

MAKING A POSITIVE IMPACT TODAY
FOR THE GOOD OF TOMORROW



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Retail Council of Canada

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Linda Gabor
Vice President, Marketing
& Customer Service

LEADING THE CHARGE BY EXAMPLE

In 2016, Call2Recycle attained its 21st consecutive year of record-setting collections—a notable achievement for any recycling organization. We collected 14 million lbs. (6.3 million kgs) of batteries, a 12 percent jump from 2015, and the most batteries and cellphones we've collected in any single year. We also set another record of 129 million lbs. (58 million kgs) in collections since 1996. That amount exceeds the weight of two fully loaded freighter ships.

In addition, Call2Recycle Canada contributed to the growth with double-digit increases in at least two of its provinces. We attribute our success to the tireless hard work of North American municipalities, retailers and stewards that are committed to raising consumer awareness and improving accessibility.

An exciting development in 2016 was the growing popularity of the GreenVantage program in the U.S. which offers select audiences the opportunity to collect both single-use and rechargeable batteries through Call2Recycle. As a result, we experienced a 150 percent jump in municipal collections and 158 percent increase in single-use battery collections in the U.S. between 2015 and 2016.

All-battery recycling at the local level has become a necessity, compelled by a society where sales of handheld electronics are exploding and the demand for convenient recycling is climbing. During 2016, we began altering our U.S. business model to accommodate an all-battery revenue stream that combines voluntary funding from industry stewards for rechargeable battery recycling and collection site fees for single-use batteries. One-stop recycling eliminates consumer confusion about which battery types can be recycled and should result in an overall increase in collections.

The popularity of single-stream recycling was evident in Vermont, the first U.S. state to adopt a producer-funded take-back program for single-use batteries. In the program's first year, Call2Recycle's collection rate exceeded 10 percent, well above the projected rate.

Our Canadian business operations are also evolving to reflect recycling industry best practices. In 2017, Call2Recycle Canada will be introducing Environmental Handling Fees (EHFs) in two provinces. Collected at the time of purchase, these fees make the cost of battery recycling more visible throughout the entire supply chain.

The year 2017 promises many challenges as we seize the opportunity to impact consumer recycling behavior at the local level. We believe we can continue to successfully expand our program by remaining agile in the face of a constantly changing recycling landscape.



A handwritten signature in black ink that reads "Carl E. Smith". The signature is fluid and cursive.

Carl E. Smith, LEED® AP
CEO / President, Call2Recycle, Inc.

Record-Breaking Collections: 20 Years of Continuous Growth

For the past 20 years, Call2Recycle has increased its battery and cellphone collections, reaching a new high of 14 million lbs. (6.3 million kgs) in 2016.

This is a 12 percent jump from the 12.6 million lbs. (5.7 million kgs) collected in 2015. Call2Recycle has diverted 129 million lbs. (58 million kgs) of batteries and cellphones from the landfill, attaining its twentieth consecutive year of increased collections.

Strong relationships between Call2Recycle and its network of North American industry stewards and collection partners have sustained this steady growth. Those groups contributed to the nearly 8 million pounds (3.6 million kgs) collected in the U.S., an 11 percent increase over 2015. Public, consumer-facing organizations, such as municipalities and retailers, were major contributors, collecting more than 4.7 million lbs. (2.1 million kgs), 28 percent more than last year. Municipality collections alone increased 150 percent year to year.

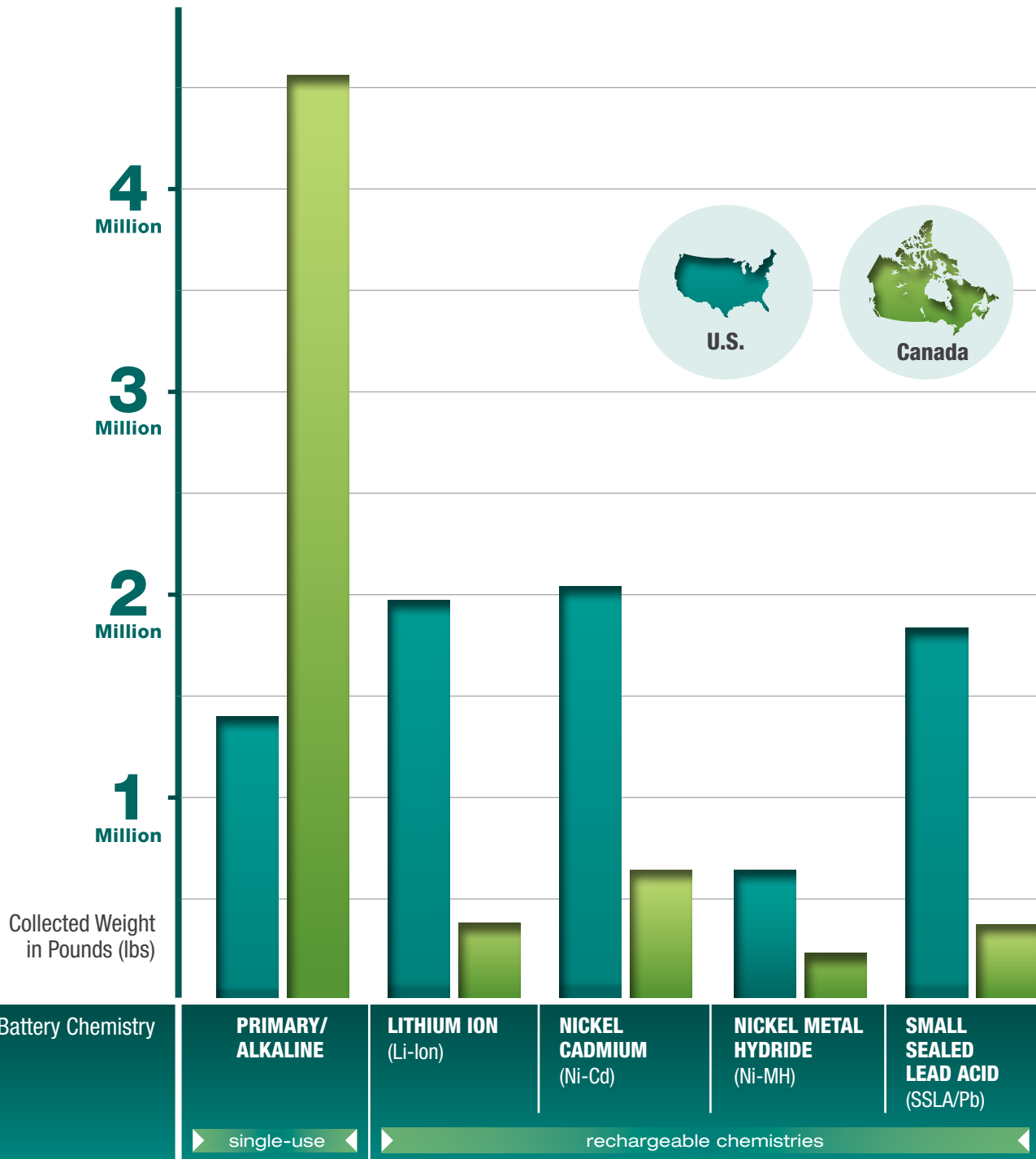
Call2Recycle Canada continued to be a strong contributor, achieving 6.1 million lbs. (2.8 million kgs) in collections, a 12 percent increase over 2015. Leading the provinces in percent growth were British Columbia, Manitoba, Ontario and Quebec. Manitoba experienced double digit growth of 19 percent, with collections of nearly 214,000 lbs. (97,000 kgs) in 2016. Quebec collections jumped nearly 20 percent to 2.4 million lbs. (1.1 million kgs) year over year, while British Columbia and Ontario collections increased 8 percent, respectively. Both public and private sectors had nearly the same growth and all sectors increased with the exception of libraries.

Another significant factor driving growth was single-use (primary) battery collections, which jumped 158 percent in the U.S. from 2015. We expect this trend to continue as the number of battery-operated electronics, toys and power tools skyrockets. A portion of this growth is attributable to Vermont, the first U.S. state to require battery producers to finance a single-use battery recycling program.

Call2Recycle manages the Vermont program for 31 battery producers, or more than 90 percent of companies selling batteries in the state. Under the program, we collect both rechargeable and single-use batteries. In 2016, we collected more than 115,000 lbs. (52,000 kgs) of batteries, an astounding 187 percent increase over the previous year. The collection rate¹ was more than 10 percent, well above the first-year goal of 8 percent projected in the five-year plan. Other year-end results drastically exceeded performance goals, including consumer awareness. We are confident that these results will continue.

¹ Annual Collection Rate is the estimated weight of primary batteries sold in the state (three-year average) divided by the annual weight of primary batteries collected.

2016 North American Battery Collections Over 14 Million Pounds of Batteries Collected



Important Developments During 2016

During 2016, the battery recycling industry underwent a rapid rate of change driven by the proliferation of handheld electronics that use single-use and rechargeable batteries.

This presents several issues. First, very few jurisdictions support single-stream collection for all household battery types. In addition, more recycling facilities are needed to sort and process the higher volumes. Call2Recycle has been transforming its business model to address these market trends.

Recycling Infrastructure Expansion

Last year, we began systematically expanding our recycling infrastructure to keep up with collection increases and address the unstable nature of the recycling industry, as illustrated by the dwindling number of Lithium Ion (Li-Ion) recycling facilities in North America. Following a stringent RFP and interview process for recyclers, we expanded our recycling infrastructure to a global network of 11 sorters and processors in the U.S. and 12 in Canada. For the first time, our infrastructure extends beyond North America to South Korea for Li-Ion battery recycling. Managing operations of this size and scope is a complex challenge, but critical to being responsive to the demands of the battery recycling market.

Canadian Plan Renewals

During 2016, Call2Recycle submitted renewal plans in the three Canadian provinces with approved take-back plans—British Columbia, Manitoba and Quebec. The Quebec plan was renewed after an intensive review process. The British Columbia and Manitoba plans are pending approval with formal approval expected in early 2017; however, no significant changes are anticipated. These renewals are important to Call2Recycle for a couple of reasons. They not only confirm that we meet or exceed expectations in those provinces but that all three provinces are confident in our ability to continuously improve as volumes rise. In addition, these programs, among North America's most ambitious take-back schemes, act as a bellwether of the future. What we learn in managing these programs is invaluable to the success of our entire program.

Stakeholder Communications

We also embraced technology this year in a big way to improve communications with our many stakeholder groups and make it easier for stewards to work with us. All three websites—Call2Recycle.org, Call2Recycle.ca and AppelaRecycler.ca—were updated to make it easier for consumers, stewards and other interested parties to learn about battery recycling, search for drop-off sites, order supplies and sign-up to become a collection location for Call2Recycle. GreenTrax, our private portal for industry stewards, was updated and now offers the ability to report sales, generate and pay invoices and run reports. We will continue to leverage technology to make it easier and faster for our stakeholders to participate in the program.

2016 Canadian Collections

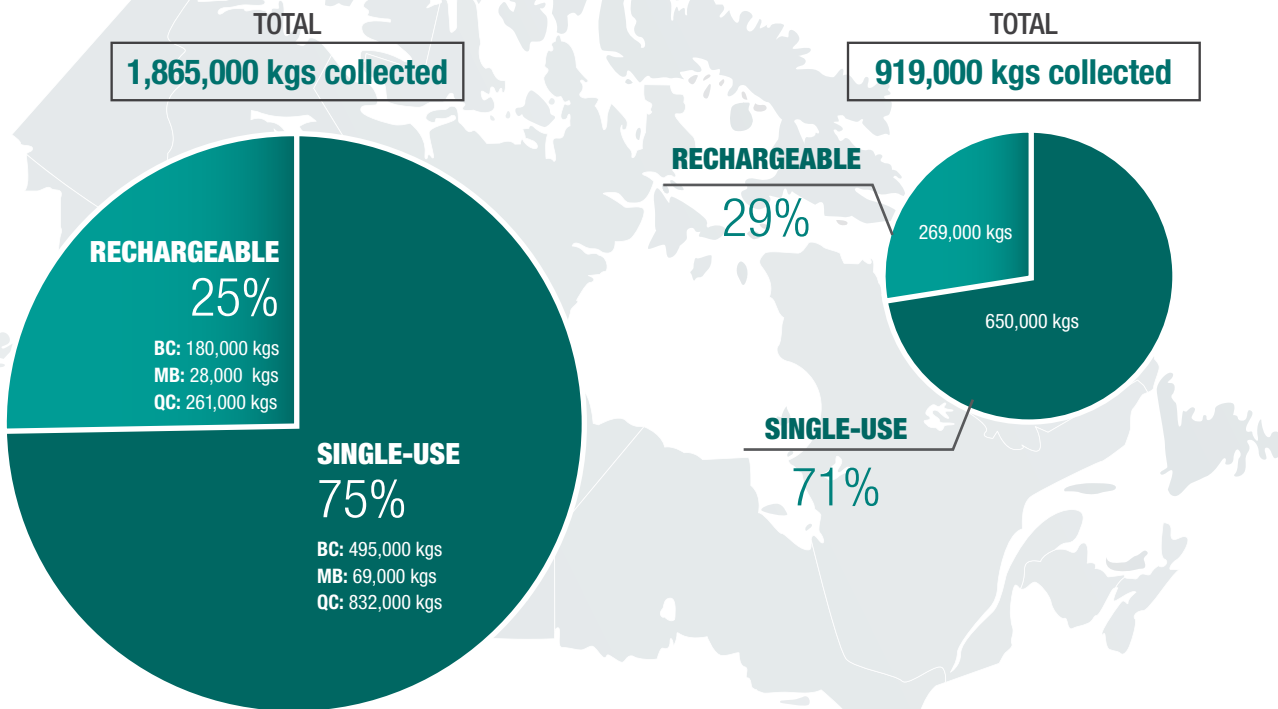
REGULATED PROVINCES

(British Columbia | Manitoba | Quebec)

VS

NON-REGULATED PROVINCES

(all other provinces combined)



Consumer Motivation and Behavior

During 2016, Call2Recycle hired Nielsen to conduct a survey to assess North American consumers' motivations, awareness and behaviors around battery recycling. The results help us measure our progress and determine future awareness campaigns and accessibility policies. The data confirmed that overall awareness is increasing, with Canadians consistently scoring higher than Americans.

Two-thirds of U.S. consumers are aware of battery recycling in their communities, while only 41 percent actually participate. More than eight in 10 Canadian consumers are aware of battery recycling in their communities, and nearly six in 10 participate.

The survey also uncovered some surprises, particularly in why people choose to recycle. Younger people viewed recycling batteries as the responsible thing to do for the environment while older respondents were motivated to reduce toxic materials in the landfill, a reflection of the battery recycling practices taught in the 1970s and 1980s. We found the same motivation split across suburban (environmental concerns) and rural respondents (toxic waste).

National Battery Day Draws Attention to Battery Recycling Across North America

As the number of handheld electronics and cordless power tools in North America multiplies, so is the sheer volume of batteries being used and discarded. To educate consumers on the rewards of battery recycling, Call2Recycle leads the celebration of National Battery Day every year on Feb. 18. In 2016, more than 100 partners, including retailers, municipalities and collection sites, participated in the campaign across the U.S. and Canada.

An awareness campaign that included digital banners and social media (#NationalBatteryDay on Twitter and Facebook) generated nearly 50 million impressions, targeting more than 30 million consumers. The Call2Recycle website experienced a 91% increase in unique visitors and a 368% increase in visits to the locator page over 2015. National Battery Day is a prime example of how short-term events can have a major impact on raising awareness—and ultimately collections.

Other survey highlights included:

- Battery recycling participation is higher among males, increases with income, and is highest along the west coast of Canada and the U.S. Pacific region;
- The majority of U.S. consumers recycle batteries along with other items while the majority of Canadians prefer holding onto used batteries until they have collected enough to recycle;
- Awareness of and participation in battery recycling is highest in urban areas in the U.S. and suburban areas in Canada;
- In both countries, urban residents recycle due to concerns about climate change while rural residents are motivated by keeping toxic materials out of landfills; and
- Canadians are more likely to remove the battery from their devices before throwing them away, with the exception of cordless power tools and cellphones.

Preparing for Change: 2017

Recycling continues to be an industry characterized by change.

The continued rise of single-use battery recycling is rewriting the U.S. battery recycling landscape; we can no longer avoid its impact on our battery collections. For the past 20 years, U.S. battery producers have voluntarily funded rechargeable battery recycling under hazardous waste regulations but not single-use battery recycling because those batteries are not universally considered hazardous waste.

Call2Recycle is adapting and exploring new ways to balance rising administrative and operational costs with its commitment to responsibly recycle batteries using the highest environmental standards. By evolving our business model, we will ensure the long-term viability of the voluntary battery stewardship program while continuing to keep household batteries out of landfills.

We will be introducing significant changes to both our U.S. and Canadian programs during 2017, as follows:

U.S. All-Battery Collections

The most significant program change during 2017 is expanding our battery services in the U.S. Select rechargeable-only collection sites will be transitioned to an all-battery, fee-based program by spring 2017. This new service will offer one-stop recycling of all household batteries. An all-battery program enables us to handle the deluge of single-use batteries in the market as well as meet consumer demand for single-stream recycling of all household batteries.

To build consumer awareness of the all-battery program, Call2Recycle has adopted a new tagline, “Leading the charge for recycling” that reinforces our commitment to recycling both rechargeable and single-use batteries across North America. With this new strategy, we expect household battery collections to increase overall.

Spinoff of Call2Recycle Canada, Inc.

Over the years, the regulatory landscape in the U.S. and Canada has diverged, with each country’s environmental policies taking very different paths. Different business models have emerged to support these policies. In 2016, the Call2Recycle board made the decision to separate Call2Recycle’s U.S. and Canadian operations, effective Jan. 1, 2017. Each company will operate as a separate legal entity but share administrative and marketing services.

The launch of Call2Recycle Canada couldn’t come at a more opportune time as it celebrates its 20th anniversary in 2017. Launched in 1997 as a Call2Recycle subsidiary, Call2Recycle Canada has expanded its operations significantly over time, collecting more than 30 million lbs. (13.5+ million kgs) of batteries over two decades.

Environmental Handling Fees Adopted in Canada

The changing regulatory landscape is also prompting change in the Canadian battery recycling market. As of February 2017, Call2Recycle Canada will be introducing Environmental Handling Fees (EHFs) in two Canadian provinces—British Columbia and Manitoba. Quebec’s current fee schedule for batteries will be updated. Commonly used by other recycling programs, these fees are levied directly on products to fund responsible collections at end of life and to make the cost of recycling more visible throughout the value chain.

Renewed Commitment to Safety

With more than 14,000 public drop-off sites in North America and a recycling facility network that has doubled in size, Call2Recycle is managing its most complex operation ever. With increased complexity comes more risk in properly handling and transporting batteries. Our goal is to prevent dangerous incidents before they can cause any harm or damage.

At no point during the recycling process do we want to compromise safety. Throughout 2017, we will be updating our safety program and working with our collection sites, sorters and processors to adopt best practices at every step of the collection and recycling journey—starting at the collection box and ending at the processing plant.

We have already introduced a more robust collection box and more rigorous safety requirements for collection sites as they prepare boxes for shipment. New educational materials will help collection sites train personnel in implementing the new policies. Dashboards will help us quickly spot, track and address potential safety issues and trends before they occur.

Sustainable Business Model

Consumer battery recycling has made significant progress during the past two decades. The challenge we face is how to balance current needs against future demands for more efficient and sustainable recycling. The coming year presents a unique opportunity for Call2Recycle to examine the broader implications of a changing recycling industry without impeding our long-term viability as a product stewardship organization. We will continue to look for new ways to optimize our collection process, minimize its effects on the environment and give our stakeholders confidence that the end-of-life management of batteries is safe in our hands.

2016 Call2Recycle Industry Stewards

3M Automotive Aftermarket Division	Brother International	Dorcy International	GreenSmoke, Inc.
3M Commercial Solutions Division (CSD)	Buropro Citation Inc.	Duracell Canada Inc.	Groupe Blais Inc.
3M Construction & Home Improvement	Bushnell, Inc.	Duracell US Operations	Groupe BMR Inc.
3M Personal Safety Division	BYD Company Limited	Eaton Corporation	GS Battery (USA) Inc.
Accell North America	Canac-Marquis Grenier Ltee	Echo Incorporated	Harris Corporation
Ace Hardware Corporation	Canadian Tire Corporation, Ltd.	Electro-5 Inc.	HD Supply Holdings, Inc.
Acer America Corporation	Canon Canada Inc.	Enerco Group Inc.	Hewlett Packard Enterprise
Advanced Battery Systems	Canon USA Inc.	Energizer Canada Inc.	Hilti Canada Corporation
Aero Design, Inc.	Casio America, Inc.	Energizer Holdings, LLC	Hilti, Inc.
Agilent Technologies	Cell-Con Inc.	Energizer Power Systems	Hitachi Koki Canada Co.
Allied Intl/Allied Tools	Century Optronic Inc.	Energy Sales	Hitachi Koki USA Ltd.
Alltrade Tools LLC	Changzhou Globe Tools Co. Ltd.	EnerSys Delaware Inc.	Hobbico, Inc.
Alpha Source, Inc.	Chervon HK Limited	Epson America, Inc.	Home Hardware Stores Limited
Amazon.com, Inc.	Chervon HK Limited/The Home Depot	Esselte Corporation	HoMedics
American Lawn Mower Co.	Chervon HK Lmtd/The Home Depot Canada	Evergreen (C.P.) USA Inc.	Honda Canada
American Toppower	Chrysler Canada Inc.	EZsmart Gutter Cleaner, LLC	Honeywell International Inc.
Anton/Bauer	Cisco Systems Inc.	Familiprix Inc.	House of Batteries
APC - Schneider Electric	CLD/Équipements Confortek	Family Dollar Stores of NY, Inc.	HP Inc.
Arris Group, Inc.	Cleva North America/LawnMaster	FDK AMERICA	HTC Corporation
Asus Computer International	Cognex Inc.	Fedco Electronics, Inc.	Huawei Device USA. Inc.
Audio Enhancement, Inc.	Coleman Company	Ferno - Washington, Inc.	Husqvarna AB
Audio Video D.G. (Gestion Quemar)	Conair Corporation	Finish Thompson, Inc.	Hyundai Auto Canada Corp.
Axiom Mobile Group	Costco Wholesale Canada	Flying Dragon Development Ltd.	IDX System Technology Inc.
Baccus Global	Couche-Tard Inc.	Ford of Canada	Illinois Tool Works
barnesandnoble.com, LLC	CTE Energy Co., Ltd.	Furniture de Bureau Denis	Indigo Books and Music Inc.
Batteries Dixon Inc.	Cybertron International	FujiFilm Holdings America Corp.	Industrial Battery Service Inc.
Batteries Du Quebec	DANTONA INDUSTRIES/ULTRALAST	Fujitsu America	Ingersoll Rand
Batteries Illimitées	Deere & Company (John Deere)	GammaTech Computer Corporation	Inspired Energy, LLC
Batteries St-Eustache	Delhaize America (Hannaford Supermarkets)	Garmin International, Inc.	Intec Industries Co. Ltd.
Battery Specialties	Dell Canada Inc.	GE Healthcare Canada, Inc.	Intermetro Industries Corp.
Bayco Products	Dell Inc.	General Motors of Canada Limited	Interstate Batteries Inc.
Bayer Healthcare	Deltran USA LLC	General Wireless Operations	Invacare Corporation
Belkin International, Inc.	Digi-Key Corporation	Getac Inc.	Invox Hardware Limited
Best Buy Canada Ltd.	Distributions Johnson Inc	Giant Tiger Stores Limited	iRobot Corp.
Best Buy Co., Inc.	DLG (Shanghai) Electronic	Gibson Innovations USA, Inc.	iTech
BionX International	Do it Best Corp.	GiiNii Tech Corporation	Jasco Products Company
Bissell Homecare, Inc.	Dollar General Corporation	Global Technology Systems, Inc.	Jiawei Technologies (USA) Ltd.
BlackBerry Limited	Dollarama L.P.	Gold Peak Industries (NA), Inc.	JKH Health Co., Ltd.
BMW Group Canada		GP Batteries	JLG Industries Inc.
Bose Corporation		GRACO, Inc.	JVCKENWOOD USA Corp.
		Gradus Group	KAN Battery Co., Ltd.
		Grand & Toy	Karcher North America
		Greatbatch Inc.	Keysight Technologies
			Kia Canada Inc.
			Konica Minolta

Kwonnie Electrical Products, Ltd.	NEC Corporation of America	Royal Consumer Information Products, Inc.	Texas Instruments Inc.
Laliberté Électronique	Neptune Technology Group Inc.	Rozon Batteries Inc.	The Gillette Co/Braun Division
Le Groupe Jean Coutu	Netgear, Inc.	RRC POWER SOLUTIONS	The Gillette Co/Oral-B Division
Lego Group	Nikon Canada Inc.	SAIL Plein-Air Inc.	The Home Depot of Canada, Inc.
Leica Camera Inc.	Nippon Primex Inc.	Samsung Electronics Co.	The Source (Bell) Electronics Inc.
Lenmar Enterprises, Inc.	Nissan Canada Inc.	Scosche Industries	The Toro Company
Lenovo (Canada)	Noble Gift Packaging Inc.	Scotts Canada Ltd.	TNR Technical
Lenovo (United States)	Normark Innovations Inc.	SDI Technologies Inc.	TomTom Inc.
Les Magasins Korvette	Novatel Wireless Inc.	Sears Canada Inc.	TOSHIBA AMERICA
Les Variétés P. Prud'homme Inc.	Novexco	Senco Products, Inc.	Toshiba of Canada Limited
LEXEL BATTERY CO LTD.	NU MARK LLC	Sensidyne LP	Toyota Canada Inc.
LG Electronics Canada, Inc.	Nylube Products Company LLC	Sharp Electronics Corporation	Toys R Us Canada, LTD.
LG Electronics MobileComm USA	O2COOL, LLC	Sharp Electronics of Canada	Toys R Us, Inc.
L'Image Home Products Inc.	Oculus VR LLC	SHIMANO	Tractor Supply Company
Loblaws Inc.	Olympus Corp of the Americas	Shoppers Drug Mart Inc.	Transcosmos America Inc.
Logic Technology Development	Ooma Inc.	Sigma Corporation	Traxxas L.P.
LOGITECH INC.	Oracle America, Inc.	Sinopower Technology (HK) Ltd.	Trek Bicycle Corporation
Mag Instrument, Inc.	Original Power	Snap-on Inc.	True Value Company
Magnacharge Battery Corp.	Palladium Energy	Sobeys Quebec Inc.	TTEK ASSEMBLIES INC.
Maha Energy	Panasonic Canada Inc.	Sony Electronics, Inc.	TTI (Macao Commercial Offshore) Limited
Makita Canada, Inc.	Panasonic Corporation	Sophos Ltd.	UAP Inc.
Makita USA	Pantech Co Ltd.	Southern Telecom, Inc.	ULTRALIFE CORPORATION
Mattel, Inc.	Pelican Products, Inc.	SOUTHWICK TECHNOLOGIES INC.	Uniden America Corporation
Maxell Corporation of America	Philips Consumer Electron	Southwire Company	Uniprix Inc.
McKesson Canada	Philips Electronics Ltd.	Spectrum Brands	Variétés B. Desmarais 1992 Inc.
McMahon Distributeur Pharmaceutique Inc.	Philips Lighting	SRAM, LLC	VARTA Microbattery Inc.
Meritool LLC	Plantronics, Inc.	Stanley Black & Decker Canada	Venom Power
Metabo Corporation	PLR IP Holdings, LLC	Stanley Black & Decker, Inc.	Vera Bradley
Metro Richelieu Inc.	Polycom, Inc.	Staples Canada, Inc.	Vernier Software & Technology
Michaels Stores Inc.	Positec Tool Corporation	Stihl Incorporated	Vibratex, Inc.
Microsoft	POWER PRODUCTS	Stihl Limited	Vizio Inc.
Midland Radio Corporation	Powermax USA	StorTronics	VTech Telecommunications Ltd.
Miller Manufacturing Co.	ProTeam, Inc.	Strand Europe Ltd.	WACOM TECHNOLOGY CORP.
Milwaukee Electric Tool Corporation	Quality One Wireless	Streamlight, Inc.	Walmart Canada
Mitsubishi Motor Sales of Canada, Inc.	Rapport, Inc.	Summer Infant, Inc.	WATER PIK, INC.
Moshi	Reckitt Benckiser	Surefire, LLC	WOHLER USA
Motorola Mobility, LLC	Resistacap	Suzuki Canada Inc.	Xplore Technologies Corp.
Motorola Solutions, Inc.	Richpower Industries, Inc.	SY KESSLER SALES, INC.	Zebra Technologies Enterprise Corp.
MTD Products Inc.	Ridge Tool Company (RIDGID)	Tacony Corporation	Zippo Manufacturing Company
myCharge	Rite Aid	Technical Power Systems Inc.	
National Battery	RKI Instrument, Inc.	Techtronic Industries GmbH	
National Power Corp.	Robert Bosch Inc. (Canada)	Techtronic Trading Ltd.	
	Robert Bosch Tool Corporation	Test Rite Products Corp.	
	RONA Inc.		

CALL2RECYCLE, INC., SUBSIDIARY AND AFFILIATE

Condensed 2016 and 2015 Consolidated and Combined Financial Statements

Condensed Consolidated and Combined Statements of Financial Position
Reported in U.S. Dollars

	2016			2015
	(\$'000)			(\$'000)
December 31,	Call2Recycle, Inc. & Subsidiary	Call2Recycle Canada, Inc.	Combined	Combined
ASSETS:				
Cash and cash equivalents	\$ 977	158	1,135	\$ 831
Receivables, no allowance deemed necessary	4,197	4,075	8,272	5,219
Due from (to) affiliate	2,270	(2,270)	-	-
Prepaid expense and other assets	177	118	295	444
Long-term investments	19,837	-	19,837	22,865
Net property and equipment	246	-	246	210
Total assets	\$ 27,704	2,081	29,785	\$ 29,569
LIABILITIES and NET ASSETS				
Accounts payable and accrued expenses	\$ 1,633	1,261	2,894	\$ 2,572
Line of credit	617	-	617	-
Unearned revenue	5,864	-	5,864	5,852
Total liabilities	8,114	1,261	9,375	8,424
Unrestricted net assets				
Undesignated	19,590	896	20,486	21,292
Board designated	-	189	189	180
Cumulative translation adjustment	-	(265)	(265)	(327)
Total net assets	19,590	820	20,410	21,145
Total liabilities and net assets	\$ 27,704	2,081	29,785	\$ 29,569

INDEPENDENT AUDITORS' REPORT

Board of Directors

Call2Recycle, Inc., Subsidiary and Affiliate

We have audited, in accordance with auditing standards generally accepted in the United States of America, the consolidated and combined statement of financial position of the Call2Recycle, Inc., Subsidiary and Affiliate (non-profit organizations) as of December 31, 2016 and 2015, and the related consolidated and combined statements of activities, changes in net assets, and cash flows for the years then ended (not presented herein); and in our report dated May 11, 2017, we expressed an unqualified opinion on those consolidated and combined statements.

In our opinion, the information set forth in the accompanying condensed consolidated and combined financial statements is fairly stated, in all material respects, in relation to the consolidated and combined financial statements from which it has been derived.



May 11, 2017

Smith + Howard

CALL2RECYCLE, INC., SUBSIDIARY AND AFFILIATE

Condensed 2016 and 2015 Consolidated and Combined Financial Statements

Condensed Consolidated and Combined Statements of Activities and Changes in Net Assets
Reported in U.S. Dollars

	2016			2015
	(\$'000)			(\$'000)
Years ended December 31,	Call2Recycle, Inc. & Subsidiary	Call2Recycle Canada, Inc.	Combined	Combined
OPERATING ACTIVITIES:				
Revenue				
Steward fees	\$ 8,189	7,942	16,131	\$ 14,749
Service fees	597	-	597	147
Recovered metals proceeds, net	579	197	776	947
Cell phone revenue	2,092	-	2,092	3,996
Total revenues	\$ 11,457	8,139	19,596	\$ 19,839
Expenses:				
Program expenses				
Collection and recycling operations	8,940	5,362	14,302	11,951
Public education	2,098	504	2,602	3,028
Seal administration	361	-	361	279
Total program expenses	11,399	5,866	17,265	15,258
Management and general expenses	2,498	1,699	4,197	4,347
Total expenses	\$ 13,897	7,565	21,462	\$ 19,605
Increase (decrease) in unrestricted net assets before non-operating activities	(2,440)	574	(1,866)	234
Non-operating activities:				
Intercompany fees	29	(29)	-	-
Investment income/(loss)	1,059	-	1,059	(254)
Increase (decrease) in unrestricted net assets	(1,352)	545	(807)	(20)
Unrestricted net assets, beginning of year	20,942	203	21,145	21,295
Translation adjustment	-	72	72	(130)
Unrestricted net assets, end of year	\$ 19,590	820	20,410	\$ 21,145

Call2Recycle, Inc.

2016 ANNUAL REPORT

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