



PRODUCT CARE ASSOCIATION
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2006 Annual Report
of
Product Care Association
to the
BC Ministry of the Environment
pursuant to the
Recycling Regulation (BC Reg. 449/2004)
for:

- **Paint category**
- **Solvent and flammable liquids category**
- **Pesticide category**
- **Gasoline category**

Reporting Period: January 1, 2006 to December 31, 2006

CONFIDENTIAL:

This report contains proprietary information

Introduction

This is the report required under the stewardship plans filed by Product Care Association with the BC Ministry of Environment, pursuant to the Recycling Regulation B.C. Reg. 449/2004 for the following categories of residuals:

- Paint
- Solvent and Flammable Liquids
- Pesticide
- Gasoline

This reporting period is January 1, 2006 to December 31, 2006

A. Consumer Information and Education

Product Care's communications and education initiatives during the Reporting Period included the following items.

RCBC Toll-Free Recycling Information Hotline: Product Care continued its contract with the Recycling Council of BC "recycling hotline" service. The RCBC Hotline is open during normal business hours and now includes Saturday service. It is accessible to all BC residents by a toll free telephone number (1-800-667-4321). RCBC hotline operators provide consumers with a convenient "one stop" contact to obtain information about Product Care programs and any other recycling questions. Through the RCBC Hotline consumers can find out where to take unneeded materials and also where to find needed materials through RCBC's materials exchange program. Product Care promotes the RCBC hotline number through its web page, on its signs, brochures, and other printed material. The RCBC hotline is also listed in the telephone yellow pages.

Retailer Information: Program information brochures and signage are provided to all retailers of program products in BC for the information of consumers and are available for re-order at any time by telephone, fax, e-mail or through the Product Care website. Brochures were distributed to over 3000 retailers in 2005.

Municipal Communications: Product Care conducted a number of promotional activities in partnership with individual municipalities including:

- advertising in municipal garbage collection/recycling calendars where available.
- distribution of consumer brochures to households with municipal mailings
- participation in Waste Reduction Week activities

Website: During the reporting period Product Care's website was updated to improve its usefulness to the public. Within the website are depot locations including maps for many, and an explanation of products accepted by the program, and a list of the eco fees charged. The website report includes a report section that provides program information and statistics for the previous year as well as audited financial statements. The website also contains information for consumers on buying the right amount, storage and handling.

B. Product Sold and Collected in 2006

Paint, Flammables and Pesticides:

	Paint (non aerosol)	Paint Aerosol	Flammable Liquids/Gasoline.	Pesticides
Sales (litres) ¹	36,673,940	913,171	4,351,252 ²	175,702
Recovery (litres)	2,164,437 ³	15,426	58,516 ⁴	10,716
Recovery (elc's) ⁵	6,727,968	134,978	159,840	38,578

Notes:

1. volumes reported as “Sales (litres)” are estimates calculated by converting units reported using typical container volumes for each eco fee category.
2. flammables “Sales (litres)” figure does not include gasoline. Gasoline sector members do not report sales volumes to Product Care.
3. includes volume recovered via “paint exchange” program
4. represents combined flammable liquids and gasoline collection volumes
5. “elc” means equivalent litre container, and is a measure of original container capacity, not contents.

C. Product Care Collection Facilities

At the end of the Reporting Period, Product Care operated 103 permanent collection depots in the province. All depots accepted paint. Of this number, 43 “Paint Plus” depots also accepted flammables, pesticides and gasoline. See the attached for a list of all Product Care’s permanent collection depots. In addition, Product Care participated in 14 one-day collection events in 2006.

The following are depot changes that occurred in 2006.

Depot Name	Change	Effective Date
Ridge Meadow Recycling	expanded from Paint to Paint Plus depot	Nov. 1, 2006
Penticton Recycling	name change to J&C Bottle Depot	Oct. 1, 2006
Nanaimo Recycling Exchange	relocated to 2477 Kenworth Road, Nanaimo	Dec. 1, 2006
J&C Bottle Depot	relocated to 200 Rosetown Ave, Penticton	Oct. 1, 2006
Starlite Auto Body	relocated to 1408 London Road, Sorrento	Aug. 10, 2006

D. Management of Residuals Collected

During the Reporting Period, paint and other residuals collected at Product Care collection depots throughout BC were sorted and bulked at Product Care’s facility in Surrey, B.C. (except paint given away through the paint exchange program) prior to recycling or other disposal management options.

Summary of management options for residuals collected:

	method	Example	paint	flammables	pesticides	gasoline
1	reused	Given to a consumer in original condition through “paint exchange”	4.4%	--	--	--
2	recycled	Reprocessed as paint, used in concrete manufacture, cement manufacture, re-distillation	70.4%	--	--	--
3	utilized for recovery of energy	Fuel blending	25.2%	100%	--	100%
4	Disposal	Incineration due to contamination	--	--	100%	--
5	Landfill		--	--	--	--

References in this chart do not include the management of non program materials. The following is additional information on management options for collected materials.

Reused: Paint Exchange program:

Reusable paint is given away at no charge through the Paint Exchange program to members of the public and to non-profit organizations to be used for its originally intended purpose. The Paint Exchange option is offered at most Product Care depots outside the GVRD. Within the GVRD, the paint exchange program is centralized at Product Care’s facility in Surrey. As well as individuals, leftover paint is donated to a wide variety of community organizations, including church groups, community theatres and RCMP anti-graffiti programs.

Many participants obtain information about the Paint Exchange program through the RCBC materials exchange program of Recycling Council of B.C. (RCBC). This program provides a central system to connect people with leftover materials, such as paint, with groups and individuals who can use them.

During the Reporting Period, 4.4% of the paint collected by Product Care was reused through the paint exchange.

Recycling

Leftover latex paint was used for reprocessing into paint and also as a raw material in the manufacture of concrete and cement products. A portion of the oil-based paint collected was processed through a re-distillation system that recovers the solvents for use in other manufacturing processes such as asphalt production. During the Reporting Period 70.4% of the paint collected by Product Care was recycled in one of these ways.

Energy Recovery

Through the process of fuel blending, a portion of the oil based paint and all of the flammables and gasoline collected by Product Care during the Reporting Period were used as an alternative energy source in applications such as cement kilns. Of the paint collected during the Reporting Period 25.2% was managed in this way, as well as 100% of the flammable liquids and gasoline.

Treatment/Incineration/Landfill

No paint collected during the Reporting Period was disposed of in landfills. 100% of pesticides were incinerated as there is no recycling or reuse option. All incineration is conducted in licensed facilities.

Container Recycling

Emptied containers are recycled where possible. Most metal paint and gasoline containers were recycled as scrap metal. All plastic paint pails (5 gal. size) and plastic gasoline containers were recycled. Plastic (polypropylene), one US gallon size paint cans and plastic solvent containers were utilized for energy value as solid fuel in cement kilns.

E. Reformulation and container waste reduction

Product Care does not have specific information on each of its brand owner members' research and development activities in regards to reformulation and repackaging to reduce residual and container waste. There is a continuing trend in the paint industry to the production of water based latex paint production instead of oil based alkyd paints. Hazardous and volatile substances are increasingly limited by federal regulation. Also, pesticide manufacturers continue to reformulate consumer products to be less hazardous.

F. Final Treatment & Processing Facilities

Product Care only contracts with reputable service providers with a proven record of using established, approved and environmentally sound procedures for the final treatment and processing of residuals that meet all applicable environmental regulations. Aerosol paint cans are recycled at Product Care's Surrey facility. Other products are bulked and shipped to approved contractors.

G. Environmental Management System Accountability

Product Care monitored collection depot operations throughout the Reporting Period.

Operationally, Product Care utilized a due diligence and control system to minimize the possibility of an environmental incident. Some of the tools used included:

- depot "good practices" guidelines for handling and safety requirements
- depot contractual obligations

- monthly depot checklist reports
- regular depot visits/inspections

In addition Product Care maintained a blanket environmental impairment insurance policy for all contracted depots, as well as maintaining an insurance reserve fund.

All transporters carrying residuals from depots to Product Care's Surrey processing facility were reputable firms possessing the appropriate licensing.

Post-consumer residuals arriving at the Surrey facility were resorted, repacked or bulked and tracked through a written and computerized chain of custody documentation, to ensure proper disposal or recycling.

All contractors managing residuals for final processing on behalf of Product Care were required to ensure these were managed, from collection to disposal, according to all applicable environmental regulations. Only reputable companies with proven track records of sound environmental management practices were chosen to provide services to Product Care.

H. Reporting on approved plan's performance targets for 2006

In 2006 the program operated according to the approved program plan filed in 2000. The information in this section responds to the performance criteria in that plan:

- Cost efficiency – In 2006, collection volumes increased by 3.8% while operating costs increased by 4.8%. Administrative expenses were lowered by 5%.
- Program safety –No reportable spills or injuries were reported by the depots serving the Product Care collection system, or by transporters. A fire occurred at one depot but did not arise from PCA operations. PCA continued its program of regular depot visits and inspections.
- Product diverted from the municipal waste stream – A total of 3,529 tonnes were managed in the Product Care program in 2006, and therefore diverted from the municipal waste stream. In order to obtain more information regarding diversion from the municipal waste stream, Product Care participates in selected municipal waste audit studies.
- Progression up the pollution prevention hierarchy – The proportion of paint managed through the "Paint Exchange" program increased by 0.5 % and the proportion of paint managed by recycling increased by 8.5%. Management of gasoline and flammable liquids through energy recovery was maintained at 100%. Composite paint cans (plastic and metal), previously land-filled, were shifted to an energy recovery option.

- Volume returns – The following chart indicates the change in volumes collected by the program in 2006 compared to 2005.

Product Category	% change in volume (container capacity) collected vs. 2005
Paint	4.3%
Paint Aerosol	-11.1%
Solvent/Flammables/Gasoline	11.1%
Pesticides	35.3%
Aerosols Other	<u>81.7%</u>
Total	3.8%

The reduction for paint aerosols of 11.1% may be due to redirection of volumes to the BC Tree Marking Paint Stewardship Program.

Public awareness – Product Care’s public awareness measures in 2006 included:

- Ongoing supply of consumer brochures and materials to depots, retailers and municipalities with brochures
- Participation in 5 municipal calendars covering 215,000 households.
- Participation in RCBC Recycling Hotline which reported a 7.6% increase in calls related to PCA products compared to 2005
- Participation in BC based conferences including Coast Waste Management and RCBC conference.
- Initiation of paint can sticker project with 2 major BC paint retailers, resulting in the distribution of 22,000 program information stickers to local paint retailers

I. Annual Financial Statements

Product Care's audited financial statements from January 1, 2006 to December 31, 2006 are attached at the end of this document. This statement, prepared by an independent auditor, covers the Reporting Period.

* * *

Attached:

- List of Depots as at December 31, 2006
- Financial Statements as at December 31, 2006

Abbotsford Bottle Depot Ltd.

33236 Walsh Avenue
Abbotsford, BC V2S 2A3
1-604-853-7770
Mon - Fri 8:30-5:30, Sat 8:30-5 and Sun 10-4

Abbotsford Community Services Recycling

33670 Valley Road
Abbotsford, BC V2S 3S9
1-604-850-3551
Mon-Sat 8am-4:30pm

Alpine Disposal & Recycling

1045 Dunford Avenue
Langford, BC V9B 2S4
1-250-474-5145
Monday-Friday 8am-4:30pm Sat 8:00-4:30pm

Fraser Lake Landfill

3366 Fraser Lake Airport Road
Fraser Lake, BC V0J 1E0
250-692-6549
SUMMER: Sun-Wed 12-6pm, Fri & Sat 10am-6pm
WINTER: Sun-Wed 11am-5pm, Fri & Sat 10am-4pm

Armstrong Collision

3750 Pleasant Valley Road
Armstrong, BC V0E 1B0
1-250-546-3300
Mon-Fri 8am-5pm

Augusta Recyclers Ltd.

7346 Highway 101
Powell River, BC V8A 1W1
1-604-485-4072
Mon-Fri 8am-4:30pm, Sat 8am-4pm

Battery Doctors

1972 Windsor Road
Kelowna, BC V1Y 4R5
1-250-860-2866
Mon-Fri 8am-5pm, Sat 8:30am-4:00pm

Beaverdell Landfill

5300 Hwy. 3
Beaverdell, BC V0H 1H0
Sunday & Wednesday 10am - 2pm

Bella Coola Recycling Depot

1030 Walker Island Road
Bella Coola, BC V0T 1C0
1-250-982-0039
Thursday, Friday & Saturday 9:30 am - 5:00 pm

Biggar Bottle Depot

2577 Kingsway Avenue
Port Coquitlam, BC V3C 1T5
604-945-3313
Mon-Fri 9:00am-5:30pm, Sat 9am-6pm, Sun. 9am-5:30pm

Bill's Bottle Depot

2840 13th Avenue S.W.
Salmon Arm, BC V1E 4N9
1-250-832-6630
Mon.-Sat. 8:30am-5pm

Boucherie Self Storage & Bottle Depot

2711 Kyle Road
Kelowna, BC V1Z 2M9
1-250-769-7122
Oct-May, Mon-Sat 8:30am-5pm, Jun-Sept, Mon-Sat 8:30am-6pm

Burnaby Recycling Depot

4800 Still Creek Avenue
Burnaby, BC V5G 1N3
604-294-8447
Monday - Sunday, 8am - 4pm (open 7 days a week)

Burns Lake Transfer Station

Babine Lake Road
Burns Lake, BC V0J 1E0
1-250-692-3125
Mon.-Fri. 8am-6pm, Sat.-Sun 10-6pm

Campbell Mountain Landfill

Penticton Landfill - Reservoir Road (5km NE)
Penticton, BC
1-250-492-2907
Mon-Sat 8:30-4:45, Sunday 10am-2pm

Campbell River Bottle Depot

1580F Willow Street
Campbell River, BC V9W 3M7
1-250-287-4224
Mon-Fri, 9am-5:30pm, Sat 9am-5pm

Carney's Waste Systems - Squamish

38950 Queens Way
Squamish, BC V0N 3G0
1-604-892-5675
Mon - Fri 8:00am - 4:30pm

Carney's Waste Systems - Whistler

#1 Cheakamus Lake Road
Whistler, BC V0N 3G0
1-604-938-9622
Mon-Sun 7:30am-5pm

Central Cariboo Disposal Services

100-5101 Frizzi Road
Williams Lake, BC V2G 5E4
1-250-392-5893
Mon-Fri 8am-3pm Sat 9am-1pm

Chasers Bottle Depot

4612B-27th Street
Vernon, BC V1T 6Y4
1-250-503-1311
Mon-Fri 8am-6pm, Sat 9am-5pm, Sun 10am-4pm

Chetwynd Lions Recycling

4824 -54th Street
Chetwynd, BC V0C 1J0
1-250-788-1111
Tuesday - Saturday 10am - 5pm

Chilliwack Bottle Depot

#2, 45934 Tretheway Avenue
Chilliwack, BC V2P 1K5
1-604-792-9572
Mon - Sat 8:30am - 6pm, Sunday 10am - 5pm

Columbia Bottle Recycling

1-1420 Northwest Blvd.
Creston, BC V0B 1G6
1-250-428-2929
Tues-Sat 9:30am-4:30pm

Comox Return Centre

678 Anderton Road
Comox, BC V9M 2J3
1-250-339-0059
Winter Hours (Nov - April) Mon- Sat 9am-5pm -
Summer Hours (May - Oct): Mon - Sat 9am - 5:30pm

Cowichan Valley Bottle Depot

6476 Norcross Road
Duncan, BC V9L 5T3
1-250-748-2066
Mon-Sat 9am-5pm, Sun 10am-4pm

D.C. Recycling & Bottle Depot

925-100 Avenue
Dawson Creek, BC V1G 1W2
1-250-782-2020
Mon-Sat 9am-5:30pm

East Van Bottle Depot

2605 Kaslo Street
Vancouver, BC V5X 3R9
604-255-4243
Mon - Sun 9am - 6pm (7 days a week)

Ellice Recycle Ltd.

516 David
Victoria, BC V8T 2C8
1-250-386-4342
Mon-Fri, 7:30am-5pm, Sat & Sun 8:30am-5pm

Fleetwood Bottle Return Depot Ltd.

15093 Fraser Highway
Surrey, BC V3R 3P2
604-585-3544
Mon-Sat 8:30am-5:30pm, Sun 10-5pm

FSJ Bottle Drop

10104 - 93rd Avenue
Fort St. John, BC V1J 1E2
1-250-785-4146
Mon-Thurs 9:00-5:30, Fri & Sat 9:00-6:00pm

Gold Trail Recycling

720 Sollows Crescent
100 Mile House, BC V0K 2E0
1-250-395-1041
Mon-Fri 8:30am-5pm, Sat 9:30am-2pm

GRIPS Recycling

Hwy 101, at Menacher Road
Madeira Park, BC V0N 2H0
1-604-883-1165
Thursday to Tuesday 9am-4pm - CLOSED
WEDNESDAYS

International Fibre Recycling

7659 Industrial Street
Agassiz, BC V0M 1A2
1-604-795-7779
Mon - Sat. 9am - 6pm

Islands Regional Landfill Depot

71454, Highway 16
Port Clements, BC V0T 1R0
1-888-557-9339
Mon-Sat 11am-3pm

Joe's Bottle Depot

4394 Main Street (at Rear)
Vancouver, BC V5V 3P9
604-873-0924
Mon-Fri 9am-5pm Sat&Sun 10:30-5pm

Fort St. James Transfer Station

5121 Necoslie Road
Fort St. James, BC V0J 1E0
1-250-996-2166
Mon-Fri 10am-6pm, Sat 8am-6pm, Sun 10am-6pm

Go Green Depot & Recycling

#7 East 7th Avenue (#7 - 2286 Ontario Street)
Vancouver, BC V5X 2G9
604- 874-0367
Mon-Fri 9am-5pm Sat 9am-4pm

Grand Forks Regional Landfill

8798 Granby Road
Grand Forks, BC V0H 1H0
1-250-442-2734
Tue-Sat 8:30am-4pm, Sun 12-4pm

Hartland Recycling Depot

#1 Hartland Avenue
Victoria, BC V9E 1J9
1-250-727-3331
Mon-Fri 9am-5pm Sat 7am-2pm

Invermere Fire Department

626-4th Street
Invermere, BC V0A 1K0
1-250-342-3200
Tue 7:30-9pm Sun 10am-12pm

Penticton Recycling & Bottle Depot

200 Rosetown Avenue
Penticton, BC V2A 3J4
1-250-492-5144
Mon, Tues, Thurs, Fri - 10am-5pm Sat, 9am-5pm

Junction Bottle Depot Ltd.

149 Oyster Bay Drive
Ladysmith, BC V9G 1A3
1-250-245-7376
Mon-Sat 9am-5pm, Sun 10am-4pm

K.B.M. Motorworks/Lumby Shell

1862 Vernon Street
Lumby, BC V0E 2G6
1-250-547-2356
Mon-Sat 8am-5pm

Kitimat Recycling Depot

314 Railway Avenue
Kitimat, BC V8C 2G8
1-250-632-6633
Mon-Fri 9am-4pm, Sat 11am-4pm

Ladner Bottle Depot

4930 Elliott Street
Delta, BC V4K 2Y1
604-946-0309
Mon-Sat 9am-6pm Sun 11am-5pm

Lee's Bottle Depot

7415 Buller Avenue
Burnaby, BC V5J 4S6
604-435-3432
Mon-Sat, 9am-6pm, Sun, 10am-5pm

McKelvey Creek Landfill

1900 Highway 3B
Trail, BC V1R 4S8
1-250-364-9834
Mon-Sat 10am-5pm

Mission Flats Landfill

3095 Mission Flats Road
Kamloops, BC V2C 1A2
1-250-372-9647
Mon - Sun 8:30 am - 4:30 pm

Nakusp Landfill Site

1420 Hot Springs Road
Nakusp, BC V0G 1R0
1-250-352-6665
Mon. 9am-12:30pm, Wed. 9am-4pm, Sat. 9am-4pm

Kitchener Bottle Depot Ltd.

4177 Halifax Street
Burnaby, BC V5C 3X3
604-294-2827
Mon-Fri 10am-6pm, Sat 9am-5pm, Sun 10am-4pm

Knockholt Sub-Regional Landfill

8072 Aitken Road 8 km. East of Houston
Houston, BC V0J 1E0
1-250-803-2936
Mon - Sun 10am - 6pm

Langley Bottle Depot

20137 Industrial Avenue
Langley, BC V3A 4K6
604- 530-0131 / 534-0171
Mon-Sat 8:30am-5:30pm, Sun 10am-4pm - closed all
Public Holidays

Lillooet Glass & Tire

561 Main Street
Lillooet, BC V0K 1V0
1-250-256-4111
Mon-Fri 8am-5:30pm Sat 8am-1pm

Merritt Machine Works Ltd.

1120 McFarlane Way
Merritt, BC V1K 1B9
1-250-378-5326
Mon-Sat 8am-5pm (closed Saturdays on Long
Weekends)

Mission Recycling Depot

7229 Mershon Avenue
Mission, BC
604-365-6737 or 1-604-814-3555
Monday - Saturday 8am-4:30pm

Nanaimo Recycling Exchange Society

2477 Kenworth Road
Nanaimo, BC V9T 5K4
1-250-758-7777
Monday-Saturday, 9am-4:30pm

Nechako Bottle Depot
1922 1st Avenue
Prince George, BC V2L 2Y9
1-250-562-3871
Mon-Sat 8:30am-5pm

Nechako Valley School Bottle Depot
3rd & Nechako
Vanderhoof, BC V0J 3A0
1-250-567-4059
Mon-Thurs & Sat 12-5pm (SUMMER -Sat 10am-5pm)

Nelson Paint Depot (formerly Kootenay Oil Filter)
721 Front Street
Nelson, BC V1L 6B7
1-250-505-3512
Monday - Saturday 10am-4pm

New & Nearly New
1685 Warren Avenue
Kimberley, BC V1A 1R5
1-250-427-0009
Mon-Sat 9:30am-5pm

New Hazelton Bottle Depot
3421 Bowser Street, PO Box 787
New Hazelton, BC V0J 2J0
1-250-842-0555
Tues - Sat 10am - 5pm - CLOSED MONDAYS

New Westminster Recycling
65 E 6th Avenue (far left corner of Canada Games)
New Westminster, BC V3L 1H9
604-968-4208
Wed - Sun 10 am - 6 pm

Norbert Salvage
5667 Townsite Road
Bridgesville, BC V0H 1B0
1-250-446-2497
Mon-Sat 9am-5pm

North Van. Transfer Station
30 Riverside Dr.
North Vancouver, BC V7H 1T4
604-929-0372
Mon - Sat 8am - 5pm, Sun 10am - 5 pm

Oak Bay Recycling Depot
1771 Elgin Road
Victoria, BC V8R 1G2
1-250-598-4501
Mon-Fri 8am-4:30pm Sat 8am-12pm

Ootischenia Landfill
671 Columbia Road
Castlegar, BC
1-250-365-6737
Mon.-Sat. 8:30am - 4pm

Osoyoos Bottle Depot
8305-72nd Avenue
Osoyoos, BC V0H 1V0
1-250-495-2399
Mon - Sat 9am - 4:30pm

Parksville Bottle & Recycling Depot
611A Alberni Highway
Parksville, BC V9P 1J9
1-250-248-0224
Mon-Sun 8:00am - 6:00pm (7 days a week)

Pender Island Recycling Society
4402 Otter Bay Road
Pender Island, BC V0N 2M0
1-250-629-6962
Tues 8am-3pm, Sat 10am-3pm, Sun 2-5pm

Qualicum Bottle & Recycling Depot
Unit #4, 141 - East 4th Avenue
Qualicum, BC V9P 1S3
1-250-752-8884
Monday - Saturday 9:00am - 5:00pm

Quality Glass Ltd.

107 Brink Street
Ashcroft, BC V0K 1A0
1-250-453-9017
Mon-Fri 8am-5pm, Sat 9am-1pm

R & R Recycling Ltd.

930 - 6th Avenue
Hope, BC V0X 1L4
1-604-869-3328
Mon-Fri 8am-5pm Sat 10am-2pm

Revelstoke Bottle Depot (was Revelstoke Bottlers)

97 Cartier Street
Revelstoke, BC V0E 2S0
1-250-837-2693
Mon.-Fri. 9am-5pm Sat. 9am-3pm

Richmond Recycling Depot

5555 Lynas Lane
Richmond, BC V7C 5B2
604- 270-3257 x 1322
Wed - Sun 9:30am - 6pm

Rosebery Transfer Station

5250 Highway 6
New Denver, BC
1-250-352-6665
Wednesday & Saturday 9am-3pm

Saltspring Island Recycling

349 Rainbow Road
Saltspring Island, BC V8K 2K6
1-250-537-1200
Tues-Sat 10am-5pm

Sechelt Landfill

Dusty Road
Sechelt, BC V0N 3A0
1-604-885-6889
Mon-Sat 8:30am-5pm, Sun 12-5pm

Quesnel Landfill Site

#5 Carson Pit Road, Municipal Landfill
Quesnel, BC V2J 4B9
1-250-992-3817
Mon. & Tues. 8am-4:30pm, Wed-Sun 9am-5:30pm

Regional Recycling - Prince Rupert

251 Kaien Road
Prince Rupert, BC V8J 1A6
1-250-624-2455
Mon-Fri 8am-4:30pm Sat 9:30am-4:30pm

Rex's Recycling Centre

1020 Commercial Drive
Valemount, BC V0E 2Z0
1-250-566-9111
Tues & Wed 1-5pm, Thur-Sat 10am-5pm

Ridge Meadows Recycling Society

10092-236 Street
Maple Ridge, BC V2X 7G2
604-463-5545
Mon, Thur, Fri, Sat 8am-5pm, Tue & Wed 10am-7pm,
Sunday 10-5

Saanich Recycling Depot

1040 McKenzie Avenue
Saanich, BC V8P 2L4
1-250-475-5599
Mon-Fri 8:30am-8pm, Sat 9am-1pm

Scott Road Bottle Depot

Unit 2 - 12111 86th Avenue
Surrey, BC V3W 3H8
604-543-0606
Mon-Sat 9am-6pm, Sun 10:30am-4:30pm

Semiahmoo Bottle Depot dba Joe's Bottle Depot

Unit 28 & 29 - 15515 24th Avenue
Surrey, BC V4A 2J4
604-531-7669
Mon-Sat 9:30am-5pm

Seven Mile Recycling Centre

Highway 19
Port McNeil, BC V0N 2R0
1-250-949-1681
Mon-Fri 9am-4pm Sat 10am-3pm (no commercial customers on Saturday)

Smithers/Telkwa Transfer Station

6150 Donaldson Rd South (off Hwy. 16) Box 399
Smithers, BC V0J 2N0
1-250-846-6805
Mon-Fri 8am-6pm Sat&Sun 10am-6pm

Starlite Auto Wrecking & Repair

1408 London Lane Road
Sorrento, BC V0E 2W0
1-250-679-2950
Mon-Fri 9am-5pm, Sat (appointment only)

Terrace Bottle Depot

3098 Kofoed Drive
Thornhill, BC V8G 3P9
1-250-635-0806
Tuesday to Friday 12am to 4pm

Tidewater Equipment

401 Brightwell Street
Stewart, BC V0T 1W0
1-250-636-2121
Mon&Tues (by appointment only) Wed-Fri 9am-5pm

Town of Princeton

171 Princeton Summerland Road (Princeton Landfill)
Princeton, BC V0X 1W0
1-250-295-6111
Mon, Tue, Fri, Sat, Sun 9 am - 5 pm

Walnut Grove Bottle Depot

#224, 9640-201 Street
Langley, BC V1M 3E8
604-513-0420
Mon-Sat 9am-5pm Sun 10am-4pm

Sidney Bottle Depot

#5-10025 Galaran Road
Sidney, BC V8L 3S1
1-250-655-4878
Monday - Saturday 9am-5pm

Sooke & District Garbage Depot

6228 Sooke Road
Sooke, BC V0S 1N0
1-250-642-3646
Mon-Sat 10am-4pm Sun 12-4pm

Super Save Bottle Depot

#10 Old North Thompson Hwy
Clearwater, BC V0E 1N0
1-250-674-2160
Tues-Sat 9am-5pm

The Bottle Depot

3533 4th Avenue
Port Alberni, BC V9Y 4H3
1-250-724-5811
Mon-Sat 9:00am-5:00pm

Tofino Recycling Depot

700 Industrial Way, Municipal Works Yard
Tofino, BC V0R 2Z0
1-250-725-4212
Tues 1-3pm

Village of Gold River

Public Works Yard, Hilke Road
Gold River, BC V0P 1G0
1-250-283-2294
Wed - Sun 10am - 2:45pm

Greenwood Regional Landfill

2050 Motherlode Road
Greenwood, BC V0H 1H0
1-403-997-4289
Tues., Fri. and Sat. 9am-4pm

Wide Sky Disposal

4903 49th Avenue

Fort Nelson, BC V0C 1R0

1-250-774-6528

Mon-Sat 1:30-5pm

Willowbrook Recycling Depot

19645-60th Avenue

Langley, BC V3A 1A8

604-532-0225

Mon-Fri 9am-6pm, Sat 8am-6pm, Sun 10am-4pm

PRODUCT CARE ASSOCIATION

FINANCIAL STATEMENTS

31 DECEMBER 2006

PRODUCT CARE ASSOCIATION

Financial Statements

For the Year Ended 31 December 2006

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ROLFE, BENSON

CHARTERED ACCOUNTANTS*

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E-mail: admin@rolfebenson.com

*a partnership of incorporated professionals

AUDITORS' REPORT

To the Members,
Product Care Association

We have audited the statement of financial position of Product Care Association as at 31 December 2006 and the statements of operations and changes in members' equity and cash flows for the year then ended. These financial statements are the responsibility of the Association's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Association as at 31 December 2006 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Rolfe, Benson

CHARTERED ACCOUNTANTS

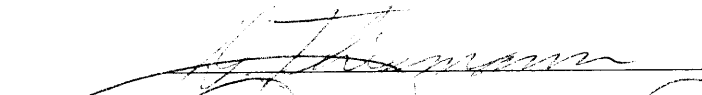
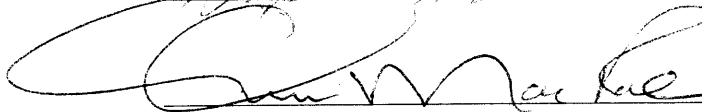
Vancouver, Canada
1 April 2007



PRODUCT CARE ASSOCIATION
Statement of Financial Position
31 December 2006

	2006	2005
Assets		
Current		
Cash and short-term investments	\$ 2,283,124	\$ 2,367,061
Accounts receivable	558,360	503,678
Prepaid expenses and deposits	50,786	54,716
	2,892,270	2,925,455
Insurance Reserve (market value - 2006 - \$7,989,025; 2005 - \$6,027,911) (Note 3)	7,100,844	5,819,677
Capital assets (Note 4)	-	3,380
	\$ 9,993,114	\$ 8,748,512
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 508,301	\$ 301,873
Commitments (Note 5)		
Members' Equity		
Insurance Reserve - restricted (Note 3)	7,100,844	5,819,677
Invested in capital assets	-	3,380
Unrestricted	2,383,969	2,623,582
	9,484,813	8,446,639
	\$ 9,993,114	\$ 8,748,512

APPROVED BY THE DIRECTORS:

 Director
 Director

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

PRODUCT CARE ASSOCIATION
Statement of Members' Equity
For the Year Ended 31 December 2006

	Unrestricted	Invested in Capital Assets	Internally Restricted Insurance Reserve	2006 Total	2005 Total
	\$	\$	\$	\$	\$
Members' equity					
- beginning of year	2,623,582	3,380	5,819,677	8,446,639	7,649,237
Excess of revenue over expenses	1,041,554	(3,380)	-	1,038,174	797,402
Transfers to insurance reserve	(1,281,167)	-	1,281,167	-	-
Members' equity					
- end of year	2,383,969	-	7,100,844	9,484,813	8,446,639

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

PRODUCT CARE ASSOCIATION
Statement of Operations
For the Year Ended 31 December 2006

	2006	2005
Revenues		
Eco fees	\$ 5,822,583	\$ 5,479,058
Operating expenses		
Collection, disposal, transportation and event advertising	4,695,039	4,132,163
Gross margin	1,127,544	1,346,895
Administrative expenses		
Association and depot start-up costs	33,224	20,631
Office, rent and travel	132,491	102,741
Technical, professional, management and communication	282,933	271,982
	448,648	395,354
Excess of revenues over expenses before other income (expenses)	678,896	951,541
Other income (expenses)		
Investment income	279,738	204,277
Interest income	78,111	48,680
Gain (loss) on sale of securities	1,429	(407,096)
	359,278	(154,139)
Excess of revenues over expenses for the year	\$ 1,038,174	\$ 797,402

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

PRODUCT CARE ASSOCIATION
Statement of Cash Flows
For the Year Ended 31 December 2006

	2006	2005
Cash provided by (used in):		
Operating activities		
Excess of revenues over expenses	\$ 1,038,174	\$ 797,402
Item not involving cash		
Amortization	3,380	90,205
Changes in non-cash working capital balances	155,676	104,224
	1,197,230	991,831
Investing activities		
Transfer (to)from insurance reserve	(1,281,167)	202,819
Net increase (decrease) in cash	(83,937)	1,194,650
Cash - beginning of year	2,367,061	1,172,411
Cash - end of year	\$ 2,283,124	\$ 2,367,061
Represented by:		
Cash	\$ 783,209	\$ 1,163,643
Money market fund	1,499,915	1,203,418
	\$ 2,283,124	\$ 2,367,061
Supplemental Cash Flow Information:		
Interest income	\$ 77,393	\$ 67,067
Interest paid	\$ -	\$ 2,946

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

PRODUCT CARE ASSOCIATION
Notes to the Financial Statements
For the Year Ended 31 December 2006

1. Incorporation of Product Care Association

On 7 May 2001, Letters Patent were obtained for the creation of Product Care Association. The new entity is the result of the amalgamation of PPC Paint and Product Care Association with Product Care Association on 1 July 2001. The Association is a not-for-profit organization and as such, the Association is not subject to income taxes.

The Association was created to collect and dispose of paint, aerosols, solvents, pesticides and gas in an environmentally safe manner as mandated by various provinces.

2. Summary of Significant Accounting Policies

(a) Capital Assets

Capital assets are recorded at cost and are amortized over their estimated useful lives on a straight-line basis at the following annual rates:

Machinery	5 years
Tubskids and cages	3 years
Trailers	3 years
Plant equipment	2 years
Leasehold improvements	5 years

(b) Revenue Recognition

Revenue from eco-fees is recognized at the time an eco-fee applicable product is sold by a member of the Association, and the eco-fee becomes due and payable.

(c) Short-term Investments

Short-term investments are recorded at cost. Where there is a decline in the value of the investment which is considered to be other than a temporary decline, the investment is written down to recognize the loss.

(d) Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and disclosure of contingencies at the date of the statement of financial position. Actual results could differ from those estimates.

PRODUCT CARE ASSOCIATION
Notes to the Financial Statements
For the Year Ended 31 December 2006

3. Insurance Reserve Fund

The insurance reserve fund was established to respond to environmental impairment liability exposures and director and officers liability exposures up to predetermined levels in conjunction with the overall insurance program. The amount is internally restricted and transfers to the insurance reserve fund are made upon resolutions passed by the Board of Directors. During the year the Directors approved to transfer \$1,000,000 (2005 - \$Nil) to the insurance reserve fund.

The assets in the insurance reserve fund consist of cash and investments in fixed income and equity securities and are independently managed. All income earned on these investments are transferred to the insurance reserve fund. During the year \$281,167 (2005 - \$(202,819)) was transferred to the insurance reserve fund.

4. Capital Assets

	Cost	Accumulated Amortization	Net Book Value	
			2006	2005
Depot equipment	\$ 756,717	\$ 756,717	\$ -	\$ 3,166
Office equipment	44,431	44,431	-	-
Leasehold improvements	483,749	483,749	-	214
Storage depots	576,096	576,096	-	-
	<u>\$ 1,860,993</u>	<u>\$ 1,860,993</u>	<u>\$ -</u>	<u>\$ 3,380</u>

5. Commitments

The Association entered into a 60 month lease on the Surrey office and building facility which expires on 31 January 2011. The lease includes a clause that after January 2008, the Association can terminate the lease with six months notice. The annual lease payments are as follows:

2007	\$ 96,000
2008	96,000
2009	96,000
2010	96,000
2011	8,000
	<u>\$ 392,000</u>

PRODUCT CARE ASSOCIATION
Notes to the Financial Statements
For the Year Ended 31 December 2006

6. Financial Instruments

The Company's financial instruments consist of cash and short-term investments, accounts receivable, insurance reserve and accounts payable and accrued liabilities.

(a) Fair Value

The fair value of these financial instruments approximate their carrying values due to their short maturities, unless otherwise noted.

(b) Credit Risk

The Company's financial instruments that are exposed to concentrations of credit risk consist of 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 customers. The Company has evaluation and monitoring processes in place and writes off accounts when they are determined to be uncollectible.

7. Comparative Figures

Certain comparative figures have been reclassified to conform to the current year's financial statement presentation.