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| --- |
| SALES VERIFICATION PACKAGE |
| **Less than 5 Million Units** |

**Schedule A**

Schedule of Units Charges and Returns

**Please download the Excel format of this Schedule A by clicking on the following link:**

<https://www.return-it.ca/beverage/industry/annualaudit/>



***<Please insert your Company Letterhead>***

**Schedule B**

Report on Specified Procedures

Encorp Pacific (Canada)

100-4259 Canada Way

Burnaby, BC, V5G 4Y2

Attn: Controller

Date:

To: Encorp Pacific (Canada)

We have performed specified procedures as outlined in Appendix 1 with respect to the attached Schedule of Units Charges and Returns in British Columbia for the products registered with Encorp Pacific (Canada) under BC Recycling Regulation for the period from January 1, 2023 to December 31, 2023.

As a result of applying the above-mentioned procedures we noted no exceptions in the sales reports (other than listed below) filed in British Columbia of products registered under the system by *[Company name here]* for the period referred to above.

This report is for use solely by Encorp Pacific (Canada) to monitor compliance with the System; it will be kept confidential by Encorp and not be distributed to any other parties.

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Senior Officer

**Appendix 1**

**Specified Procedures on Sales Verification Schedule**

|  |  |
| --- | --- |
| Procedure | Comments |
| 1.1 Obtain Declaration of Compliance as outlined in Schedule C. Note any negative confirmation in the declaration. Document number of reporting periods and obtain monthly sales reports submitted to Encorp by a brand owner. |  |
| 1.2 Obtain the schedule of unit charges and returns (Schedule A) compiled by the company and agree to information extracted from the monthly sales reports to Encorp |  |
| 1.3 Foot and cross foot the “Units sold” for the Relevant Period and agree the amounts reported to Encorp to the Company’s accounting records. |  |
| 1.4 Verify from different reports obtained from Company that the units sold were allocated to the proper product class. |  |
| 1.5 Obtain Encorp’s “Fee for Service schedule” for that reporting period and compare with Company accounting records. |  |
| 1.6 The remittances were calculated correctly using the appropriate per unit charge. |  |
| 1.7 Recalculate the “Deposit” and the “Container Recycling Fee (CRF)” to Encorp by multiplying “Units Sold” by the deposit and CRF rates applicable to the respective units applicable. |  |
| 1.8 The remittances were accurately reflected in the accounting records (GL Deposit Liability Account). |  |
| 1.9 Verify that:  The customer was correctly identified as Exempt or non-Exempt.  The customer shipping addresses were allocated to the correct Province.  The product was correctly included or excluded from the Recycling Program.  The product was assigned the correct container unit charge.  The product was assigned the correct unit of measure |  |
| 2.0 If any exceptions are found request the Producer to prepare a corrected sales report by container type/period. |  |
| 3.0 Issue Auditor’s Sales Verification Report to Encorp in the format specified in Schedule B and forward the signed Declaration of Compliance as outlined in Schedule C |  |

SCHEDULE "C"- Declaration of compliance

To: Encorp Pacific (Canada)

I\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ *[name]*, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ *[title] of* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ *[company name]*, affirm that to the best of my knowledge, the following is a true statement of the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ *[company name]* state of internal controls over the process of reporting and remittances of deposits and CRF for the beverage product sold in/into the province of British Columbia for the period from \_\_\_\_\_\_\_\_\_\_\_ *[Start date of Fiscal Year]* to\_\_\_\_\_\_\_\_\_\_\_\_ *[End date of Fiscal Year]*.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ *[Insert company name here]*:

ü Is knowledgeable to which types of products a deposit and CRF applies and to which the deposit and CRF does not.

ü Has controls in place to ensure the updates processed to the product master file, deposit and CRF are accurate and complete.

ü Has a system in place that automatically charges the deposit on every applicable product sold.

ü Has a system that knows which deposit and CRF rates to charge customers.

ü Has a process in place to authorize change to the CRF and Deposit.

ü Controls are in place to ensure that all the deposit obligations are remitted.

ü Ensures that containers associated with stale dated products or containers disposed of during production do not enter the common collection system for a deposit refund.

ü Registers the product and assumes the responsibility to report sales and remit deposit and CRF in the province of import if an internal transfer of inventory In/Out of the province occurs.

CERTIFIED BY

City\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Senior Officer’s Name\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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Senior Officer’s Signature

***<Please insert your Company Letterhead>***

**Schedule D**

Confirmation of Accuracy of Registered Containers within the Return-It System

Encorp Pacific (Canada)

100-4259 Canada Way

Burnaby, BC, V5G 4Y2

Attn: Controller

Date:

To: Encorp Pacific (Canada)

After reception on January 8 2024 of the listing of ready-to-drink beverage containers registered under *[Company name here]* in the Encorp Pacific (Canada) system, we have performed a thorough assessment to inspect and guarantee that Encorp Pacific (Canada) possesses the latest, most accurate and exhaustive information.

We confirm that all ready-to-drink beverage containers that *[Company name here]* is currently selling in British Columbia is active and registered in the Encorp Pacific (Canada) system under the *[Company name here]* ‘s profile. We also confirm that all the information (unit UPC codes, sizes, flavours and materials) related to each of those containers has been checked and confirmed.

In case some information was no longer valid or needed some corrections, we confirm we communicated such changes to the Encorp Pacific (Canada)‘s Brand Registry team at brandregistry@returnit.ca.

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Senior Officer