



**2023**

# Annual Report



**SARRRC**

Saskatchewan Association  
for Resource Recovery Corp.

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## Background

The Saskatchewan Association for Resource Recovery Corp. (SARRC) is a non-profit corporation formed by the oil, filter, antifreeze and diesel exhaust fluid (DEF) industry in Saskatchewan to develop, implement and maintain a single, cost-effective, province-wide Used Oil, Filter, Antifreeze and Container Recycling Program. SARRC was incorporated on February 12, 1996. The program, approved by the Ministry of Environment, has been widely accepted and supported by consumers, industry, environmental groups, governments and other stakeholders.

## SARRC Members

Membership in SARRC is open to all first sellers of oil, oil filters, diesel exhaust fluid, diesel fuel filters or antifreeze in Saskatchewan, as defined in the Used Petroleum and Antifreeze Products Collection Regulations. As of December 31, 2023, there are 220 partner Members.

Please refer to the website for the most recent Member List: <http://usedoilrecyclingsk.com/members/>.

## Used Oil and Antifreeze Collection

Collection facilities serve small-volume users (do-it-yourself, farm and small-business operators) who generate 15 – 20% of the used oil and antifreeze materials in Saskatchewan. Many individuals and businesses operate used oil, filter, antifreeze and oil/antifreeze/DEF container collection facilities or collect these materials from businesses and the public. There are 126 locations across Saskatchewan where you can drop off used oil, oil filters, antifreeze and used oil, antifreeze and DEF containers for recycling.

## The Needs for and Benefits of SARRC's Program

On average, Saskatchewan businesses and residents purchase between 35 and 40 million litres of oil annually. Before the program was introduced, less than one-quarter of that amount was collected and recycled. Much of the balance was improperly discarded in fields, ditches, drains, and roads.

Another three to five million litres of used antifreeze are generated annually in Saskatchewan. Used antifreeze is toxic and has to be handled with care to protect the environment and ensure that humans and animals do not inadvertently ingest it.

In addition to the used oil and antifreeze generated, Saskatchewan businesses and residents use about 2.5 million oil filters and nearly 1 million kilograms of oil/antifreeze/DEF containers annually. Before the program was introduced, most were discarded.

Dumping used oil or antifreeze materials can damage earth and water, hurting wildlife, humans and their pets.

## Used Oil, Filter, Antifreeze and Container EcoCentres

EcoCentres are additional purpose-built facilities that have opened for do-it-yourselfers, farmers and small business operators who change their own oil and antifreeze. Thirty-seven EcoCentres located province-wide are listed under collection facilities; please get in touch with SARRC or visit our website at [www.usedoilrecyclingsk.com](http://www.usedoilrecyclingsk.com) for their locations and hours of operation.

## 2023 Program Results Summary

The Used Oil, Filter, Antifreeze, and Container Recycling Program has been remarkably successful since its inception in 1996.

### Collected January 1 to December 31, 2023

- 0.444 million kilograms of used oil, antifreeze and diesel exhaust fluid (DEF) containers;
- 1.1 million used oil filters;
- 17 million litres of used oil; and
- 0.300 million litres of used antifreeze

### Collected since Program Start - Oct 1997 to Dec 2023

- 8.6 million kilograms of used oil, antifreeze and diesel exhaust fluid (DEF) containers;
- 45.1 million used oil filters;
- 443.8 million litres of used oil; and
- 2.6 million litres of used antifreeze since April 1, 2014 (program addition)

## 2023 Program Results

	Sold	Available for Collection	Amount Available	Collected	Processed	Collection Rate	Target
<b>Oil (l)</b>	36,929,794	67.9%	25,075,330	17,022,978		<b>68%</b>	80%
<b>Antifreeze (l)</b>	4,809,567	43.3%	2,082,543	300,008		<b>14%</b>	50%
<b>Filters (kg)</b>	992,234	100%	992,234	1,139,463	955,896	<b>96%</b>	80%
<b>Filters (units)</b>	2,331,140	100%	2,331,140	1,785,680		<b>77%</b>	80%
<b>Containers (l)</b>	19,696,844	100%	19,696,844				
<b>Containers (kg)</b>	912,088	100%	912,088	444,545		<b>73%*</b>	75%

\*Note: includes 24% reuse rate

## Recycled Products

Used oil is reprocessed into re-refined lubricating oil, industrial burner fuel and other products. Used oil filters are processed into structural metal shapes to manufacture industrial and agricultural products. Plastic oil/antifreeze/DEF containers are recycled into industrial posts, railroad crossings, plastic pipes and new containers. Plastic 20-litre pails are refilled with bulk lubricants or cleaned and reused for a vast number of applications. Used antifreeze is highly recyclable, with most used antifreeze being processed into new commercial antifreeze.

## Greenhouse Gas Estimates

It is estimated that SARRC's program saved 52,789 tonnes of CO<sub>2</sub> equivalent in 2023. That's like taking about 15,837 passenger vehicles off the road or the energy used by over 12,141 homes in one year.

\* Based on Natural Resources Canada's greenhouse gas equivalencies calculator.

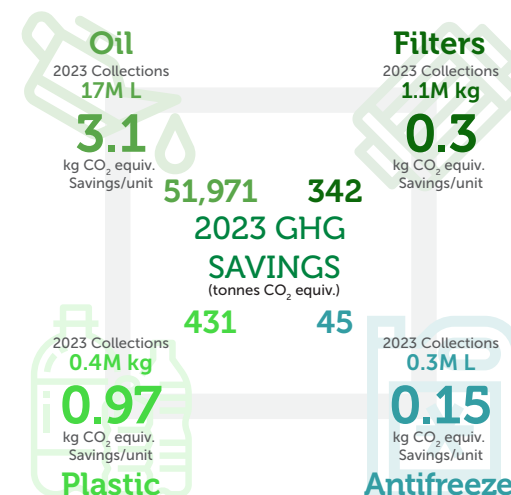
## GHG Emissions Tracking

SARRC started tracking greenhouse gas emissions in 2017; since then, the program has saved over 323,852 tonnes of CO<sub>2</sub> equivalent, or 98,881 passenger vehicles taken off the road or the energy used by 75,622 homes in a year—that's something we can all be proud of!

## Program Benefits

- SARRC's Used Oil, Filter, Antifreeze and Container Recycling Program promotes and facilitates the recovery of valuable, non-renewable resources.
- It protects the environment by diverting materials from landfills and inappropriate areas such as fields, ditches and water courses.
- It creates new business opportunities and new job opportunities for Saskatchewan people.
- It provides a single, comprehensive, cost-effective, sustainable and province-wide program in harmony with similar programs in British Columbia, Alberta, Manitoba, Quebec, New Brunswick, Prince Edward Island, Newfoundland and Labrador and Nova Scotia.

## Greenhouse Gas Estimates





## Minister's message

### Hon. Christine Tell Minister of Environment

I am grateful to Saskatchewan Association for Resource Recovery Corporation (SARRC) for your dedication to minimizing waste and keeping our environment healthy and safe. Your commitment has had a significant positive impact on our province.

The Ministry of Environment's mandate is to manage the health of Saskatchewan's environment in a responsible manner. Stewardship is an important part of that, and I want to thank SAARC for your excellent stewardship over your 26 years of program management. You have demonstrated leadership in waste reduction and resource conservation – you've handled nearly half a billion litres of oil over the past quarter century!

And you haven't slowed down. The more than 13,000 drums of oil filters and 300,000 liters of antifreeze you recycled in 2023 alone should be a point of pride for your organization.

SARRC's used oil and antifreeze recycling program contributes to a thriving circular economy. When recycled materials are reincorporated into the market, it reduces their environmental footprint, diverts large amounts of material from landfills and cuts overall cost.

I am pleased SARRC's product stewardship plan has been renewed for another five years.

By extending the plan, you are ensuring a safer, cleaner future for generations to come.

By increasing incentives for collectors, SARRC is acknowledging their vital role in reducing the amount of waste sent to landfills. Your dedication to collecting and handling antifreeze and used oil materials is essential, and providing fair compensation is another testament of your commitment to an effective and accessible recycling program.

I wish SARRC and its members all the success as you work to increase the numbers of volunteer drop-off locations and continue to encourage the people of Saskatchewan to collect and recycle used oil and antifreeze.

Again, on behalf of its residents, the Government of Saskatchewan thanks SARRC and its members for the hard work you do every day.

Sincerely,

Hon. Christine Tell

Minister of Environment



# Message from the Chairperson of the SARRC Board of Directors

Jerry Coben

I want to thank our Members for their support - the first sellers of used oil, oil filters, antifreeze and oil, antifreeze and diesel exhaust fluid (DEF) containers in Saskatchewan. SARRC's mandate is to provide proper end-of-life management for these materials, keep them out of landfills, and recover useful and valuable materials that would otherwise go to waste. SARRC has been operating a very effective stewardship program since 1997, ensuring our Members' responsibilities are fulfilled.

If you have read our previous annual reports, you will find that the Chairperson's message is slightly different this year. Rod Rosenfelt, our previous Chair, was instrumental in establishing SARRC in the 1990s. Rod served SARRC as a Director since its incorporation. Rod was also SARRC's long-standing Board Chairperson for nearly 25 years, retiring this past year. It has been my privilege to work with Rod all these years on the Board, guiding SARRC from an initial idea into a mature program that counts over 200 industry Members. Rod's passion for SARRC's mandate, dedication to the organization, and direct, no-nonsense approach to life will be missed.

It is my pleasure to return to the role of Board Chairperson. The recycling industry often talks about circularity; coincidentally, circumstances sometimes bring one back to the beginning. I first served as SARRC Board Chair in 1998, and now, returning to that role makes sense for a recycling organization!

The Saskatchewan Ministry of Environment accepted SARRC's Product Stewardship Plan (PSP) for the next five years in 2023. SARRC will follow the PSP, ensuring our Members continue to comply with the Used Petroleum and Antifreeze Products Stewardship Regulations.

In addition, as you will see in the following pages, SARRC's 2023 collection and recycling statistics continued to recover from the significant effects of the COVID-19 pandemic.

Thank you again for your ongoing support,

Jerry Coben

Board Chairperson



# Executive Director's Report

## Ethan Richardson

The first sellers of oil, filters, antifreeze and oil, antifreeze and DEF containers (our Members) rely on SARRC to ensure their compliance with the *Used Petroleum and Antifreeze Product Stewardship Regulations*. This responsibility guides all decision-making at SARRC. By focusing on effective and efficient program delivery, we can simultaneously protect our environment by providing end-of-life management of these products that would otherwise be wasted and potentially impact our environment while meeting industries' needs.

In 2023, oil, filter, and antifreeze sales appeared to return to 'normal' conditions. This marks the first year since 2019 when the lingering effects of the COVID-19 pandemic were not obvious (Tables 1, 2, and 3). Sales (with the exception of oil sales) rebounded from 2022 lows. Collections approached 2019 levels; however, there is certainly room for more improvement.

Oil collections improved, but still did not reach our target. Changes in economics and consumer behaviour may account for some of this shortfall, as energy prices may have increased the use of oil-burning heaters. Used oil burnt (unless in a permitted facility) is not considered an approved use and does not qualify for a return incentive in Saskatchewan. Filter and container recovery rates approached the targets (with filter recovery

as measured by mass exceeding the target), while antifreeze collection remains stubbornly low.

Increases in SARRC's return incentives for 2024 should further incentivize collection and potentially improve recycling rates moving forward. Antifreeze collection remains an issue across Canada, and SARRC will continue to work with other used oil management associations to understand this market better.

As in previous years, the amount of oil and antifreeze available for collection is based on two reports: Chamard Environmental Strategies, March 2021: An Update of the Recoverable Used Oil Rate: Reference Period 2019 Final Report; and Chamard Environmental Strategies, November 2019: An Update of Antifreeze Recovery Rates: Final Report. Proper management of antifreeze at the generator level has the potential to increase antifreeze recovery significantly, as Chamard suggested that up to 1% of oil collections may be antifreeze. These factors will be updated in the future to reflect changes in vehicle age, composition, and technological advances.

**Table 1**  
**2023 Program Results**

	Sold	Available for Collection	Amount Available	Collected	Processed	Collection Rate	Target
<b>Oil (l)</b>	36,929,794	67.9%	25,075,330	17,022,978		<b>68%</b>	80%
<b>Antifreeze (l)</b>	4,809,567	43.3%	2,082,543	300,008		<b>14%</b>	50%
<b>Filters (kg)</b>	992,234	100%	992,234	1,139,463	955,896	<b>96%</b>	80%
<b>Filters (units)</b>	2,331,140	100%	2,331,140	1,785,680		<b>77%</b>	80%
<b>Containers (l)</b>	19,696,844	100%	19,696,844				
<b>Containers (kg)</b>	912,088	100%	912,088	444,545		<b>73%*</b>	75%

\*Note: includes 24% reuse rate

**Table 2**  
**2022 Program Results**

	Sold	Available for Collection	Amount Available	Collected	Processed	Collection Rate	Target
<b>Oil (l)</b>	37,437,234	67.9%	25,419,882	15,224,128		<b>60%</b>	80%
<b>Antifreeze (l)</b>	4,467,359	43.3%	1,934,366	289,926		<b>15%</b>	50%
<b>Filters (kg)</b>	886,645	100%	886,645	1,026,987	821,384	<b>93%</b>	80%
<b>Filters (units)</b>	2,214,805	100%	2,214,805	1,553,370		<b>70%</b>	80%
<b>Containers (l)</b>	19,499,898	100%	19,499,898				
<b>Containers (kg)</b>	911,141	100%	911,141	342,825		<b>62%*</b>	75%

\*Note: includes 24% reuse rate

**Table 3**  
**Percent Change in Sales and Collections between 2022 and 2023**

	Sales	Collection
<b>Oil (l)</b>	-1.4%	11.8%
<b>Antifreeze (l)</b>	7.7%	3.5%
<b>Filters (kg)</b>	11.9%	11.0%
<b>Filters (units)</b>	5.3%	15.0%
<b>Containers (l)</b>	1.0%	na
<b>Containers (kg)</b>	0.1%	29.7%

In 2023, 1,684,874 litres of DEF were sold in containers less than 50 litres (1,044,977 litres in 2022), representing 50,546 kg of plastic. Container sales by type are summarized in Table 4.



Table 4

**Volume and Mass of Plastic Containers Sold in 2023 by Type**

	Volume (l)	Mass (kg)
<b>Oil</b>	14,396,945	669,748
<b>Antifreeze</b>	3,317,972	162,089
<b>DEF</b>	1,684,875	50,546
<b>Non-HDPE</b>	297,043	29,704
<b>Total</b>	<b>19,696,835</b>	<b>912,088</b>

In 2023, SARRC’s Members collected \$5.85 million from environmental handling fees (EHCs) on our designated products to fund our recycling efforts. Of this, about \$4.67 million was paid out as collection and processing incentives and \$0.7 million was used to fund and improve the network of 37 free public drop-off EcoCentres. Additional EcoCentre improvements are planned for 2024.

In 2023, SARRC spent \$402,000 on communications and promotion, including professional fees for administration of the Communications Plan. SARRC funded print, radio, social media, and television advertising, as well as funding our summer ambassadors to visit communities across the province. Administrative costs were 10% of the 2023 full-year expenses, with \$646,000 spent on wages, office space, governance and other administrative requirements, excluding administrative costs to support the communication plan. Overall, program administration costs were slightly lower than budget.

## Greenhouse Gases

SARRC’s Greenhouse Gas Monitoring and Measurement Plan lays out a procedure to estimate net greenhouse gas (GHG) savings for each managed product. GHG savings per litre or kilogram and factors accounting for end use, remained the same as those used in 2022. About 42% of oil collected in Saskatchewan is reused or re-processed into non-combusted products. As such, GHG savings per litre of oil was 3.1 kg of CO<sub>2</sub> equivalent (Table 5), and materials collected by SARRC’s program can be estimated to save 52,789 tonnes of CO<sub>2</sub> equivalent. GHG estimates will continue to evolve.

Table 5

**Greenhouse Gas Estimates 2023**

	Kg CO <sub>2</sub> equiv. Savings/unit*	2021 Collections	Units	2022 GHG Savings (tonnes CO <sub>2</sub> equiv.)
<b>Oil</b>	3.1	17,022,978	l	51,971
<b>Filters</b>	0.3	1,139,463	kg	342
<b>Antifreeze</b>	0.15	300,008	l	45
<b>Plastic</b>	0.97	444,545	kg	431
<b>Total</b>				<b>52,789</b>

\*Net GHG savings per litre for oil is a weighted program average considering end use and collection location

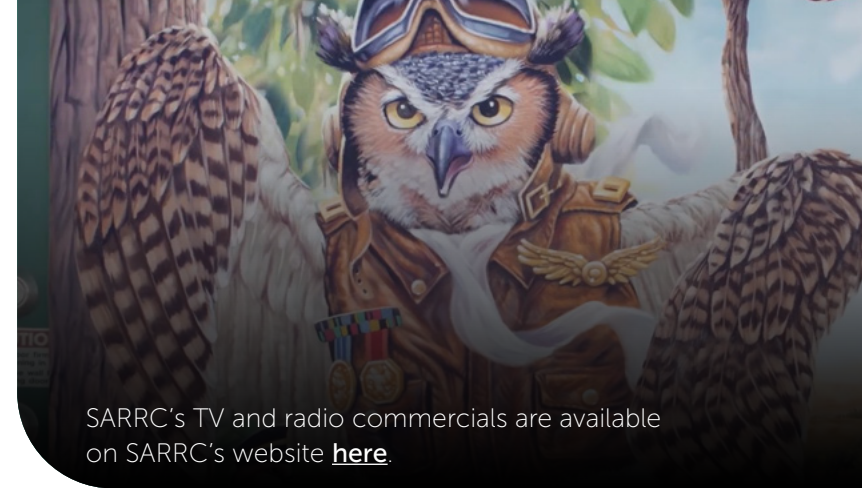
Thank you for your continued support,

Ethan Richardson  
Executive Director

# Communications Highlights

## Recovering. Recycling. Reusing.

In its 28 years in existence, SARRC's mandate hasn't changed, and its objectives and activities continue to serve the people of Saskatchewan well by providing a single, cost-effective, province-wide used oil, filter, antifreeze, and oil, antifreeze and Diesel Exhaust Fluid (DEF) containers recovery, recycling and reuse program. SARRC's program is only as strong as the people of Saskatchewan and the awareness of local agricultural and industrial organizations to make effective use of it. SARRC's awareness, promotional, and communication efforts described in the following pages support its mission.



SARRC's TV and radio commercials are available on SARRC's website [here](#).

### Audience

SARRC is present and serves everyone across Saskatchewan. However, some segments of the population are heavier users of its services than others. This is why SARRC's communications and promotional programs target primarily farmers, medium and small business owners/operators, do-it-yourself mechanics and all sizes of generators of used oil, antifreeze, oil filters, their containers and DEF containers.

### Key Message

Making every drop count and ensuring that used materials can be reused continue to be SARRC's primary messages. The main objective remains increasing awareness of SARRC and its members by describing the importance of the program and its services in helping protect Saskatchewan's environment.

### Paid Awareness Campaigns

SARRC published 22 ads in 2023 within ten publications (nine in 2022) with a combined circulation of about 300,000.

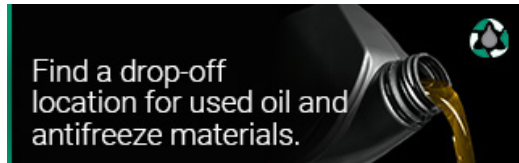
SARRC's ads rotated on TV (Saskatoon and Regina's CTV and Global channels, including public service announcements on Shaw TV) and 18 radio stations (17 in 2022) during spring and fall campaigns.

## Making every drop count

To capitalize on today's constant connectedness, SARRC made clever use of Google and Facebook ads and intensified its presence on Facebook by sharing information on the program, drop-off locations, recycling process and re-use of the product. It also featured organizations with similar mandates for other products. The digital media messaging continued to focus on the usefulness of SARRC's program in Saskatchewan people's everyday lives – from spring cleaning to recreational and farming equipment readiness – and protecting the environment and wildlife.

SARRC's paid digital campaigns continued to generate favourable results by digital advertising standards despite a slight decrease (20%) in budget and ad frequency. With some modifications to the locations and terms used for the Google search campaigns and the visuals for the Google and Facebook awareness campaigns, the number of clicks remained good, showing continued interest by viewers.

- Google search ads: 24,921 impressions (10% decrease) – 11,427 clicks (36% increase)
- Google awareness display ads: 3,955,160 impressions (40% decrease) – 1,542 clicks (steady)
- Facebook awareness display ads: 5,847,072 impressions (11% decrease) – 4,512 link clicks (10% increase)



This year, we also introduced a new paid video awareness campaign, which garnered 72,883 impressions, 40,024 views, and 11 click-throughs.

## Organic Awareness

Using its Facebook page, website and telephone line, SARRC was able to reach a wide range of people to promote the program and assist those with questions.

SARRC's Facebook page reached 216,200 people (a 16.5% increase from 2022) and received 5,600 organic visits. This positive result was achieved despite reducing the frequency of posts from 2 to 3 per week to 1 to 2 per week. Further, we continued to feature an array of messages on the topic of used oil and antifreeze recycling education, tips, facts, Household Hazardous Waste Days reminders, safe products storage and drop-off, and celebrating the many organizations contributing to the success of this program and other recycling programs in Saskatchewan.



**Saskatchewan Association for Resource Recovery Corp.**

1.1K likes · 1.1K followers



In addition, during the second quarter of 2023, we launched SARRC's Instagram channel (a sister platform of Facebook and owned by META) to take advantage of the visuals we created for Facebook that are suitable for Instagram. The Instagram account reached 540 individuals in roughly nine months and received 51 organic profile views.

In 2023, we updated the layout and content of SARRC's website's most visited pages (Drop-off Locations, Collectors, Multimedia and FAQ). Interestingly, SARRC's website recorded its best year with 33,449 visits compared to the previous record of 30,351 visits in 2021.

## Knowledge Sharing

SARRC's executive director continued the tradition of granting interviews in celebration of Earth Day and Recycling Week on CTV and Global TV and throughout the year on radio station shows such as CJWW's On The Air and 650 CKOM/980 CJME's Talk to the Expert. [You can listen on SARRC's website [here](#).]

Summer students community ambassadors, who returned in 2022, were busy in 2023, although the number of events they attended on behalf of SARRC had not returned to pre-pandemic levels.



# Public Opinion and Awareness Survey

SARRC concluded its first-ever public opinion and awareness survey through a third-party provider, Praxis Consulting. Between March 16th and 28th, 2023, 819 online surveys were completed with residents aged 18 years and older. The provincial data set was weighted by region to parallel Saskatchewan demographics. Weighting involves applying a multiplier to balance the sample to be representative of the general population. The survey instrument was programmed into an online platform and pre-tested to ensure the questions flowed efficiently and incorporated correct branching and skip patterns.

The sampling method used produces a non-probability sample. Margins of error cannot be applied to non-probability samples; however, a probability sample of this size would yield a general margin of error of plus or minus 3.4% at the 95% confidence level.

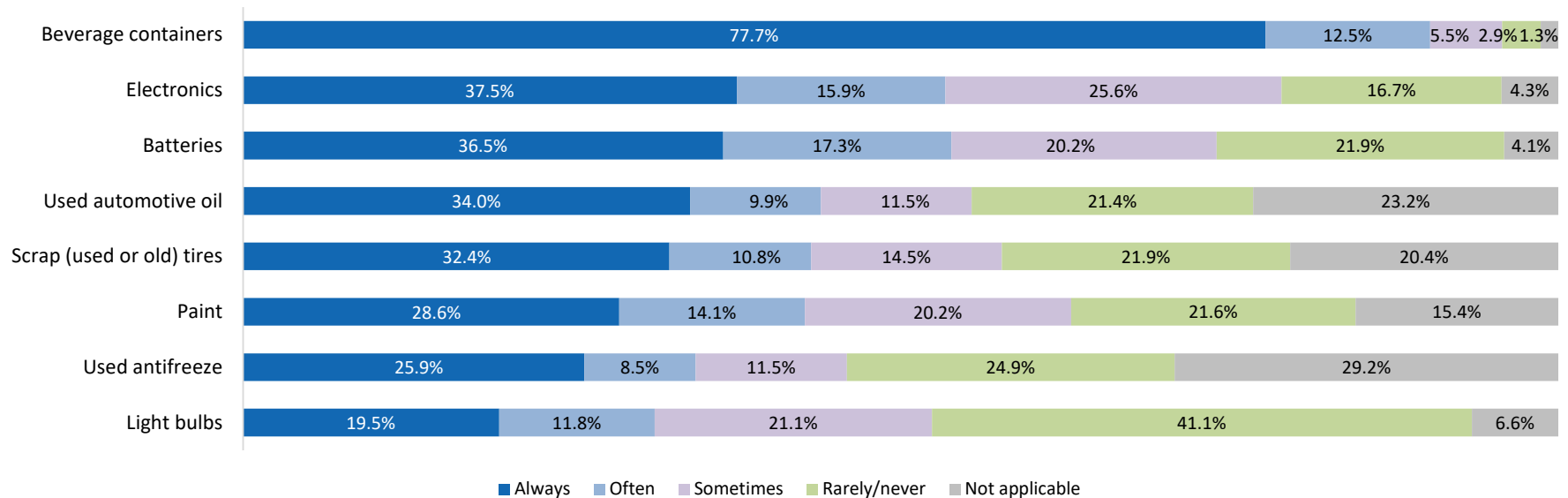
## The key findings of this awareness survey are as follows:

- Nearly all respondents (94.6%) indicate they or someone in their household owns or uses a vehicle.
- Of those with a vehicle in their household, two-thirds (66.4%) have the oil changed at an oil change location or by their mechanic. Another 21.5% report that someone in their household changes the oil on their vehicle(s), and 16.2% change the oil on their vehicle(s) themselves.
- Without any prompting, one in three (34.9%) respondents say they take used oil or antifreeze to a recycling centre/depot/collection site to dispose of it. Another 12.7% say they take used oil/antifreeze to a mechanic/garage and 11.2% to an auto retailer.
- When prompted with a list, 56.0% of respondents report they let their mechanic dispose of their used oil. Another 25.7% report they drop it off somewhere to be disposed of or recycled, 6.3% throw it out, 3.0% spread it on an unpaved road, and 1.7% pour it down the drain.
- When prompted with a list, three in five (58.9%) report letting their mechanic dispose of their used antifreeze. Another 17.0% say they drop it off somewhere to be disposed of or recycled, 7.7% throw it out, and 3.0% pour it down the drain.
- When prompted with a list, three in five (62.8%) report letting their mechanic dispose of their used oil filters. Another 15.8% report throwing them out, and 13.2% drop them off somewhere to be disposed of or recycled.
- When prompted with a list, three in five (58.0%) let their mechanic dispose of used oil/antifreeze/DEF containers. Another 15.1% report dropping them off somewhere to be disposed of/recycled, and 12.7% throw them out.
- Half of respondents (50.7%) say they are aware that Saskatchewan has a program for recycling used oil and antifreeze materials in the province.
- Two in five (42.7%) respondents are either somewhat (35.0%) or very (7.7%) aware of the Saskatchewan Association for Resource Recovery Corp. (SARRC). The remaining 57.3% are not at all aware. The overall awareness mean score for SARRC is 1.50 out of 3.

- Nearly half (48.5%) of respondents indicate they are either somewhat (35.0%) or very (13.5%) aware of the drop-off or collection options for used oil and antifreeze materials. The remaining 51.6% are not at all aware. The overall awareness mean score for drop-off or collection options for used oil and antifreeze materials is 1.62 out of 3.
- Three in five (60.7%) respondents are either somewhat (30.1%) or very (30.6%) aware that an Environmental Handling Charge (EHC) is applied on all new oil, filters, and antifreeze sales. The remaining 39.3% are not at all aware. The overall awareness mean score for the EHC is 1.91 out of 3.
- In total, 15.5% report having visited the SARRC website. Another 11.1% have visited SARRC's Facebook page.
- When asked if they recall having seen or heard any advertising or communication about SARRC in the last twelve months, 20.9% say they have seen ads on TV, followed by 14.0% who have heard ads on the radio, 9.9% who have seen advertising in a Google banner, 9.3% in a magazine, and 8.3% on social media.
- Almost nine in ten (86.8%) respondents report generally positive impressions of Saskatchewan's program for the recycling of used oil and antifreeze materials, providing a rating of either 4 (25.4%) or 5 (61.4%) on a 5-point scale. Conversely, only 2.6% have a negative impression of the program, providing a rating of either 1 (0.8%) or 2 (1.8%). The mean of 4.45 out of 5 indicates a highly positive overall impression of the program.

Overall, although the initial survey shows promising results, it also highlights that there is still more work to be done to educate Saskatchewan people on the benefits and need to support and use SARRC's programs. Yet, whether through traditional, social media, or digital advertising, the results of SARRC's communications efforts and promotional programs demonstrate that Saskatchewanians continue to be interested in and a growing number of them are determined to recycle to protect our beautiful province.

## How often do you recycle each of the following?



# Our Recycling Partners

## 220 Registered with SARRC

12317541 Canada Inc.	BP Lubricants USA Inc.	CPT Canada Power Technology Ltd.	Gamma Sales Inc.
49 North Lubricants Ltd.	Brandt Tractor Ltd.	Crestline Coach Ltd.	GEA Farm Technologies Inc.
Acklands-Grainger Inc.	Brenntag Canada Inc.	Cummins Canada ULC	General Motors of Canada Company
Advanced Coolant Technologies Inc.	Bridgeview Fluid Solutions Inc.	Cummins Filtration	GFL Environmental Services Inc.
Aevitas Inc.	Buhler Versatile Inc.	Daimler Trucks Canada Ltd.	G.F. Thompson Company Ltd.
AFD Petroleum Ltd.	Burkolly Distributors Ltd.	DAS Companies, Inc.	G.K. Industries Ltd.
AGCO Corporation	Cabela's Retail Canada Inc.	Davanac Inc.	Gregg Distributors Company Ltd.
AgraCity Crop & Nutrition Ltd.	Canada Maple Chemical Trading Inc.	Demers Ambulance Manufacturer Inc.	Harley-Davidson Canada LP
AGS Company Automotive Solutions, LLC	Canada West Harvest Centre	Dubois Chemicals Canada, Inc. d/b/a CIMCOOL Canada	Hastings Filters
A & I Products Canada Inc.	Canadian Kawasaki Motors, Inc.	Ducati Canada Inc.	Henkel Canada Corporation
AMSOIL Inc.	Canadian Pacific Railway	Echo Power Equipment (Canada)	Hino Motors Canada, Ltd.
Applied Industrial Technologies LP	Canadian Tire Corporation, Limited	Equipment Sales & Service (1968) Ltd.	Hitachi Energy Canada Inc.
April Super Flo Inc.	Canadian Tire Petroleum	Failure Prevention Services	Home Depot of Canada Inc.
Atlas Copco Compressors Canada Inc.	Champion Laboratories, Inc.	Fastenal Canada Ltd.	Home Hardware Stores Limited
Automobile Solutions Americas Inc.	Chevron Canada Limited	FCA Canada Inc.	Honda Canada Inc.
Baldwin Filters Inc.	Chris Page & Associates Ltd.	Federated Co-operatives Ltd.	Husky Energy Inc.
Beck Arnley Holdings LLC	CLAAS of America Inc.	FHC Enterprises Ltd.	Husqvarna Canada Corporation
BestBuy Distributors Ltd.	Cleanair Filter Service	Finning International Inc.	Hyundai Auto Canada Corporation
Blue Streak Hygrade Motor Products	Club Car, LLC - Ingersoll Rand Industrial Technologies	First Filter Service Ltd.	Imperial Oil
Bluewater Lubricants Ltd.	CNH Industrial Canada, Ltd.	Ford Motor Company of Canada, Ltd.	Importations Thibault Ltée.
BMW Canada Inc.	ColdFront Ltd.	Forest River, Inc.	Industrial Truck Service Ltd.
Boeing Distribution Canada Ltd.	Comairco Equipment Ltd.	Fort Garry Industries Ltd.	Irving Blending & Packaging
Bombardier Recreational Products Inc.	SC CLS Holdings ULC	Fram Group (Canada) Inc.	Isuzu Commercial Truck of Canada, Inc.
Bosch Rexroth Canada Corp.	CORE-MARK International Inc.	Fuchs Lubricants Canada Ltd.	ITW Permatex Canada
BOSS Lubricants	Costco Wholesale Canada Ltd.	Fuelex Energy Ltd.	Jaguar Land Rover Canada ULC
			John Deere Canada ULC

KADEX Aero Supply Ltd.	6195785 Manitoba Ltd. d/b/a Midwest Sales	Porsche Cars Canada Ltd.	TotalEnergies Marketing Canada Inc.
Kaeser Compressors Canada Inc.	Miller Supply Ltd.	Prestone Canada	Toyota Canada Inc.
Kalmar USA, Inc.	Mitsubishi Motor Sales of Canada, Inc.	Prévost, a Division of Volvo Group Canada Inc.	Triumph Motorcycles America
Keystone Automotive Operations of Canada Inc.	Modern Sales Co-op	Princess Auto Ltd.	TVH Canada Ltd.
Kia Canada Inc.	Mopac Auto Supply (Alberta) Ltd.	Provincial Hydraulics Inc.	UAP Inc.
Kimpex Inc.	Mopac Auto Supply Ltd.	PSC-Power Source Canada Ltd.	Ultra Clear Engine Fluids Inc.
King-O-Matic Industries Ltd.	Motion Industries (Canada) Inc.	PTI Transformers Inc.	Unique Holdings Ltd.
Kleen-Flo Tumbler Industries Ltd.	Motor Coach Industries Ltd.	Recochem Inc.	Uni-Select Canada Inc.
Klondike Lubricants Corporation	Motosel Industrial Group Inc.	Redhead Equipment	United Chemical Services Inc.
KTM Canada Inc.	Motovan Inc.	Reesink Canada Wholesale	United Farmers of Alberta Co-operative Ltd.
Kubota Canada Ltd.	National Energy Equipment Inc.	Robco Inc.	Univar Canada Ltd.
Larry's Transmissions Ltd.	Navistar Canada ULC	Robert Bosch Inc.	Universe Satellite Sales Ltd.
LCT Lubricants Inc.	NCH Canada Inc.	RONA Inc.	Vallen Canada Inc.
Leavitt Machinery Canada Inc.	Nemco Resources Ltd.	Safety-Kleen Canada Inc.	Valvoline Canada Ltd.
Les Hall Filter Service (2013) Ltd.	New Flyer Industrial Ltd.	Shell Canada Products Ltd.	Vermeer Canada Inc.
Loblaw Inc.	Nissan Canada Inc.	Shell & Whitmore Reliability Solutions of Canada Ltd.	Viscosity Oil Company
Lucas Oil Products (Canada) Company	1439174 Ontario Ltd. d/b/a NLS Products	SMS Equipment Inc.	Volkswagen Group Canada Inc.
MacDon Industries Ltd.	Norcan Fluid Power Ltd.	Southwestern Petroleum Lubricants LLC	Volvo Cars of Canada Corp.
MRG Canada Inc.	Oil Mart Ltd.	Startec Refrigeration Services Ltd.	Wainbee Limited
Mack Trucks Canada and VolvoTrucks Canada, Divisions of Volvo Group Canada Inc.	Orgill Canada Hardlines ULC	Star West Petroleum Ltd.	Wajax Equipment
MANN+HUMMEL Filtration Technology US LLC	PACCAR of Canada, Ltd. (Parts Division)	STIHL Limited	Wajax Industrial Components Ltd.
MANN+HUMMEL Purolator Filters LLC	Parker Hannifin Canada	Subaru Canada Inc.	Wakefield Canada Inc.
Marsollier Petroleum Ltd.	Parkland Corporation	Suzuki Canada Inc.	Wallace & Carey Inc.
Maxim Transportation Services Inc.	Parts Canada Development Company	S.W. Industrial Filter Tec Service	Wal-Mart Canada Corporation
Mazda Canada Inc.	Part Source Inc.	TCS Crestwood Engineering Co. Ltd.	Westcon Equipment & Rentals Ltd.
Mercedes-Benz Canada Inc.	Peavey Industries LP	Teklub Canada Ltée	Westpower Equipment Ltd.
MFTA Canada Inc.	Peerless Engineering Sales Ltd.	Texas Refinery Corporation of Canada Ltd.	Worldpac Canada Inc.
Mid-Canada Filtration Solutions	Petro-Canada Lubricants Inc.	Textron Off Road	Wurth Canada Limited
	Phillips 66 Canada Ltd.	The North West Company Inc.	Yamaha Motor Canada Ltd.
	Pièces d'Auto Transit Inc. (Les)	The Sherwin-Williams Company	Yetman's Ltd.
	Polaris Industries Ltd.		

# Staff



**Brad Kalman**  
Program Operations Manager  
(Resigned as of  
December 31, 2023)



**Ethan Richardson**  
Executive Director



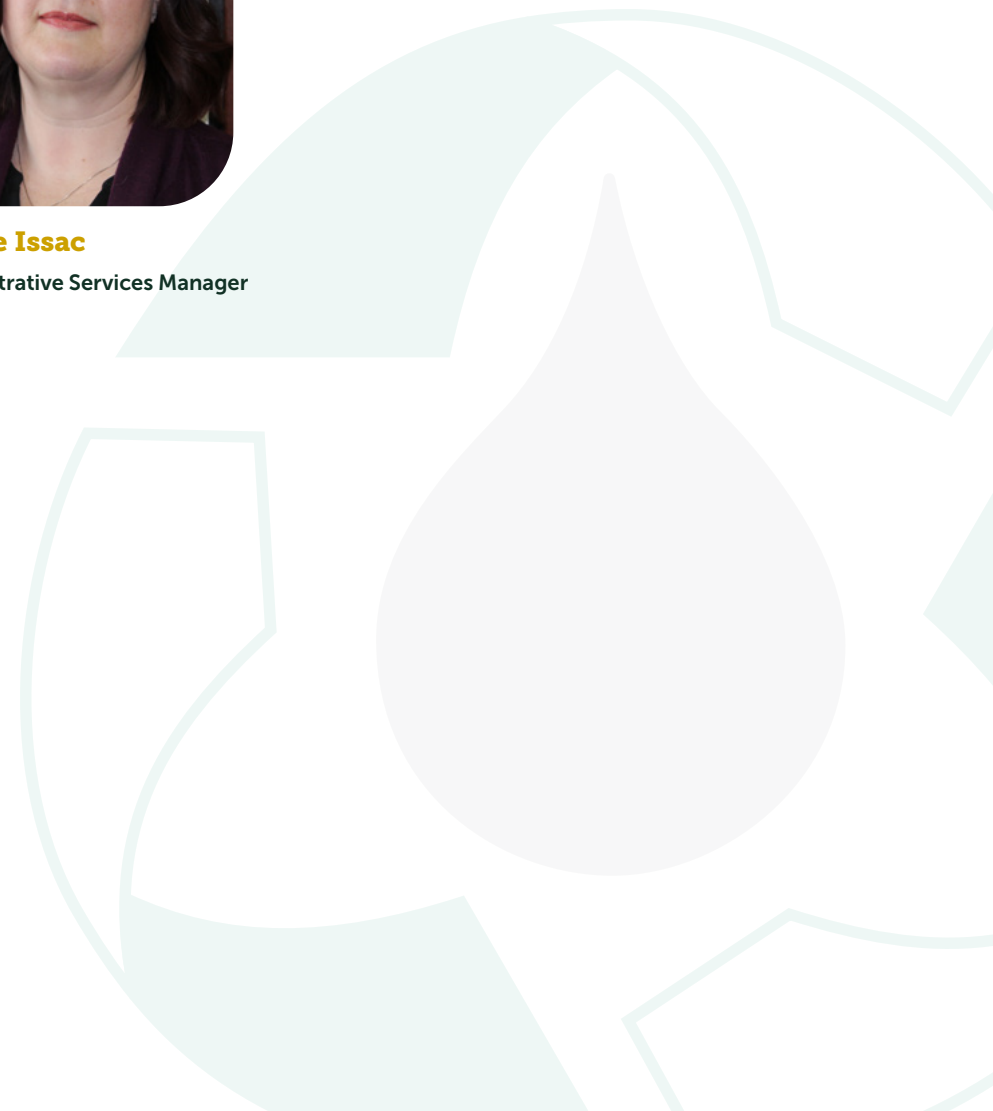
**Jolene Issac**  
Administrative Services Manager



**Michelle Snider**  
Administrative Assistant



**Brooklyn Miller**  
Data/Administrative  
Professional





# Board of Directors



**S. Brian Ahearn**

Director, Canadian Fuels Association



**Kyla Clincke**

Advisor, Saskatchewan Ministry of Environment  
(Term ended October 2023)



**Jerry Coben**

Chairperson, Federated Co-operatives Ltd.  
(Chair as of August 2023)



**Randy Donauer**

Director, Saskatchewan Urban Municipalities Association



**Bill Huber**

Saskatchewan Association of Rural Municipalities  
(Term started April 2023)



**Jaret McMillan**

Director, Federated Co-operatives Ltd.



**Norm Nordgulen**

Director, Saskatchewan Association of Rural Municipalities  
(Term ended March 2023)



**Amy Richter**

Advisor, Saskatchewan Ministry of Environment  
(Term started December 2023)



**Rod Rosenfelt**

Chair and Director, Baldwin Filters  
(Term ended July 2023)



**Bert Weichel**

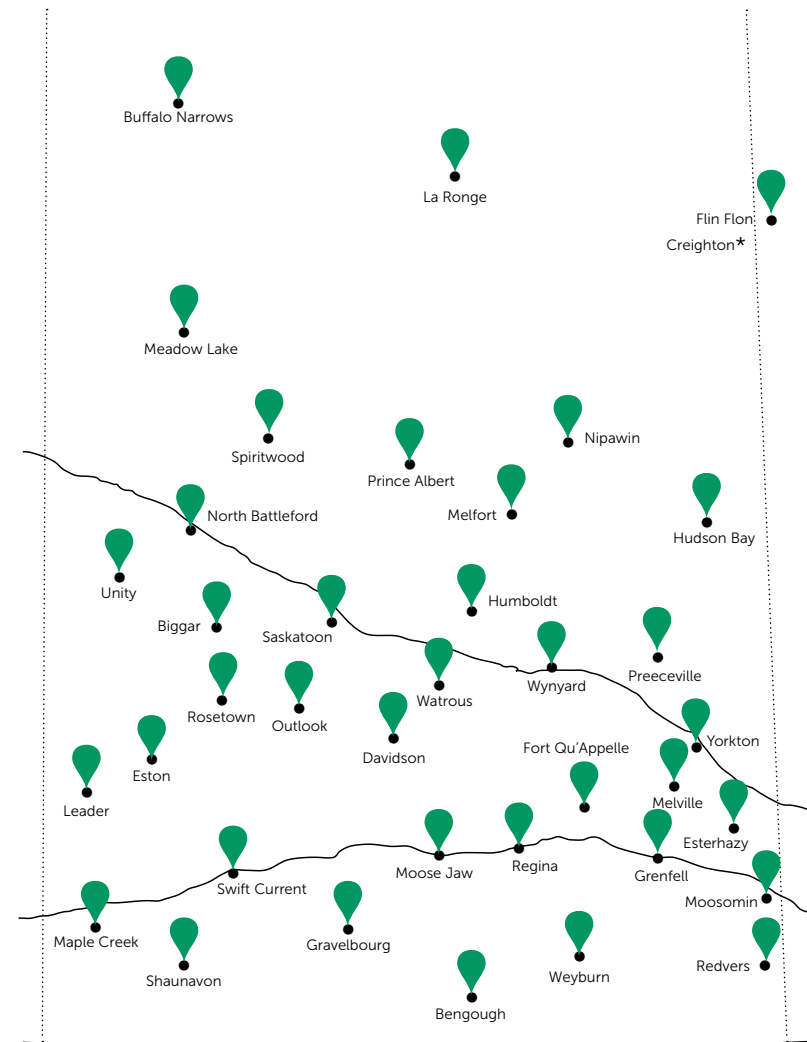
Secretary Treasure & Director, Johnson and Weichel Consultants

# Eco Centres

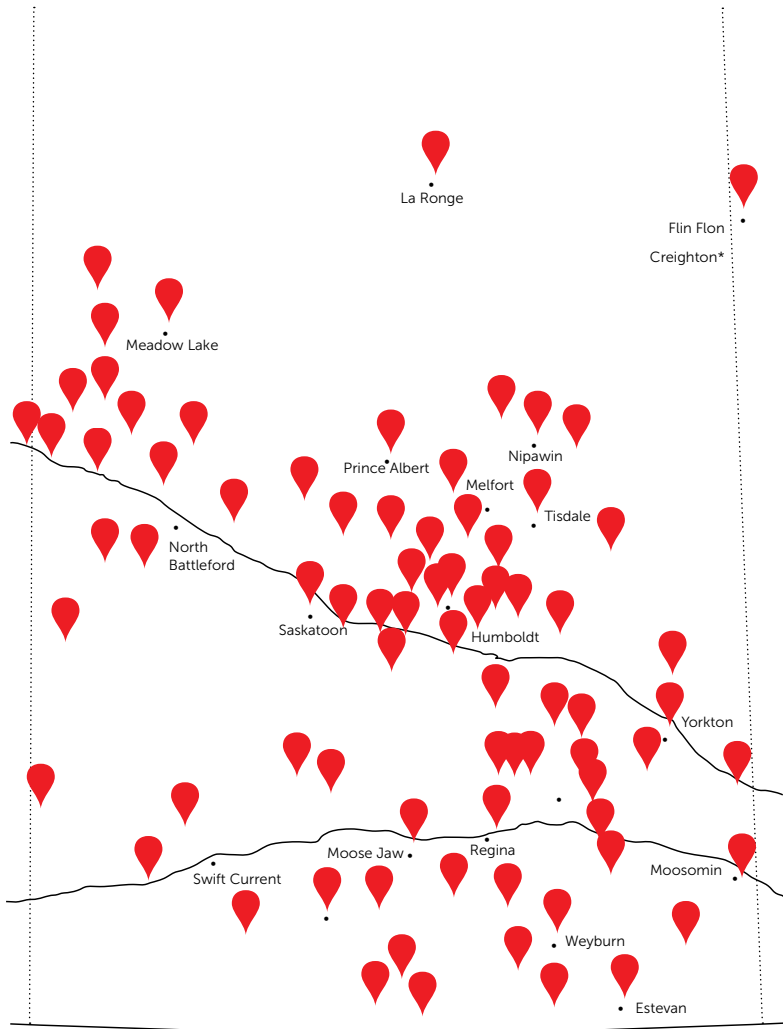


## 37 Year-Round EcoCentres

Canada continues to pay more and more attention to the proper end-of-life management of products we use on a daily basis. The Federal government developed a Canada-wide Strategy for Zero Plastic Waste, and society continues to want to know how, where and when products collected for recycling are remade into useful items as part of the circular economy. The 37 EcoCentres are here to help all of us do our part.



\*Creighton, SK shares an EcoCentre with Flin Flon, MB



\*Creighton, SK shares an EcoCentre with Flin Flon, MB



# Volunteer Drop-Off Points

## 89 Year-Round Volunteer Drop-Off Points

Protecting and caring for the environment is not a fad. It is what is expected by everyone. SARRC's programs and activities contribute to making this expectation a reality across the province.

# Financials

20

23

**Saskatchewan Association  
for Resource Recovery  
Corp.**

Financial Statements  
**December 31, 2023**



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Fax: +1 306-652-1315  
www.bdo.ca

BDO Canada LLP  
128 4th Avenue South, Suite 600  
Saskatoon, Saskatchewan  
S7K 1M8



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## Independent Auditor's Report

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To the Board of Directors of Saskatchewan Association for Resource Recovery Corp

### Opinion

We have audited the financial statements of Saskatchewan Association for Resource Recovery Corp (the Association), which comprise the statement of financial position as at December 31, 2023, and the statement of operations, statement of changes in net assets, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 2023, and its financial performance and its cash flows the year then ended in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the 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.

### Responsibilities of Management and Those Charged with Governance 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.

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

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

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

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

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

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

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

*BDO Canada LLP*

Chartered Professional Accountants

Saskatoon, Saskatchewan  
April 2, 2024

**Saskatchewan Association for Resource Recovery Corp.**  
Statement of Financial Position  
As at December 31, 2023

	2023 \$	2022 \$
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	698,596	1,356,568
Investments (note 3)	4,001,800	2,803,774
Accounts receivable	1,630,260	1,328,424
Prepaid expenses	2,800	1,000
	<u>6,333,456</u>	<u>5,489,764</u>
Investments (note 3)	3,802,777	4,875,640
Capital assets (note 4)	<u>26,282</u>	<u>36,891</u>
	<u>10,162,515</u>	<u>10,402,295</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	931,923	803,759
<b>Net assets</b>		
Invested in capital assets	25,282	36,891
Internally restricted (note 5)	6,850,054	6,890,054
Unrestricted	<u>2,354,256</u>	<u>2,571,592</u>
	<u>9,230,592</u>	<u>9,598,537</u>
	<u>10,162,515</u>	<u>10,402,295</u>
Return incentive and EcoCentre support costs (note 6)		
Commitments (note 7)		

Approved by the Board of Directors

 Director  Director

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

**Saskatchewan Association for Resource Recovery Corp.**  
Statement of Operations  
For the year ended December 31, 2023

	2023 \$	2022 \$
<b>Revenue</b>		
Environmental handling charges	5,847,875	5,726,784
Investment income (note 3)	309,329	40,660
Membership fees	1,600	2,397
Other income	33	-
	<u>6,158,837</u>	<u>5,769,841</u>
<b>Expenses</b>		
Return incentives (note 6)	4,667,466	4,110,731
EcoCentre support costs (note 6)	694,255	534,585
Wages and benefits	421,601	403,821
Public relations and promotion	353,793	363,024
Professional fees	89,124	64,830
Rent	85,833	86,931
Office and administration	85,642	86,206
Insurance	58,303	33,090
Director fees and costs	25,923	19,908
Utilities	16,507	17,417
Travel and meals	16,004	21,486
Amortization	10,609	22,101
Bank charges	1,722	2,949
	<u>6,526,782</u>	<u>5,767,079</u>
<b>Excess (deficiency) of revenue over expenses for the year</b>	<u>(367,945)</u>	<u>2,762</u>

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

## Saskatchewan Association for Resource Recovery Corp.

Statement of Changes in Net Assets

For the year ended December 31, 2023

	2023			2022	
	Invested in capital assets \$	Internally restricted \$ (note 5)	Unrestricted \$	Total \$	Total \$
<b>Balance – Beginning of year</b>	36,891	6,890,054	2,671,592	9,598,537	9,595,775
Excess (deficiency) of revenue over expenses for the year	(10,609)	(40,000)	(317,336)	(367,945)	2,762
<b>Balance – End of year</b>	<b>26,282</b>	<b>6,850,054</b>	<b>2,354,256</b>	<b>9,230,592</b>	<b>9,598,537</b>

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

## Saskatchewan Association for Resource Recovery Corp.

Statement of Cash Flows

For the year ended December 31, 2023

	2023 \$	2022 \$
<b>Cash and cash equivalents provided by (used in)</b>		
<b>Operating activities</b>		
Excess (deficiency) of revenue over expenses for the year	(367,945)	2,762
Items not affecting cash		
Change in fair value of investments	(47,482)	108,109
Amortization	10,609	22,101
	(404,818)	132,972
Change in non-cash working capital items (note 8)	(175,471)	84,246
	(580,289)	217,218
<b>Investing activities</b>		
Purchase of investments, net	(77,681)	(796,950)
<b>Change in cash and cash equivalents during the year</b>	<b>(657,970)</b>	<b>(579,732)</b>
<b>Cash and cash equivalents – Beginning of year</b>	<b>1,356,566</b>	<b>1,936,298</b>
<b>Cash and cash equivalents – End of year</b>	<b>698,596</b>	<b>1,356,566</b>

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

## Saskatchewan Association for Resource Recovery Corp.

Notes to Financial Statements

December 31, 2023

### 1 Nature of operations

The Saskatchewan Association for Resource Recovery Corp. ("SARRC" or the "Association") was incorporated under the Non-Profit Corporations Act (Saskatchewan) on February 12, 1996. The Association qualifies as a tax-exempt organization under the Income Tax Act (Canada).

The Association was formed by oil and oil filters first sellers in Saskatchewan in 1996 to develop, implement and maintain a used oil, filter, and container product management program in the province. SARRC received the required approval to operate a product management program from Saskatchewan Environment, issued pursuant to The Used Petroleum and Antifreeze Products Collection Regulations (the "Regulations").

Membership is open to all first sellers of oil, oil filters, diesel exhaust fluid, diesel fuel filters or antifreeze in Saskatchewan as defined in the Regulations. As of December 31, 2023, there were 220 partner members.

### 2 Summary of significant accounting policies

#### Basis of accounting

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

#### Revenue recognition

The Association follows the deferral method of accounting for revenue.

Revenue from environmental handling charges (EHC) is recognized in the period in which the charge is assessed by first seller members on qualifying lubricants, oils, filters, antifreeze and oil/antifreeze/DEF containers in accordance with the membership agreements with the Association. EHC revenue is only recognized if it has been claimed by the registrant and there is reasonable assurance of collection.

Investment income is reported on an accrual basis and includes interest income, dividend income, and change in fair value of investments, net of applicable fees. Revenue is measured at the fair value of the consideration received or receivable. Interest income is recognized as it accrues in income or loss. Dividend income is recognized in income or loss on the date that the Association's right to receive payment is established which, in the case of quoted securities, is the ex-dividend date.

#### Cash and cash equivalents

Cash and cash equivalents consist of cash balances with banks and term deposits that mature within three months of the date of acquisition, which are held for the purpose of meeting short-term cash commitments.

#### Financial instruments

Arm's length financial instruments are recorded at fair value at initial recognition. In subsequent periods, equities traded in an active market and derivatives are reported at fair value, with any change in fair value

## Saskatchewan Association for Resource Recovery Corp.

Notes to Financial Statements

December 31, 2023

reported in income. All other financial instruments are reported at costs or amortized costs less impairment. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items measured at fair value and charged to the financial instrument for those measured at amortized costs.

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write-down is recognized in excess of revenue over expenses. Any 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 any reversal is recognized in excess of revenue over expenses.

#### Transaction costs

The Association recognizes all transaction costs related to financial assets and liabilities as a reduction to income in the period in which the costs are incurred.

#### Capital assets

Capital assets are carried at acquisition cost less accumulated amortization. Amortization is calculated on a declining balance basis at the following annual rates:

Furniture, fixtures and equipment	20%
Computer hardware	30%
Software	55%

Expenditures for repairs and maintenance are expensed as incurred. Betterments that extend the useful life of the tangible capital asset are capitalized.

When a capital asset no longer contributes to the Association's ability to provide goods and services, or the future economic benefits or service potential of the capital asset is less than its carrying value, the excess of its net carrying amount over its fair value or replacement cost is recognized as an expense in the statement of operations.

When a capital asset is disposed of, the difference between the net proceeds on disposition and the net carrying amount is recognized in the statement of operations.

#### Internally restricted net assets

- Contingency reserve

In 2016, the Board of Directors adopted a resolution to establish an internally restricted contingency reserve, the balance of which is to be used to fund any future operating deficits or EcoCentre support costs.

(1)

(2)



## Saskatchewan Association for Resource Recovery Corp.

Notes to Financial Statements

December 31, 2023

- EcoCentre reserve

In 2021, the Board of Directors adopted a resolution to establish an internally restricted EcoCentre reserve, the balance of which is to be used to reimburse any future required decommissioning reports for EcoCentres and for future EcoCentre cleanouts.

### Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. The inherent uncertainty involved in making such estimates and assumptions may impact the actual results reported in future periods.

Accounts significantly impacted by estimates in these financial statements are EHC accruals and revenue where the fees paid by customers in the current year may not be submitted by a registrant until a future year.

### 3 Investments

	2023 \$	2022 \$
Guaranteed investment certificates (GICs) – at amortized cost	6,904,660	7,008,160
Debt and equity securities – at fair value	540,947	442,334
Fixed income – at fair value	290,235	186,336
Accrued interest receivable on GICs	68,735	42,584
	<u>7,804,577</u>	<u>7,679,414</u>
Less: Current portion	4,001,800	2,803,774
	<u>3,802,777</u>	<u>4,875,640</u>

(3)

## Saskatchewan Association for Resource Recovery Corp.

Notes to Financial Statements

December 31, 2023

Investment income consists of the following:

	2023 \$	2022 \$
Interest income	242,008	136,111
Change in fair value of investments	47,482	(108,109)
Dividend income	26,748	20,116
Fees	(6,909)	(7,458)
	<u>309,329</u>	<u>40,660</u>

GICs earn interest ranging from 1.10% to 5.65% and mature in the following fiscal years:  
\$

2024	3,304,660
2025	2,600,000
2026	500,000
2027	500,000

### 4 Capital assets

	2023		2022	
	Cost \$	Accumulated amortization \$	Net \$	Net \$
Furniture, fixtures, and equipment	108,877	97,407	11,470	14,338
Computer hardware	80,103	70,310	9,793	11,400
Software	75,967	70,948	5,019	11,153
	<u>264,947</u>	<u>238,665</u>	<u>26,282</u>	<u>36,891</u>

### 5 Internally restricted

	December 31, 2022 \$	Transfers \$	December 31, 2023 \$
Contingency reserve	6,150,054	-	6,150,054
EcoCentre reserve	740,000	(40,000)	700,000
	<u>6,890,054</u>	<u>(40,000)</u>	<u>6,850,054</u>

(4)

## Saskatchewan Association for Resource Recovery Corp.

Notes to Financial Statements

December 31, 2023

### 6 Return incentives and EcoCentre support costs

SARRC is obligated to utilize its net assets, in future years, to fund return incentives and for the establishment of EcoCentres for the used oil, filter, antifreeze and oil/antifreeze/DEF container management program.

The Association entered into five-year agreements, expiring January 1, 2027, with operators of EcoCentres that were established to provide no-cost drop-off centres for used oil and antifreeze materials. These agreements require the Association to pay a tiered minimum, specified in each individual agreement, per year to each of the EcoCentre operators and provide for additional payments should used oil and antifreeze material collection volumes exceed certain base levels.

The minimum annual operating fee commitment to the 36 EcoCentre operators over the period of the agreements is estimated to be \$302,175 per annum.

### 7 Commitments

The Association's five-year property lease agreement commenced March 1, 2022 and expires February 28, 2027, requiring monthly payments of \$6,029 for a total of \$72,348 per annum. The property lease agreement also requires monthly payments of occupancy costs, which are estimated to be \$13,485 per annum.

The Association has entered into other agreements related to software maintenance, support, and consulting.

The aggregate minimum annual commitments under these agreements are estimated to be as follows:

	\$
2024	113,429
2025	97,433
2026	97,433
2027	25,896
Thereafter	4,829

### 8 Net change in non-cash working capital items

	2023 \$	2022 \$
Prepaid expenses	(1,800)	4,401
Accounts receivable	(301,836)	24,032
Accounts payable and accrued liabilities	128,165	55,813
	<u>(175,471)</u>	<u>84,246</u>

(5)

## Saskatchewan Association for Resource Recovery Corp.

Notes to Financial Statements

December 31, 2023

### 9 Financial risk management

#### Credit risk

The Association, in the normal course of business, is exposed to credit risk through its cash and cash equivalents and accounts receivable. The Association's cash and cash equivalents are maintained at major financial institutions; therefore, the Association considers the risk of non-performance of these instruments to be remote. There is no significant concentration risk of accounts receivable due to the large registrant base. Management monitors these accounts regularly and does not believe that the Association is exposed to significant credit risk at the statement of financial position date.

#### Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Fixed interest instruments subject the Association to fair value risk, while floating rate instruments subject it to cash flow risk. The Association's exposure to interest rate risk pertains to cash and cash equivalents and guaranteed investment certificates.

#### Market risk

The Association has exposure to credit risk, price risk, currency risk and interest rate risk on its investments in debt and equity securities, since the fair value of future cash flows may fluctuate because of changes in market price, currency exchange rates and interest rates whether these changes are caused by factors specific to the investments or factors affecting all similar financial instruments traded in the market.

#### Liquidity risk

Liquidity risk is the risk the Association cannot meet its financial obligations associated with financial liabilities in full. The Association has addressed this risk by maintaining a sufficient working capital position that can be used to settle accounts payable and accrued liabilities and future commitments. The Association expects to be able to meet its financial obligations for the foreseeable future.

(6)

## MY OWNERS ARE PRETTY HANDY FOR HUMANS; SMART TOO. I TRAINED THEM TO RECYCLE USED AUTO FLUIDS.

*By recycling used oil, filters, antifreeze, their plastic containers and DEF containers, you help keep Saskatchewan's water, land and air clean and safe. We have one of the best recycling networks in the country, let's use it!*




**We have 37 EcoCentres  
and nearly 100 drop-off  
points province wide.**



**Saskatchewan Association fo  
Resource Recovery Corp.**



**usedoilrecyclingsk.com**  
Toll free in SK1.877.645.7275 



**SARRC**  
Saskatchewan Association  
for Resource Recovery Corp.

## SARRC Office

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[www.usedoilrecyclingsk.com](http://www.usedoilrecyclingsk.com)

