





ABOUT MULTI-MATERIAL STEWARDSHIP WESTERN

Multi-Material Stewardship Western (MMSW) is a Saskatchewan-based not-for-profit organization that began operation in 2016 to help obligated businesses supplying packaging and paper products meet their obligations under the province's *Household Packaging and Paper Stewardship Program Regulations*.

MMSW's steward members help finance the delivery of effective and efficient recycling services for the Waste Paper and Packaging (WPP) they supply to Saskatchewan consumers. Stewards include brand owners, first importers, retailers, restaurants, manufacturers, distributors, wholesalers and other organizations. MMSW provides payment to participating municipalities, regional waste authorities and First Nations communities based on a 60% capture rate of the WPP reported by its members.

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2017 HIGHLIGHTS

In its second full year of operation, MMSW continued its work through service agreements with 481 municipalities, regional waste authorities and First Nations communities to provide collection, processing and marketing services for WPP. The following were achieved in 2017:



73%

Recovery Rate



41,254

Tonnes Collected



83%

Households with
WPP Recycling



49 kg/capita

Collected





MESSAGE TO STAKEHOLDERS

2017 was a year marked by significant change for packaging and paper recycling programs across Canada, including MMSW.

There is growing recognition, signified by increasing attention to the ubiquitous presence of plastics in the environment, that patterns of consumption must evolve quickly from a linear, disposable framework to an engaged, circular and responsible model of resource use. In the months ahead, stewards, including those around the MMSW Board table, may be expected to take a leadership role in the search for solutions. Moreover, in June 2018, at the G7 meeting in Quebec our federal government introduced a Plastics Charter calling for near universally reusable, recyclable or compostable plastic packaging in the drive toward packaging standardization and increased recovery.



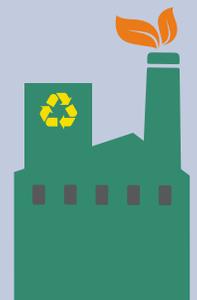
John D. Coyne, 2017 Board Chair
Vice President, Legal & External Affairs and
General Counsel, Unilever Canada Inc.

We are pleased that MMSW has made great strides in its first two years of operation, establishing itself as a key contributor to providing expanded recycling services to 83% of Saskatchewan households. We have worked collectively with municipalities, regional waste authorities, First Nations communities and their contracted service providers to help develop residential recycling services.

MMSW's success and progress also reflects the support of its members – the businesses committed to providing financial support to ensure the delivery of services that allow for the collection and recycling of the materials they distribute to Saskatchewan residents.

Engaging with consumers and ensuring they have the information they need to correctly recycle their waste packaging and paper is important to MMSW. In order to better understand residents' recycling attitudes and behaviours, MMSW undertook consumer research in 2017. The research told us that 71% of residents make an effort to recycle and 97% of residents indicated the quality, frequency or availability of residential recycling information has improved or stayed the same in the past year.

2017 included two other noteworthy developments for the MMSW program: the completion of the two-year transition period for Saskatchewan small businesses, and the expansion of the Saskatchewan Beverage Deposit program to include milk beverages. More information on these developments is provided in the Program Overview section of this report.



PROGRAM OVERVIEW

WORKING WITH OUR MEMBERS

MMSW members include organizations that supply obligated paper and packaging materials to Saskatchewan residents. Through their membership in MMSW, these organizations demonstrate their commitment to ensuring that the materials they distribute to consumers are managed in a responsible way once disposed of by the consumer. Beyond contributing to the payments for recycling services, many of these organizations take other measures to reduce the environmental impact of their materials, such as sourcing sustainably, reducing material use, using recycled materials and designing for recyclability. All of these practices help the province move toward its goal of protecting and preserving the environment and enhancing the quality of life of Saskatchewan residents.

Membership in MMSW allows organizations to meet their obligations under the *Household Packaging and Paper Stewardship Program Regulations*. As such, MMSW works closely with the provincial government to ensure that any changes in the regulation or updates to steward obligations are fulfilled.

Steward obligations were impacted in 2017 by the government's decision to extend the beverage deposit program to include milk beverages. Previously, all packaging associated with milk beverages was included in the MMSW program. As announced in the 2017 budget, as of April 1, 2017, consumers began paying a deposit on these materials and returning them to a depot, meaning these containers are no longer managed through the residential recycling system. MMSW worked with stewards of milk beverage containers to ensure a smooth transition of these materials to the deposit program. Removing materials from the recycling system impacts the financing of the system in two ways: a loss of steward fees for these materials and a loss of revenue from the sale of valuable commodity materials (such as high-value HDPE milk jugs) which helps offset overall system costs.

The beginning of 2017 marked the completion of the two-year transition period for Saskatchewan small businesses and the introduction by MMSW of new low-volume fee categories. The low-volume fee categories are designed to minimize the burden of the Recycling Regulation on small businesses by allowing them to pay a flat fee rather than completing a steward report and paying fees based on the type and volume of material supplied into Saskatchewan. To ease this transition, MMSW created an on-line assessment tool to help businesses determine whether they are required to register with MMSW and pay stewardship fees and if so, whether they qualify as low-volume stewards and eligible for flat fee payments.

WORKING WITH SERVICE PROVIDERS

Through its payments to local governments, MMSW supports the delivery of recycling services to Saskatchewan residents. MMSW has service agreements with 481 municipalities, regional waste authorities and First Nations communities to provide payment for recycling services based on a 60% capture rate of the materials reported by MMSW stewards. Through these service agreements, the number of curbside collection programs has doubled, either as stand-alone service or as an addition to existing depot service, over the first two years of operation.

The gathering of data related to the MMSW program, such as the material collected and how it is managed, is important to MMSW and its stakeholders to fulfill reporting obligations. While not all required performance data are available yet from municipalities, regional waste authorities and First Nations, MMSW continues its work with the Advisory Committee and service providers to ensure the collection of key data that will allow MMSW to measure and report on all aspects of the MMSW program.

WORKING WITH OUR ADVISORY COMMITTEE

On January 1, 2017, MMSW entered 'Post-Transition Phase 1' of the program. In accordance with the MMSW Stewardship Plan, upon reaching this phase of the program, MMSW was required to begin the work necessary to determine Saskatchewan-specific supply chain costs. This work is being undertaken with the support of the MMSW Advisory Committee, which represents the views of urban and rural municipalities, regional waste management authorities and the Saskatchewan Waste Reduction Council. The Committee has provided valuable input on this important initiative as well as helping to determine the operational definitions for efficient and effective recycling of WPP in Saskatchewan.





Members of the Advisory Committee in 2017 included:

- Wally Lorenz, Chair, Association of Regional Waste Management Authorities
- Cheryl Coleman, Senior Tax Manager, Federated Co-operatives Limited
- Julie Dickson, Director, Public Affairs and Corporate Services, Save-On-Foods
- Steven Dribnenki, Policy & Legal Advisor, Saskatchewan Urban Municipalities Association
- Joanne Fedyk, Executive Director, Saskatchewan Waste Reduction Council
- Al Heron, Director - West Central Region, Saskatchewan Urban Municipalities Association
- Anne Mathewson, Administrative Assistant, Association of Regional Waste Management Authorities
- Libbey Morin, Policy Analyst, Saskatchewan Association of Rural Municipalities
- Carmen Stirling, Vice President, Saskatchewan Association of Rural Municipalities

WORKING WITH OUR BOARD OF DIRECTORS

The MMSW Board of Directors represents the steward members and collectively provides the required knowledge and expertise to ensure the program's success. Current board members are:

- John Coyne, VP, Legal and External Affairs, Unilever Canada Inc. (Board Chair)
- Debbie Baxter, Independent Director (joined MMSW Board March 2017)
- Christine Bome, Senior Director, Public Affairs, Walmart (resigned from the MMSW Board October 6, 2017)
- Dale Botting, Independent Director
- Bob Chant, SVP, Corporate Affairs and Communication, Loblaw Companies Limited (Vice Chair)

Finance & Audit Committee members are Debbie Baxter and Dale Botting.

The MMSW Board met three times in 2017. The following table summarizes board member attendance:

Board Member	March 29	October 6	December 12
Debbie Baxter (joined Board on March 29, 2017)	Absent	Yes	Absent
Christine Bome (resigned from Board on October 6, 2017)	Yes	Yes	N/A
Dale Botting	Yes	Yes	Yes
Bob Chant	Yes	Yes	Yes
John Coyne	Yes	Yes	Yes

PROGRAM PERFORMANCE



MMSW is working with municipal and regional waste authority partners to implement processes with their contracted service providers that will enable them to provide important performance data that is as yet unavailable. Acknowledging that this capability is not yet in place, the Minister of Environment has provided MMSW, by means of a waiver, with permission to exclude from the Annual Report performance data not yet available as noted below:

	2017 Performance	2016 Performance	YoY Difference
Tonnes of WPP supplied by MMSW members	56,629 tonnes	58,876 tonnes	(4%)
Tonnes of WPP collected by municipalities	41,254 tonnes	41,220 tonnes*	0.1%
Total tonnes of WPP recycled and therefore diverted from landfills by municipalities registered with MMSW	Not available	Not available	—
Recovery rate of total WPP diverted by municipalities registered with MMSW as a percentage of total WPP supplied by MMSW members	73%	70%	4%
For each category of WPP, total tonnes of WPP recycled and therefore diverted from municipal landfills by municipalities registered with MMSW	Not available	Not available	—
Recovery rate for each category of WPP reported by municipalities registered with MMSW as a percentage of the total of that category of packaging and paper supplied by MMSW members	Not available	Not available	—
Kilograms collected/capita	48.7	49.3*	(1%)
Fees collected from members	\$7,126,756	\$8,772,007	(19%)
Funds spent to operate the program	\$4,188,444	\$4,089,518	3%
Funds spent to administer the program (includes both the operation and administrative costs)	\$5,770,209	\$5,561,039	4%
Promotion and Education	\$24,126	\$52,623	(55%)
Resident Feedback	326 visits to the resident section of the MMSW website and 242 unique visitors. MMSW received 384 emails and 1,567 calls.	937 visits to the resident section of the MMSW website. 712 unique visits. MMSW received 296 emails.	—

* 2016 collected tonnes has been restated due to an additional 4,400 tonnes being reported after close of year in 2016. Also due to this, the 2016 recovery rate and kilograms collected per capita metrics have also been restated.

2017 FEE RATES

MMSW members pay fees based on the weight of the WPP materials supplied to Saskatchewan consumers. The below table provides rates paid for 2017.

Category	Material	Fee Rates (cents/kg)
PRINTED PAPER		
	Newsprint	4.00
	Magazines and Catalogues	4.00
	Telephone Books	4.00
	Other Printed Paper	4.00
PAPER PACKAGING		
	Corrugated Cardboard	9.00
	Boxboard	9.00
	Gable Top Cartons	20.00
	Paper Laminates	20.00
	Aseptic Containers	20.00
PLASTICS		
	PET Containers	17.00
	HDPE Containers	17.00
	Plastic Film	27.00
	Plastic Laminates	31.00
	Polystyrene	27.00
	Other Plastics	27.00
STEEL		
	Other Steel Packaging	8.00
	Steel Aerosols	8.00
	Steel Paint Cans	8.00
ALUMINUM		
	Aluminum Food & Other Containers	19.00
	Other Aluminum Packaging	19.00
GLASS		
	Clear Glass	4.00
	Coloured Glass	4.00

LOW-VOLUME STEWARD FEES AND EXEMPTIONS

With the completion of the two-year transition period for Saskatchewan small businesses at the end of 2016, MMSW introduced low-volume fee categories and an assessment tool to help low-volume stewards meet their registration and reporting requirements quickly and easily.

Businesses supplying less than 1,000 kg of packaging and paper continue to be exempt from registration and reporting requirements. Exemptions also continue for businesses with less than \$2 million in revenue or that operate a single retail point.

For 2017 reporting, the following fees were available to low-volume stewards:

- A fee of \$220 for businesses that supply between 1,000 and 2,500 kg.
- A fee of \$460 for businesses that supply between 2,500 and 5,000 kg.



PROMOTION & EDUCATION

In its second year of operation, MMSW continued to provide information on recycling to residents through its website and social media channels. MMSW also conducted research to better understand the views and behaviours of Saskatchewan residents with respect to recycling and their level of recycling participation. The findings are being used to guide MMSW's promotion and education efforts in 2018.

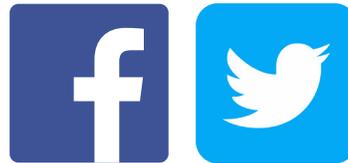
SOCIAL MEDIA

MMSW has maintained its social media presence on [Facebook](#) and [Twitter](#) since its launch in 2016 to increase brand awareness. Social content throughout 2017 focused on recycling tips, reminders and answers to common recycling questions.

Combined impressions: **42,482**

Combined engagements: **491**

Combined following: **335**



WEBSITE

The resident section of the MMSW website provides information on who MMSW is and the services it provides to Saskatchewan residents. It also hosts an interactive tool that allows residents to click on recyclable materials and learn what these materials can become after they are recycled.

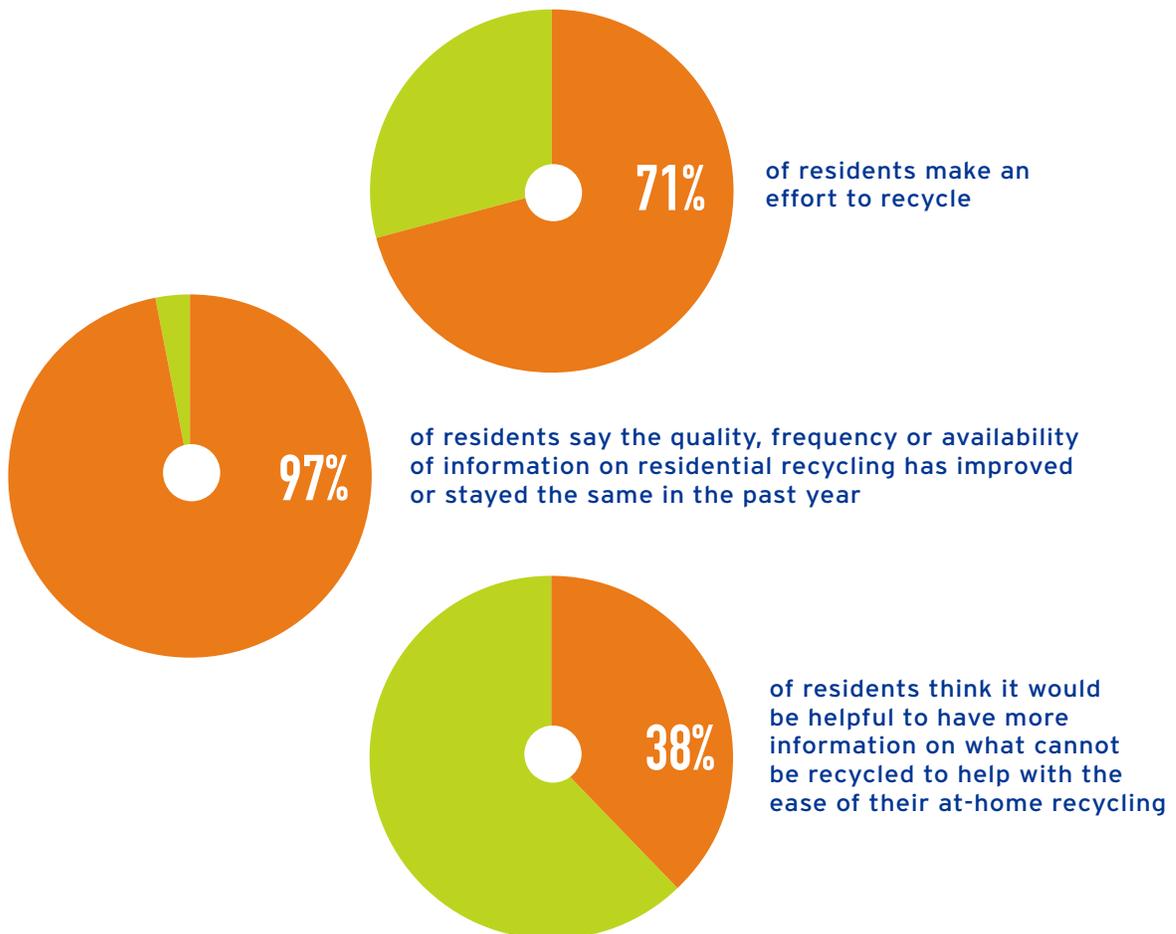
CONSUMER RESEARCH

In 2017, MMSW conducted consumer research to better understand residents' awareness of the program and their recycling behaviour.

Methodology:

- Online survey among 1,024 randomly selected Saskatchewan adults (18+) who were home owners or renters and had access to recycling.
- Survey was weighted to n=1,000 by age, gender and region using 2016 Statistics Canada Census data to reflect the actual demographic composition of the Saskatchewan adult population.

RESPONDENTS:



FINANCIAL PERFORMANCE

MULTI-MATERIAL STEWARDSHIP WESTERN INC.

Financial Statements For the year ended December 31, 2017

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Independent Auditor's Report

To the Member of Multi-Material Stewardship Western Inc.

We have audited the accompanying financial statements of Multi-Material Stewardship Western Inc., which comprise the balance sheet as at December 31, 2017, and the statements of changes in net assets, operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Multi-Material Stewardship Western Inc. as at December 31, 2017, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

March 28, 2018
Toronto, Ontario

Multi-Material Stewardship Western Inc. Balance Sheet

December 31	2017	2016
Assets		
Current		
Cash	\$ 6,115,457	\$ 4,907,510
Accounts receivable	418,664	96,593
Prepaid expenses	16,395	19,288
	6,550,516	5,023,391
Capital assets (Note 2)	3,653	5,480
	\$ 6,554,169	\$ 5,028,871

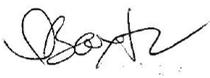
Liabilities and Net Assets

Current		
Accounts payable and accrued liabilities	\$ 1,366,171	\$ 1,286,195
Due to related parties (Note 3)	105,721	82,915
	1,471,892	1,369,110
Net Assets		
Invested in capital assets	3,653	5,480
Unrestricted	3,078,624	1,654,281
Internally restricted (Note 5)	2,000,000	2,000,000
	5,082,277	3,659,761
	\$ 6,554,169	\$ 5,028,871

On behalf of the Board:



Director



Director

Multi-Material Stewardship Western Inc. Statement of Changes in Net Assets

For the year ended December 31, 2017

	Invested in Capital Assets	Unrestricted	Internally Restricted	Total
Balance, beginning of year	\$ 5,480	\$ 1,654,281	\$ 2,000,000	\$ 3,659,761
Excess (deficiency) of revenue over expenses for the year	(1,827)	1,424,343	-	1,422,516
Balance, end of year	\$ 3,653	\$ 3,078,624	\$ 2,000,000	\$ 5,082,277

For the year ended December 31, 2016

	Invested in Capital Assets	Unrestricted	Internally Restricted	Total
Balance, beginning of year	\$ 7,307	\$ 166,961	-	\$ 174,268
Excess (deficiency) of revenue over expenses for the year	(1,827)	3,487,320	-	3,485,493
Transfer to operating reserve (Note 5)	-	(2,000,000)	2,000,000	-
Balance, end of year	\$ 5,480	\$ 1,654,281	2,000,000	\$ 3,659,761

Multi-Material Stewardship Western Inc. Statement of Operations

For the year ended December 31	2017	2016
Revenue		
Fee revenue	\$ 7,126,756	\$ 8,772,007
Investment income	65,969	24,525
Other income (Note 4)	-	250,000
	<hr/> 7,192,725	<hr/> 9,046,532
Expenses		
Material management costs (Note 6)	4,188,444	4,089,518
Program management (Note 3)	1,557,640	1,395,861
Promotion and education	24,125	52,623
Research and program development	-	23,037
	<hr/> 5,770,209	<hr/> 5,561,039
Excess of revenue over expenses for the year	\$ 1,422,516	\$ 3,485,493

Multi-Material Stewardship Western Inc. Statement of Cash Flows

For the year ended December 31	2017	2016
Cash provided by (used in)		
Operating activities		
Excess of revenue over expenses for the year	\$ 1,422,516	\$ 3,485,493
Adjustments to reconcile excess of revenue over expenses for the year to cash provided by operating activities		
Amortization of capital assets	1,827	1,827
Changes in non-cash working capital balances:		
Accounts receivable	(322,071)	(73,086)
Prepaid expenses	2,893	(11,169)
Accounts payable and accrued liabilities	79,976	1,162,628
Forgivable loan	-	(250,000)
Due to related parties	22,806	(2,071)
	1,207,947	4,313,622
Increase in cash during the year	1,207,947	4,313,622
Cash, beginning of year	4,907,510	593,888
Cash, end of year	\$ 6,115,457	\$ 4,907,510

Multi-Material Stewardship Western Inc. Notes to Financial Statements

December 31, 2017

1. Significant Accounting Policies

The following is a summary of significant accounting policies of the Organization:

(a) Business Organization and Operations

Multi-Material Stewardship Western Inc. (the "Organization") was incorporated under The Saskatchewan Non-Profit Corporations Act, 1995 on March 5, 2010 to undertake responsibility for the stewardship of the packaging and printed paper environmental management program under provincial legislation. The Organization is a not-for-profit organization and as such is not subject to income taxes.

The Waste Packaging and Paper Stewardship Plan (the "Program Plan") was approved by the Saskatchewan Ministry of Environment in October 2015 and the program was launched January 2016.

(b) Basis of Accounting

The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

(c) Revenue Recognition

Fee revenue is based on reported tonnages for members with signed Membership Agreements with the Organization. Revenue is recognized when tonnage is reported, fees are received or receivable and collection is reasonably assured. Revenue arising from member reported tonnages or adjustments for prior years' obligations and revenues resulting from compliance and enforcement activities are recognized when the amount can be reasonably estimated and collection is reasonably assured.

(d) Financial Instruments

Unless otherwise noted, the Organization initially measures its financial assets and liabilities at fair value and subsequently measures its financial assets and liabilities at amortized cost.

(e) Capital Assets

Capital assets are recorded at cost less accumulated amortization and are amortized on the following basis:

Furniture and fixtures	-	5 years straight line
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(f) Impairment of Long-Lived Assets

When a long-lived asset no longer has any long-term service potential to the Organization, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations.

Multi-Material Stewardship Western Inc. Notes to Financial Statements

December 31, 2017

1. Significant Accounting Policies - (Continued)

(g) Government Assistance

Government assistance, including forgivable loans, relating to program development and implementation is recorded as income in the period qualifying expenditures are made and specified conditions are met. When government assistance is received which relates to expenses of future periods, the amount is deferred and amortized to income as the related expenses are incurred and specified conditions are met.

(h) Use of Estimates

The preparation of financial statements in accordance 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 revenues and expenses during the reporting period. Accounting estimates include the valuation of accounts receivable. Actual results could differ from management's best estimates as additional information becomes available in the future.

2. Capital Assets

	2017		2016	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Furniture and fixtures	\$ 9,134	\$ 5,481	\$ 9,134	\$ 3,654
		<u>\$ 3,653</u>		<u>\$ 5,480</u>

3. Due to Related Parties and Related Party Transactions

	2017		2016	
Due to Canadian Stewardship Services Alliance Inc. ("CSSA") (i)	\$ 94,985	\$ 82,915		
Due to MMBC Recycling Inc. ("Recycle BC") (ii)	10,736	-		
	<u>\$ 105,721</u>	<u>\$ 82,915</u>		

Multi-Material Stewardship Western Inc. Notes to Financial Statements

December 31, 2017

3. Due to Related Parties and Related Party Transactions - (Continued)

- (i) Effective August 30, 2013, the Organization entered into a 5 year Management Service Agreement ("MSA") with CSSA for management services including administrative and technical support, other services and facilities for administrative, technical and reporting activities. During the year, charges totaling \$1,085,549 (2016 - \$1,085,549) were paid to CSSA pursuant to this contract and are included in program management expenses.

The Organization's board of directors consists of 50% (2016 - 50%) who are also members of the CSSA board of directors and CSSA has the ability to elect board members; therefore, the CSSA board of directors has control over the Organization.

- (ii) Recycle BC is a not-for-profit organization established under the Canada Not-For-Profit Corporations Act to undertake responsibility for the stewardship of the packaging and printed paper environmental management program under provincial legislation. During the year, the Organization was charged \$120,000 (2016 - \$nil) for common management costs and is included in program management expenses.

The Organization and Recycle BC are under the common control of CSSA.

Amounts due to CSSA and Recycle BC are non-interest bearing and due on demand.

All transactions between the Organization, CSSA and Recycle BC are in the normal course of operations and are recorded at their exchange amount as agreed upon by the parties.

4. Forgivable Loan

In March 2010, the Saskatchewan Government ('Government') provided \$350,000 in funding to the Organization for the purpose of administering consultation and undertaking the development and implementation of a Recycling Program for the Multi-Material Recycling Program ("MMRP"). Pursuant to the agreement with the Government, \$250,000 is considered a forgivable loan contingent on reinvestment of the same amount back into the MMRP operations by the Organization once the program is fully functional. The program became fully functional in January 2016, and the \$250,000 was recognized as other income in 2016. The remaining \$100,000 was a grant to cover plan development and administration costs and was not required to be repaid.

5. Internally Restricted Net Assets

The directors have authorized the establishment of the Operating Reserve to provide for an appropriate level of working capital and to satisfy all of its obligations for a reasonable period of time.

6. Material Management Costs

Material management costs include all costs related to the collection, transportation and processing of materials managed through the program.

Multi-Material Stewardship Western Inc. Notes to Financial Statements

December 31, 2017

7. Commitments

Under the terms of an operating lease agreement, the Organization is committed to pay basic rent approximately as follows:

2018	\$	45,700
2019		<u>22,900</u>
	\$	<u>68,600</u>

8. Financial Instrument Risk Exposure and Management

Management has established policies and procedures to manage risks related to financial instruments, with the objective of minimizing any adverse effects on financial performance. Unless otherwise noted, it is management's opinion that the Organization is not exposed to significant interest rate, currency or credit risks arising from its financial instruments. A brief description of management's assessments of these risks is as follows:

(a) Credit Risk:

Financial instruments potentially exposed to credit risk include cash and accounts receivable. Management considers its exposure to credit risk over cash to be remote as the Organization holds cash deposits at a major Canadian bank. Accounts receivable are monitored regularly for collections and the carrying amount represents the maximum credit risk exposure. The Organization's provision for uncollectable accounts receivable is \$14,155 (2016 - \$4,015).

(b) Liquidity Risk:

Liquidity risk is the risk that the Organization will not be able to meet its obligations as they come due. The program operated by the Organization carries risks in the ability to forecast and control expenditures. Management has taken steps to ensure that the program will have sufficient working capital available to meet obligations.

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