**Current**

Accounts payable and accrued liabilities	\$ 506,549
GST payable	<u>7,324</u>
	<u>513,873</u>

**Net Assets (Deficiency)**

Unrestricted	<u>(124,645)</u>
	<u>\$ 389,228</u>

APPROVED BY THE DIRECTORS:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

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



---

**MAJOR APPLIANCE RECYCLING ROUNDTABLE**  
**Statement of Changes in Net Assets**  
**For the year ended 31 December 2013**

---

Balance - beginning of year	\$ -
Deficiency of revenues over expenses for the year	<u>(124,645)</u>
<b>Balance - end of year</b>	<b>\$ <u>(124,645)</u></b>

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

---

## MAJOR APPLIANCE RECYCLING ROUNDTABLE

### Statement of Operations For the year ended 31 December 2013

---

<b>Revenues</b>	<b>\$ 370,886</b>
<b>Expenses</b>	
Program administration	407,017
Research and studies	77,821
Communications	10,693
	<u>495,531</u>
<b>Deficiency of revenues over expenses for the year</b>	<b>\$ (124,645)</b>

---

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



---

## MAJOR APPLIANCE RECYCLING ROUNDTABLE

### Statement of Cash Flows For the year ended 31 December 2013

---

#### Cash provided by (used in):

##### Operating activities

Deficiency of revenues over expenses for the year	\$ (124,645)
---	--------------

Changes in non-cash working capital balances	
--	--

Accounts receivable	(253,739)
---------------------	-----------

Prepaid expenses	(500)
------------------	-------

Accounts payable and accrued liabilities	506,549
--	---------

GST payable	7,324
-------------	-------

Net increase in cash	134,989
----------------------	---------

Cash - beginning of year	-
--------------------------	---

Cash - end of year	\$ 134,989
--------------------	------------

---

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



---

## MAJOR APPLIANCE RECYCLING ROUNDTABLE

### Notes to the Financial Statements

For the year ended 31 December 2013

---

#### 1. Incorporation

Major Appliance Recycling Roundtable ("MARR") was incorporated under the Canada Not-for-Profit Corporations Act on 17 July 2012 and commenced operations on 1 August 2013. MARR is a not-for-profit organization and it is not subject to income taxes. MARR currently operates a stewardship program in the Province of British Columbia to assist the major appliance producers in discharging their obligation to establish end of life product collection and recycling programs under the British Columbia Recycling Regulations. No comparative figures are presented as no revenues and expenses were incurred before operations commenced on 1 August 2013.

#### 2. Summary of significant accounting policies

The Organization applies the Canadian accounting standards for not-for-profit enterprises.

##### (a) Revenue recognition

Revenue from recycling fees is recognized at the time a recycling fee applicable product is sold by a member of MARR, and the recycling fee becomes due and payable.

##### (b) Cash and cash equivalents

MARR's policy is to disclose bank balances under cash and cash equivalents, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn and term deposits with a maturity period of three months or less from the date of acquisition.

##### (c) Financial instruments

###### (i) Measurement of financial instruments

MARR initially measures its financial assets and liabilities at fair value and subsequently measures all of its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash and accounts receivable.

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

---

## MAJOR APPLIANCE RECYCLING ROUNDTABLE

### Notes to the Financial Statements

For the year ended 31 December 2013

---

#### 2. Summary of significant accounting policies - Continued

##### (c) Financial instruments - Continued

###### (ii) Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the statement of operations. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of operations.

###### (iii) Transaction costs

MARR recognizes its transaction costs in the statement of operations in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

##### (d) Use of estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reported period. Actual results could differ from these estimates.

#### 3. Financial instruments risks

MARR is exposed to various risks through its financial instruments. The following analysis provides a measure of MARR's risk exposure and concentrations at the statement of financial position date, 31 December 2013.

##### (a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. MARR's main credit risks relate to its cash and accounts receivable. Cash is in place with major financial institutions. Concentrations of credit risk with respect to accounts receivable are limited due to the large number of members. MARR has evaluation and monitoring processes in place and writes off accounts when they are determined to be uncollectible.

---

## **MAJOR APPLIANCE RECYCLING ROUNDTABLE**

### **Notes to the Financial Statements**

**For the year ended 31 December 2013**

---

#### **3. Financial instruments risks - Continued**

##### **(b) Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. MARR is exposed to this risk mainly in respect of its accounts payable and accrued liabilities.