Financial Statements

GrantThornton

To the Board of Directors of the Resource Recovery Fund Board Inc. and Resource Recovery Fund (operating as Divert NS)

Opinion

We have audited the accompanying combined financial statements of the Resource Recovery Fund Board Inc. and Resource Recovery Fund (operating as Divert NS) ("Resource Recovery Fund"), which comprise the combined statement of financial position as at March 31, 2021, the combined statements of operations, changes in net resources, changes in net financial resources, remeasurement gains and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying combined financial statements present fairly in all material respects, the financial position of Resource Recovery Fund Board Inc. and Resource Recovery Fund (operating as Divert NS) as at March 31, 2021, and its results of operations, its changes in its net resources, and changes in net financial resources and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Combined Financial Statements* section of our report. We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the combined financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

Our audit was conducted for the purpose of forming an opinion on the combined financial statements taken as a whole. The schedule included on Page 15 is presented for purposes of additional information and is not a required part of the combined financial statements. Such supplementary information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion, in the audit of the combined financial statements taken as a whole.

Responsibilities of Management and Those Charged with Governance for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Combined Financial Statements

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

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

- Identify and assess the risks of material misstatement of the combined financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the combined financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

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

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

Truro, Canada
May 27, 2021

Grant Thornton LLP

Chartered Professional Accountants

Combined Statement of Operations

Year ended March 31

	Budget 2021 (Note 10)	2021	2020
Revenues			
Deposits	$ 47,192,000	$ 49,728,461	$ 47,188,918
Sales of recyclable materials (Note 11)	4,796,000	4,591,047	5,989,625
Tire program	6,261,000	5,905,954	5,695,373
Investment and other income	795,000	562,596	707,887
Rental income	272,000	271,985	187,940
Total revenues	59,316,000	61,060,043	59,769,743
Expenses			
Operating	48,069,000	50,052,547	46,433,456
Administrative	1,999,000	1,777,833	1,818,393
Other expenditures and funding:			
Approved program grants	1,150,000	1,061,282	1,081,761
Education and communication	2,011,000	1,726,340	1,819,348
Household hazardous waste program	140,000	140,000	140,000
Litter study	100,000	–	–
Municipal enforcement program funding	700,000	700,000	700,000
Programs, development and other funding	700,000	167,024	212,329
Regional chairs and coordinators	346,000	312,448	342,443
	55,215,000	55,937,474	52,547,730
Excess of revenues over expenses before allocations	4,101,000	5,122,569	7,222,013
Municipal solid waste diversion credits (Note 7)	2,870,700	3,881,884	5,055,409
Nova Scotia Environment (Note 7 and Note 8)	820,200	1,109,110	1,211,325
Excess net resources allocation	–	–	450,000
Excess of revenue over expenditures	410,100	131,575	505,279
Accumulated annual net resources, beginning of year	9,739,427	9,739,427	9,234,148
Accumulated annual net resources, end of year (Note 9)	$ 10,149,527	$ 9,871,002	$ 9,739,427

See accompanying notes to the combined financial statements

Combined Statement of Financial Position

March 31

	2021	2020
Financial assets		
Cash and cash equivalents	$ 8,606,560	$ 9,380,942
Receivables	6,686,655	6,368,063
Accrued receivables	867,105	843,328
Notes receivable (Note 3)	218,789	115,110
Investments (Note 4)	22,434,517	22,009,437
Inventory	99,318	126,874
	38,912,944	38,843,754
Financial liabilities		
Payables and accruals	3,168,556	1,921,692
Municipal solid waste diversion credits payable	6,619,076	8,139,926
Payable to Nova Scotia Environment (Note 7 and Note 8)	1,109,110	1,444,402
Unearned revenue	22,284,000	21,893,000
	33,180,742	33,399,020
Net financial resources	5,732,202	5,444,734
Non-financial assets		
Prepaids	3,287	3,100
Tangible capital assets (Note 5)	4,558,493	4,291,593
	4,561,780	4,294,693
Accumulated net resources (Note 9)	$ 10,293,982	$ 9,739,427

Commitment (Note 13)
Impacts of COVID-19 (Note 14)

On Behalf of the Board

Director Director

See accompanying notes to the combined financial statements

Combined Statement of Changes in Net Financial Resources

March 31

	Budget 2021 (Note 10)	2021	2020
Excess of revenue over expenditures	$ 410,100	$ 131,575	$ 505,279
Net remeasurement gains (Page 5)	–	422,980	–
Purchase of tangible capital assets	(922,000)	(971,852)	(1,012,194)
Amortization of tangible capital assets	791,020	704,952	687,210
Proceeds on disposal of tangible capital assets	–	–	925
Gain on disposal of tangible capital assets	–	–	(925)
	(130,980)	156,080	(324,984)
Usage of prepaids	(187)	(187)	5,491
Increase in net financial resources	$ 278,933	$ 287,468	$ 185,786
Net financial resources, beginning of year		$ 5,444,734	$ 5,258,948
Increase in financial resources		287,468	185,786
Net financial resources, end of year		$ 5,732,202	$ 5,444,734

Combined Statement of Remeasurement Gains

March 31

	2021	2020
Accumulated remeasurement gains, beginning of year	$ –	$ –
Unrealized gains attributable to portfolio investments	422,980	–
Accumulated remeasurement gains, end of year (Note 9)	$ 422,980	$ –

See accompanying notes to the combined financial statements

Combined Statement of Cash Flows

Year ended March 31

	2021	2020
Increase (decrease) in cash and cash equivalents:		
Operating		
Excess of revenue over expenditures	$ 131,575	$ 505,279
Amortization	704,952	687,210
Gain on disposal of tangible capital assets	–	(925)
	836,527	1,191,564
Change in non-cash operating working capital		
Receivables	(342,369)	(261,839)
Inventory	27,556	(44,071)
Prepaids	(187)	5,491
Payables and accruals	(609,278)	169,073
Unearned revenue	391,000	1,004,500
	303,249	2,064,718
Capital		
Proceeds on disposal of tangible capital assets	–	925
Purchase of tangible capital assets	(971,852)	(1,012,194)
	(971,852)	(1,011,269)
Investing		
Proceeds from sale of investments	4,000,000	–
Purchase of investments	(4,000,000)	(6,000,000)
Interest in joint venture	(2,100)	(7,699)
Issue of notes receivable	(228,642)	(32,529)
Repayment of notes receivable	124,963	38,905
	(105,779)	(6,001,323)
Net decrease in cash and cash equivalents	(774,382)	(4,947,874)
Cash and cash equivalents, beginning of year	9,380,942	14,328,816
Cash and cash equivalents, end of year	$ 8,606,560	$ 9,380,942

See accompanying notes to the combined financial statements

1. Nature of operations

The Resource Recovery Fund Board Inc., operating as Divert NS ("Resource Recovery Fund"), is a not-for-profit organization established by the Nova Scotia government to develop and administer industry stewardship programs that increase waste diversion; enable the establishment of new industries based on the processing of materials diverted from the waste stream; and work in partnership with Nova Scotians to improve the province's environment, economy and quality of life by reducing, reusing, recycling and recovering resources.

Under regulation, all revenues earned are deposited to the Resource Recovery Fund, which is the property of the Province of Nova Scotia. All expenditures incurred by the Resource Recovery Fund Board Inc. to operate, administer and fulfil the mandates of the Province of Nova Scotia Solid Waste Management Strategy are expenditures of the Resource Recovery Fund. Accordingly, all assets, liabilities and net resources reported in these financial statements are the property of the Resource Recovery Fund and are held on behalf of the Province of Nova Scotia by the Resource Recovery Fund Board Inc.

2. Summary of significant accounting policies

Basis of presentation

The combined financial statements include the accounts of the Resource Recovery Fund Board Inc. and the Resource Recovery Fund. Significant inter-entity loans and transactions have been eliminated in these combined financial statements. These combined financial statements are the representations of management prepared in accordance with generally accepted accounting principles for provincial governments as established by the Canadian Public Sector Accounting Board (PSA) of Chartered Professional Accountants (CPA) Canada.

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires the Resource Recovery Fund's management to make estimates and assumptions that affect the amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenue and expenditures during the year. Certain of these estimates require subjective or complex judgements by management that may be uncertain. Some of these items include allowance for doubtful accounts, amortization and unearned revenue. Actual results could differ from those reported.

Revenue recognition

Resource Recovery Fund follows the deferral method of accounting for revenue. Revenue is recognized in the month it is receivable (or received) if the amount can be reasonably estimated and collection is reasonably assured. Interest income is recognized as it is earned.

Tangible capital assets

Tangible capital assets are recorded at cost. Rates and bases of amortization applied to write-off the cost of tangible capital assets over their estimated lives are as follows:

Building	5%, straight-line
Paving	8%, straight-line
Field equipment	20%, straight-line
Processing equipment	12.5%, 20%, straight-line
Leasehold improvements	10%, straight-line
Office and warehouse equipment	20%, straight-line
Computer hardware and software	20%, 33 1/3%, straight-line
Containers	
• Bags	33 1/3%, straight-line
• Tubs	10%, straight-line
Vehicles	33 1/3%, straight-line
Trailers	14.3%, straight-line

When conditions indicate that a tangible capital asset no longer contributes to the Resource Recovery Fund's ability to provide goods and services, or that the value of future economic benefits associated with the tangible capital asset is less than its net book value, the cost of the tangible capital asset is reduced to reflect the decline in the asset's value. Write-downs are not reversed.

2. Summary of significant accounting policies (continued)

Inventory
Inventory is valued at the lower of cost and net realizable value.

Forgivable loans
The Resource Recovery Fund accounts for forgivable loans as conditional grants. The forgivable loans are non-interest bearing and are advanced with repayment not to be expected unless certain conditions are not met.

Unearned revenue and measurement uncertainty
Unearned revenue represents deposits received for beverage containers that have not been returned for redemption and fees received for tires which will be returned for disposal at a future date. Unearned beverage revenue is sixty (60) days' worth of revenue calculated on the last twelve (12) months' average daily revenue adjusted by the current year's return rate. Unearned tire revenue is calculated on the last three (3) years of tire revenue adjusted by the past six (6) years' average return rate. The actual revenue the Resource Recovery Fund may collect compared to the unearned revenue calculation is uncertain as the calculation is affected by the above management assumptions. However, in the past, the unearned revenue has remained consistent even with updated inputs for the calculation for each fiscal year. As a result, it is expected that the range of uncertainty for the unearned revenue is not significant.

Cash and cash equivalents
Cash and cash equivalents include cash on hand, balances with banks and short-term investments with maturity dates of 90 days or less. Bank borrowings are considered to be financing activities.

Foreign currency translation
The Resource Recovery Fund does not enter into foreign currency futures and forward contracts to reduce its exposure to foreign currency fluctuations. Monetary assets and liabilities denominated in foreign currencies are translated at the period end exchange rate. Revenue and expenditures denominated in foreign currencies are translated at the exchange rate prevailing at the time of the transaction. Translation gains or losses are recognized in the period in which they occur.

Budget figures
The budget figures contained in these combined financial statements were approved by the Board in its original fiscal plan.

Financial instruments
Financial instruments include cash and cash equivalents, receivables, notes receivable, investments, payables and accruals and municipal solid waste diversion credits payable. They are initially recognized at cost, except for portfolio investments, and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets. Portfolio investments with underlying assets quoted in active markets are measured at fair value.

Management assesses each financial instrument to determine whether there is any impairment losses, if there are they are reported in the statement of operations.

Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Unrealized gains or losses are reported on the statement of remeasurement gains and losses. The realized gain or loss upon derecognition of a financial instrument measured at fair value is recognized in the statement of operations.

Income taxes
The Resource Recovery Fund is exempt from income taxes under Section 149(l)(d) of the *Canadian Income Tax Act*.

Joint venture
The Resource Recovery Fund is part of a joint venture in the Canadian Association of Tire Recycling Agencies (CATRA). This investment is recognized using the modified equity method.

3. Notes receivable

	2021	2020
Non-interest bearing notes with variable payments, maturing between fiscal 2022 and 2029	$ 218,789	$ 115,110

4. Investments

Investments consist of the following:

i) Loans receivable from the Province of Nova Scotia – Department of Finance. These loans are issued at interest rates ranging from 1.68% to 2.3% and mature as follows:

	2022	2023	2021 Total	2020 Total
	$ 10,000,025	$ 4,000,000	$ 14,000,025	$ 18,000,025
ii) Principal protected notes, at fair value, maturing in April 2024, March 2026 and March 2028			8,422,980	4,000,000
iii) Joint venture with Canadian Association of Tire Recycling Agencies (CATRA)			11,512	9,412
Total investments			$ 22,434,517	$ 22,009,437

5. Tangible capital assets

	Cost	Accumulated Amortization	2021 Net Book Value	2020 Net Book Value
Land	$ 294,100	$ –	$ 294,100	$ 294,100
Field equipment	122,201	98,985	23,216	47,102
Processing equipment	935,546	415,140	520,406	97,078
Buildings	4,240,629	1,723,795	2,516,834	2,348,678
Paving	272,945	72,785	200,160	221,995
Office and warehouse equipment	324,110	292,558	31,552	60,345
Containers	1,351,648	1,014,078	337,570	293,851
Leasehold improvements	9,508	6,084	3,424	4,375
Computer hardware and software	602,461	578,070	24,391	13,635
Vehicles	65,643	45,115	20,528	34,211
Trailers	2,399,381	1,813,069	586,312	876,223
	$ 10,618,172	$ 6,059,679	$ 4,558,493	$ 4,291,593

Included in tangible capital assets is $473,486 relating to the purchase of a new baler. As at March 31, 2021, this asset was not available for use and therefore no amortization was taken.

6. Bank indebtedness

The Resource Recovery Fund has an operating credit facility of $2,000,000 of which nil is used at March 31, 2021 (2020 – $ nil). Interest is calculated at prime plus 0.5%.

7. Allocations

As stipulated in the agreement with the Nova Scotia Department of Environment:

a) the Board shall reimbursement the Department up to a maximum of 20% of the net revenue of the Fund for all reasonable services performed and related expenses incurred by the Department; and

b) the Board shall pay a minimum of 70% of the net revenue of the fund to be divided among municipalities in each region based on the solid waste diverted by the municipality or region

The allocations as presented on the combined statement of operations are determined as follows:

	2021	2020
Excess of revenues over expenses before allocations	$ 5,122,569	$ 7,222,013
Net remeasurement gains	$ 422,980	$ –
Net revenue	$ 5,545,549	$ 7,222,013
Nova Scotia Environment (20%)	$ 1,109,110	$ 1,211,325
Municipal solid waste diversion credits (70%)	$ 3,881,884	$ 5,055,409

8. Related party transaction

The Resource Recovery Fund reimburses Nova Scotia Environment up to a maximum of 20% of the net revenues of the Fund for services and expenses incurred on the Resource Recovery Fund's behalf. During the year, a reimbursement expense of $1,109,110 (2020 – $1,211,325) was recorded. The total liability at the end of 2021 is $1,109,110 (2020 – $1,444,402).

9. Accumulated net resources

	Invested in Capital Assets	Restricted	Unrestricted	2021 Total	2020 Total
Balance, beginning of year	$ 4,291,594	$ 2,508,253	$ 2,939,580	$ 9,739,427	$ 9,234,148
Excess (deficiency) of revenues over expenditures	(704,952)	(156,024)	992,551	131,575	505,279
Net remeasurement gains	–	–	422,980	422,980	–
Transfers	971,851	488,878	(1,460,729)	–	–
Balance, end of year	$ 4,558,493	$ 2,841,107	$ 2,894,382	$ 10,293,982	$ 9,739,427

Restricted funds represented by:	
Committed funds (Note 13)	$ 526,035
Future projects	2,315,072
	$ 2,841,107

	2021	2020
Accumulated net resources represented by:		
Accumulated annual net resources	$ 9,871,002	$ 9,739,427
Accumulated remeasurement gains	$ 422,980	–
	$ 10,293,982	$ 9,739,427

Net resources under the Resource Recovery Fund restricted for future projects, represents funds committed to approved programs and funds internally restricted for funding various future projects as approved and in accordance with the goals and objectives of the Resource Recovery Fund (Divert NS).

10. Budget figures

The budgeted figures presented are approved annually by the Board and represent planned revenues and expenses for entity wide operations. The budgeted figures presented are consistent with Public Sector Accounting Standards ("PSAS").

11. Financial instruments risk management

Credit risk

Credit risk is the risk of financial loss to the Resource Recovery Fund if a debtor fails to make payments when due. The Fund is exposed to this risk relating to its receivables and notes receivable.

Credit risk is mitigated by management's review of aging and collection of receivables, only 1.5% of receivables are over 60 days. The Fund recognizes a specific allowance for doubtful accounts when management considers the expected amounts to be recovered is lower than the actual receivable.

The Resource Recovery Fund is exposed to investment credit risk through its investments. The maximum exposure to investment credit risk is outlined in Note 4.

There have been no significant changes from the previous year in exposure to risk or policies, procedures and methods used to measure the risk.

Liquidity risk

Liquidity risk is the risk that the Resource Recovery Fund will encounter difficulty in meeting the obligations associated with its financial liabilities. The Resource Recovery Fund is exposed to this risk mainly in respect of its payables and accruals and municipal solid waste diversion credits payable. At balance date, the Resource Recovery Fund has available financial assets to meet these obligations and there was no significant change in exposure from the prior year.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of market factors. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Resource Recovery Fund is mainly exposed to currency and price risk related to its sales of recyclable materials.

The currency risk is predominately US funds. The average US exchange rate was $1.3219 for the twelve-month period. As at March 31, 2021 the receivables denominated in US currency were approximately $732,662 (2020 – $566,089).

The price risk is related to fluctuations in commodities. During the year commodity prices for PET and aluminium fluctuated by approximately 16.17%. This fluctuation could result in an increase or decrease of sales by approximately $816,708. The Resource Recovery Fund participates in a national buying group on certain of its commodity sales to minimize the risk.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

12. Excess Net Resources

As stipulated in the agreement with Nova Scotia Environment (NSE), the Board shall endeavour to limit its unrestricted accumulated net resources to 5% of gross revenues during any particular fiscal year. In the current year, unrestricted accumulated net resources did not exceed 5% of gross revenues (2020 – $ nil). In the event that unrestricted accumulated net resources does exceed 5% of gross revenues by $100,000 or more, the Board shall recommend to the Minister a proposed distribution of the excess.

13. Commitment

The Resource Recovery Fund has entered into agreements with specific organizations and businesses to provide funding for various recycling programs across Nova Scotia. At March 31, 2021, $526,035 (2020 – $193,181) of the restricted for approved programs resources has been committed under these agreements.

14. Impacts of COVID-19

The spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.

14. Impacts of COVID-19 (continued)

To date the impact on the company has been minimal. Beverage revenue was not adversely affected and actually increased from the prior fiscal year. It is not anticipated to decrease in the upcoming year. The organization's investments are comprised of promissory notes with the province ($14 million) at locked in rates and the remainder ($8.4 million) is held in principal protected notes which guarantees the principal upon maturity. Rental income is tied to a lease agreement that is in place for the next six years.

As a form of COVID-19 relief, some of the Enviro-depots were advanced handling fees in April 2020 in the aggregate amount of $151,639; the balance owing to Divert NS at March 31, 2021 is $62,739 and it is expected to be received in full by August 2021.

The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of Divert NS in future periods.

Combined Statement of Operating Expenses

Year ended March 31	Budget 2021 (Note 10)	2021	2020
Inventory, beginning of year	$ 118,000	$ 126,874	$ 82,803
Amortization	295,000	289,912	289,708
Central processing expenses			
Amortization	132,000	131,072	117,557
Building	82,500	50,950	41,505
Forklift – maintenance and propane	21,000	17,358	22,550
Meetings and travel	25,000	5,037	22,994
Postage, delivery and office	1,500	131	1,357
Professional fees	25,000	4,764	13,657
Repairs and maintenance:			
Bulk bags and containers	18,000	290	1,000
Salaries and benefits	454,500	431,196	440,610
Shipping supplies	–	–	46,659
Telecommunications	6,000	7,060	5,345
Training	5,000	2,579	4,680
Vehicle	2,500	568	221
Deposit refunds	20,785,000	21,674,545	20,247,289
Enviro-Depot handling fees	18,618,000	19,520,885	17,673,568
Insurance	68,000	93,583	66,404
Local cartage	2,569,000	2,450,896	2,373,694
Non-deposit materials	52,000	45,348	48,337
Other	145,000	174,701	42,424
Regional processing	796,000	626,208	631,617
Used tire management program	3,968,000	4,497,908	4,386,351
	48,187,000	50,151,865	46,560,330
Inventory, end of year	118,000	99,318	126,874
	$ 48,069,000	$ 50,052,547	$ 46,433,456

Combined Statement of Administrative Expenses

Year ended March 31

	Budget 2021 (Note 10)	2021	2020
Amortization	$ 162,000	$ 150,329	$ 165,760
Bad debt	6,000	2,217	7,838
Bank charges and interest	14,000	13,046	13,169
Board fees and expenses	80,000	59,326	75,879
Building	185,000	156,031	148,628
Dues and fees	7,000	6,913	6,961
Insurance	87,000	100,574	87,222
Meetings and travel	52,000	2,839	37,281
Office	27,000	38,237	23,377
Postage, printing and delivery	7,000	3,409	3,555
Professional development	40,000	29,801	37,457
Professional fees	155,000	101,328	98,401
Public relations	60,000	34,915	55,838
Salaries and benefits	1,020,000	992,745	978,382
Technology support and licensing	75,000	71,986	65,315
Telecommunications	12,000	14,137	13,330
Website development and hosting	10,000	–	–
	$ 1,999,000	$ 1,777,833	$ 1,818,393

Supplementary Schedule of Individual and Combined Statements of Operation

Year ended March 31, 2021

	Resource Recovery Fund Board Inc.	Resource Recovery Fund	Combined
Revenues			
Administrative[1]	$ 52,747,284	$ –	$ –
Deposits	–	49,728,461	49,728,461
Sales of recyclable materials	–	4,591,047	4,591,047
Tire program	–	5,905,954	5,905,954
Investment and other income	–	562,596	562,596
Rental income	–	271,985	271,985
Total revenues	52,747,284	61,060,043	61,060,043
Expenses			
Operating	49,470,367	582,180	50,052,547
Administrative[1]	1,625,287	52,899,830	1,777,833
Other expenditures and funding			
Approved program grants	–	1,061,282	1,061,282
Education and communication	1,651,630	74,710	1,726,340
Household hazardous waste program	–	140,000	140,000
Municipal enforcement program funding	–	700,000	700,000
Programs, development and other funding	–	167,024	167,024
Regionals chairs and coordinators	–	312,448	312,448
	52,747,284	55,937,474	55,937,474
Excess of revenues over expenses before allocations	–	5,122,569	5,122,569
Municipal solid waste diversion credits	–	3,881,884	3,881,884
Nova Scotia Environment	–	1,109,110	1,109,110
Excess net resources allocation	–	–	–
Excess of revenues over expenditures	$ –	$ 131,575	$ 131,575

[1] Administrative revenue and expenses of $52,747,284 have been eliminated at consolidation.