



## X-TREME WASTE INCORPORATED

## FINANCIAL STATEMENTS for the year ended 30 June 2011

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**X-TREME WASTE INCORPORATED****Directory  
for the year ended 30 June 2011**

<b>Entity:</b>	Incorporated Society
<b>Incorporated:</b>	31 <sup>st</sup> May 2000
<b>Registered:</b>	30 <sup>th</sup> June 2008
<b>Registration Number:</b>	CC34145
<b>Tax Status:</b>	Charitable Status
<b>Nature of Business:</b>	Zero Waste - Community-based education and management of recyclable resources to minimise waste to landfill
<b>Address:</b>	P.O. Box 153 Whaingaroa Raglan
<b>Accountant:</b>	Bizworx Consultancy Limited Chartered Accountants Raglan
<b>Auditor:</b>	John Mills Hamilton
<b>Bank:</b>	ASB Bank Anglesea Clinic Branch  Westpac Raglan Branch

**X-TREME WASTE INCORPORATED**

Directory  
for the year ended 30 June 2011



Name	Position	Position held - Term
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***Elected office holders:***

Jacqui Forbes (Raglan)	Chairperson	Elected - Full year
Simon Thomson (Raglan)	Assistant Chairperson	Elected - Full year
Ian Mayes (Raglan)	Secretary	Elected - Full year
Lynne Wilkins (Raglan)	Treasurer	Elected - Full year
Nandor Tanczos	Assistant Treasurer	Elected - Full year
Lindsey Turner	Education Rep	Elected – Full year
Rick Thorpe	Management Rep	Elected – Full year
Hinemoa Ranga	Committee Rep	Elected – Full year
Liz Stanway	Minute Secretary	Appointed - Full year

***Management Team as at 30 June 2011:***

Rick Thorpe	Co-manager
Koko Whitiora	Operations Manager
Jacqui Forbes	Co-manager
Niki Maniapoto	Finance / Administration Manager

# X-TREME WASTE INCORPORATED



## Income Statement for the year ended 30 June 2011

	Notes	2011 Actual \$	2011 Budget \$	2010 Actual \$
<b>Income</b>				
Sales of Products & Services	2	488,586	471,602	473,654
Contract Income Waikato District Council	3	421,521	391,606	417,111
Operating Grants	4	100,683	174,240	163,517
Capital Grants	5	8,000	10,000	9,043
Other Income		21,543	11,431	2,658
<b>Total Income</b>		<b>1,040,333</b>	<b>1,058,879</b>	<b>1,065,983</b>
<b>Expenditure</b>				
Administration	6	152,790	146,204	138,473
Business Collections	15	42,711	25,044	30,763
Depreciation	16	76,310	66,993	75,092
Education	7	55,701	66,373	69,938
Interest Paid		11,559	16,500	16,039
Kerbside Collections	12	72,767	66,123	67,100
Miniskips	11	12,996	17,023	10,086
Pare Kore	8	55,784	149,740	62,626
Prepaid Bags	9	99,106	92,121	98,001
Public Bins	13	34,133	33,054	35,899
Refuse Transfer Station	10	382,267	381,746	351,806
Research & Development		20,970	-	-
Rural Recycling	14	758	12,598	9,174
Vehicle Running Costs		47,306	50,000	46,655
<b>Total Expenditure</b>		<b>1,065,158</b>	<b>1,123,519</b>	<b>1,011,652</b>
<b>Net Operating Surplus (Deficit)</b>		<b>( 24,825 )</b>	<b>( 64,640 )</b>	<b>54,331</b>

**X-TREME WASTE INCORPORATED****Balance Sheet  
as at 30 June 2011**

	<b>Notes</b>	<b>2011 Actual \$</b>	<b>2011 Budget \$</b>	<b>2010 Actual \$</b>
<b>Current Assets</b>				
Cash & Bank	17	85,910	51,964	99,348
Inventory	18	15,512	11,500	11,565
Accounts Receivable	19	136,147	113,000	112,841
Prepayments	20	8,986	10,000	9,660
<b>Total Current Assets</b>		<b>246,555</b>	<b>186,464</b>	<b>233,414</b>
<b>Current Liabilities</b>				
Accounts Payable		138,490	98,000	96,675
Grants Received in Advance	21	11,500	25,000	23,500
GST Accrued		13,678	15,000	12,629
Prometheus Loans Current portion	22	49,988	48,000	41,034
<b>Total Current Liabilities</b>		<b>213,656</b>	<b>186,000</b>	<b>173,838</b>
<b>Working Capital</b>		<b>32,899</b>	<b>464</b>	<b>59,576</b>
<b>Non-Current Assets</b>				
Property, Plant & Equipment	16	160,487	155,857	212,850
<b>Total Non-Current Assets</b>		<b>160,487</b>	<b>155,857</b>	<b>212,850</b>
<b>Non-Current Liabilities</b>				
Prometheus Loans Term portion	22	43,250	46,000	97,465
<b>Total Non-Current Liabilities</b>		<b>43,250</b>	<b>46,000</b>	<b>97,465</b>
<b>Net Assets &amp; Liabilities</b>		<b>150,136</b>	<b>110,321</b>	<b>174,961</b>

*For and on behalf of the Executive Members of X-treme Waste Incorporated who approved and authorised the issue of these financial statements on the date show below:*

..... Signature ..... Position

..... Signature ..... Position

.....Date

**X-TREME WASTE INCORPORATED****Statement of Changes in Equity  
for the year ended 30 June 2011**

	<b>Notes</b>	<b>2011 Actual \$</b>	<b>2011 Budget \$</b>	<b>2010 Actual \$</b>
Opening Balance		174,961	174,961	120,630
Net Operating Surplus (Deficit)		( 24,825 )	( 64,640 )	54,331
<b>Closing Balance</b>		<b>150,136</b>	<b>110,321</b>	<b>174,961</b>

# X-TREME WASTE INCORPORATED



## Statement of Cash Flows for the year ended 30 June 2011

	Notes	2011 Actual \$	2010 Actual \$
<b>Cash Flow from Operating Activities</b>			
<i>Cash was provided from:</i>			
Sales of Products & Services		884,842	888,886
Operating Grants & Subsidies		102,642	145,275
Other Sources		21,543	2,658
		<b>1,009,027</b>	<b>1,036,819</b>
<i>Cash was applied to:</i>			
Suppliers		340,541	314,990
Employees & Contractors		609,765	603,971
GST		( 1,049)	( 5,068)
		<b>949,257</b>	<b>913,893</b>
<b>Net cash inflow (outflow) from operating activities</b>	<b>20</b>	<b>59,770</b>	<b>122,926</b>
<b>Cash flow from investing activities</b>			
<i>Cash was provided from:</i>			
Capital grants received (applied)		( 4,000)	( 8,500)
		<b>( 4,000)</b>	<b>- 8,500</b>
<i>Cash was applied to:</i>			
Property, Plant & Equipment Acquisitions		23,947	51,998
Reducing loans		45,261	40,991
		<b>69,208</b>	<b>92,989</b>
<b>Net cash inflow (outflow) from investing activities</b>		<b>( 73,208)</b>	<b>( 101,489)</b>
<b>Net increase (decrease) in cash held</b>		<b>( 13,438)</b>	<b>21,437</b>
Plus Opening Balance		99,348	77,911
<b>Cash at 30 June</b>		<b>85,910</b>	<b>99,348</b>
<b>Reconciliation of closing cash to Statement of Financial Position</b>			
WestpacTrust Cheque Account		24,200	34,891
ASB Investment Account		61,002	64,312
Cash on Hand		708	145
<b>Cash at 30 June</b>	<b>17</b>	<b>85,910</b>	<b>99,348</b>

# X-TREME WASTE INCORPORATED

Notes to the Accounts  
for the year ended 30 June 2011



## 1. STATEMENT OF ACCOUNTING POLICIES

### Entity Reporting

These financial statements are for X-treme Waste Incorporated.

X-treme Waste Inc is registered under the Incorporated Societies Act 1908. The purpose of the organisation is:

- To contract from the Waikato District Council (WDC) the management of the current Raglan Transfer Station (RTS)
- To develop recycling facilities at the RTS
- To contract from WDC the kerbside pickup collection of all waste
- To initiate a kerbside recycle collection for the Raglan urban and rural communities
- To establish and service recycling drop-off points
- To develop and implement a waste management education strategy for the Raglan Community
- To offer a service to cater for the waste management needs of our business community
- To generate long-term community employment initiatives through better utilisation of the community's waste stream
- To assist in the on-going development of zero-waste initiatives at local and national levels
- To assist people interested in learning from the Raglan model

### Differential Reporting

The Incorporated Society qualifies for differential reporting as it is not publicly accountable, and is not large as defined in the Framework for Differential Reporting. X-treme Waste Incorporated has taken advantage of all available differential reporting exemptions, except those in respect of FRS-10 Statements of Cash Flows.

### Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of financial performance and financial position on a historical cost basis are followed by X-treme Waste Inc.

These financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand. For this purpose X-treme Waste Inc has designated itself as a public benefit entity.

The information is presented in New Zealand dollars.

### Specific Accounting Policies

The following specific accounting policies that materially affect the measurement of financial performance and the financial position have been applied.

#### (a) Revenue

Income from the sale of products and services is recognised when it is received or falls due. Fund-raising and unconditional donations or koha are recognised when received. Grants received are recognised in operating revenue, unless specific conditions attach to a grant and repayment of the grant is required where these conditions are not met. In these cases, the grant is treated as a liability until the conditions are met.

#### (b) Accounts Receivable

Accounts Receivable are stated at their anticipated realisable value.

#### (c) Property, Plant & Equipment

Property, plant and equipment are recorded at cost less accumulated depreciation.

# X-TREME WASTE INCORPORATED

## Notes to the Accounts for the year ended 30 June 2011



### (d) Depreciation

Depreciation has been calculated to allocate the cost or valuation of assets over their estimated useful lives, at the following rates:

Office Plant & Equipment		33.3% SL
Site Plant & Equipment	20% SL and 33.3% SL	
Recycling Containers		12.5% SL
Buildings	4% SL and 12.5% SL	
Vehicles		20% SL

### (e) Inventories

Inventory of materials on hand has been carried out at the lower of cost or net realisable value. The following has been applied in these financial statements:

Prepaid bag stocks for resale	Cost
Mulch	Net realisable value
Recyclables (plastic, wood, metal, paper, glass, and pre-loved items)	Net realisable value

Inventory of materials on hand that have no resale value but incur costs relating to storage, transport, and landfill charges, has not been accounted for in these financial statements, as collection of waste material with no resale value is regarded as a service.

### (f) Income Tax

X-treme Waste Inc has charitable status, and is therefore not obliged to pay income tax on its current activities.

### (g) Goods and Services Tax (GST)

The financial statements have been prepared on a GST exclusive basis. All items in the Statement of Financial Performance, together with Inventories and Fixed Assets, have been recorded exclusive of GST. Accounts Receivable and Accounts Payable are recorded in the Statement of Financial Position inclusive of GST. GST owing to or by the entity at balance date is recorded in the Statement of Financial Position, and has been determined on an accruals basis.

### (h) Financial Instruments

Financial instruments in the statement of financial position include cash balances, receivables and payables.

### (i) Cash flows

For the purpose of the statement of cash flows, cash includes cash on hand, deposits held at call with banks, and investments in money market instruments, net of bank overdrafts.

### (j) Budget Figures

The budget figures are extracted from the Trust budget that was approved by the Trustees at the beginning of the year.

## X-TREME WASTE INCORPORATED

### Notes to the Accounts for the year ended 30 June 2011



**(k) Investments**

Short-term bank deposits are classified as held to maturity. They are measured at amortised cost using the effective interest method, ie interest is accounted for as it is earned.

**(l) Employee Entitlements – Salary Accruals**

Leave entitlements are accrued for employees. Entitlements comprise:

- Annual leave (holiday pay)
- Sick leave

An accrual has been made for annual leave. No accrual has been made for sick leave entitlements for the employees concerned. The effect is not considered to be material.

**(m) Changes in Accounting Policies**

There have been no changes to accounting policies during the year. The application of accounting policies is consistent with previous years.

# X-TREME WASTE INCORPORATED



## Notes to the Accounts for the year ended 30 June 2011

	<b>2011 Actual \$</b>	<b>2011 Budget \$</b>	<b>2010 Actual \$</b>
<b>2 Sale of Products and Services</b>			
Collections	61,190	60,008	55,122
Events & Projects	1,223	-	3,965
Miniskip Income	51,186	48,000	48,279
Prepaid Bags	134,675	120,324	132,728
Recyclables	176,264	166,567	145,795
Transfer Station Gate Takings	64,048	76,703	87,765
	<b>488,586</b>	<b>471,602</b>	<b>473,654</b>
<b>3 Contract Income - Waikato District Council</b>			
RTS Management Contract	288,534	271,414	277,132
Public Bins - Litter & Recycling	100,071	85,421	68,393
Siteworks	( 1,855)	-	37,904
Rural Recycling	34,771	34,771	33,682
	<b>421,521</b>	<b>391,606</b>	<b>417,111</b>
<b>4 Operating Grants</b>			
Ministry for Environment	38,313	68,480	114,562
Environment Waikato	-	-	10,435
Lion Foundation	3,500	-	-
Trust Waikato	-	-	22,340
NZ Trade & Enterprise	-	-	8,144
Department of Conservation	10,189	11,000	3,036
Waste Management Institute NZ	-	-	444
Sky City	1,000	-	4,556
Marae Tukere	2,000	-	-
Waipa District Council	9,750	-	-
Waste Minimisation Fund (Environment Waikato)	23,931	23,500	-
Other	12,000	71,260	-
	<b>100,683</b>	<b>174,240</b>	<b>163,517</b>
<b>5 Capital Grants</b>			
WEL Trust	8,000	10,000	9,043
	<b>8,000</b>	<b>10,000</b>	<b>9,043</b>
<b>6 Administration</b>			
Accountancy & Consultancy Fees	3,100	3,000	3,900
Accident Compensation Premiums	14,960	12,238	14,120
Advertising & Sponsorship	3,103	3,000	3,239
Audit Fees	1,375	840	2,788
Communications	5,677	6,200	5,401
Consultancy	7,333	5,500	3,579
Coordination	86,525	90,741	82,075
Conferences, Travel, Training	2,869	2,000	1,962
General Expenses	10,785	6,185	7,665
Insurance	9,660	11,000	9,492
Printing, Postage, Stationery	2,928	3,500	2,955
Office Rent, Power, Water Rates	2,550	1,000	1,126
Research & Development	-	-	-
Repairs and Replacements	1,925	1,000	171
	<b>152,790</b>	<b>146,204</b>	<b>138,473</b>

# X-TREME WASTE INCORPORATED



## Notes to the Accounts for the year ended 30 June 2011

	2011 Actual \$	2011 Budget \$	2010 Actual \$
<b>7 Education</b>			
Advertising	1,464	1,800	899
Brochures, Web-site & Educational Communications	-	1,000	205
Contractors & Wages	37,993	47,173	49,591
Events & Projects Expenses	1,854	2,000	5,747
General	5,798	5,600	4,567
Hui & Conferences	-	1,000	227
Professional Development	2,964	2,000	3,330
T Shirt Purchases	599	600	506
Travel & Accommodation	4,594	4,000	3,696
	<b>55,701</b>	<b>66,373</b>	<b>69,938</b>
<b>8 Pare Kore</b>			
Contractors & Wages	45,282	122,740	51,395
Project Costs	10,502	27,000	11,231
	<b>55,784</b>	<b>149,740</b>	<b>62,626</b>
<b>9 Prepaid Bags</b>			
Contractors & Wages	82,435	78,571	90,456
Purchases	16,671	13,550	7,545
	<b>99,106</b>	<b>92,121</b>	<b>98,001</b>
<b>10 Refuse Transfer Station (includes Rural Recycling)</b>			
<i>Mulch:</i>			
Opening Stock on Hand	700	-	438
Mulching Costs	4,041	5,500	4,719
Closing Stock on Hand	( 1,940)	-	( 700)
<i>Net Mulching Costs</i>	<u>2,801</u>	<u>5,500</u>	<u>4,457</u>
<i>Recyclables:</i>			
Opening Stock on Hand	5,320	-	4,783
Closing Stock on Hand	( 6,408)	-	( 5,320)
<i>Net Recyclables Costs</i>	<u>( 1,088)</u>	<u>-</u>	<u>( 537)</u>
<i>Operations:</i>			
Conferences & Travel	153	-	-
Ewaste	1,968	-	-
Fadges, Safety Equipment, Consumables	7,598	10,000	14,494
General Expenses	2,794	4,336	13,470
Koha	50	-	-
Recycle Bins	-	-	-
Repairs & Maintenance	5,737	5,240	5,969
Site Repairs, Hire, Development, Security	9,556	12,000	5,296
Transport	99,310	128,961	75,484
Wages & Contractors	253,388	215,709	233,173
<i>Net Operations</i>	<u>380,554</u>	<u>376,246</u>	<u>347,886</u>
	<b>382,267</b>	<b>381,746</b>	<b>351,806</b>
<b>11 Miniskips</b>			
Advertising & Sponsorship	-	-	1,498
Contractors & Wages	12,108	15,023	6,830
Skip Bins, Safety Equipment, Consumables, Repairs	888	2,000	1,758
	<b>12,996</b>	<b>17,023</b>	<b>10,086</b>

# X-TREME WASTE INCORPORATED



## Notes to the Accounts for the year ended 30 June 2011

	<b>2011 Actual \$</b>	<b>2011 Budget \$</b>	<b>2010 Actual \$</b>
<b>12 Kerbside Collections</b>			
Contractors & Wages	72,767	64,123	67,100
Fadges, Safety Equipment, Consumables, Repairs	-	2,000	-
	<b>72,767</b>	<b>66,123</b>	<b>67,100</b>
<b>13 Public Bins</b>			
Contractors & Wages	31,468	27,993	31,676
Bin Bags & Liners, Consumables, Repairs	2,665	5,061	4,223
	<b>34,133</b>	<b>33,054</b>	<b>35,899</b>
<b>14 Rural Recycling</b>			
Contractors & Wages	134	11,905	8,717
Consumables, Repairs	624	693	457
	<b>758</b>	<b>12,598</b>	<b>9,174</b>
<b>15 Business Collections</b>			
Contractors & Wages	36,786	21,675	29,043
Fadges, Safety Equipment, Consumables, Repairs, Hire	5,925	3,369	1,720
	<b>42,711</b>	<b>25,044</b>	<b>30,763</b>
<b>16 Property, Plant &amp; Equipment</b>	<b>Closing Cost</b>	<b>Closing Bk Value</b>	<b>Opening Bk Value</b>
Plant & Equipment - Office	12,108	3,693	5,189
Plant & Equipment - Site	95,908	39,900	53,860
Plant & Equipment - Recycling Containers	25,811	10,907	13,957
Building & Site Development	85,701	55,771	41,771
Vehicles	266,724	50,216	98,073
	<b>486,252</b>	<b>160,487</b>	<b>212,850</b>
<b>Depreciation</b>	<b>Rates</b>	<b>2011</b>	<b>2010</b>
Plant & Equipment - Office	33.0%	2,621	2,172
Plant & Equipment - Site	33.0%	16,581	14,920
Plant & Equipment - Recycling Containers	12.5%	3,050	1,999
Building & Site Development	4% & 12.5%	6,201	5,234
Vehicles	20.0%	47,857	50,767
		<b>76,310</b>	<b>75,092</b>
	<b>2011 Actual \$</b>	<b>2011 Budget \$</b>	<b>2010 Actual \$</b>
<b>17 Cash &amp; Bank</b>			
Westpac Cheque Account	24,200	11,819	34,891
ASB Investment Account	61,002	40,000	64,312
Cash On Hand	708	145	145
	<b>85,910</b>	<b>51,964</b>	<b>99,348</b>

# X-TREME WASTE INCORPORATED



## Notes to the Accounts for the year ended 30 June 2011

	<b>2011 Actual \$</b>	<b>2011 Budget \$</b>	<b>2010 Actual \$</b>
<b>18 Inventory</b>			
Mulch	1,940	700	700
Prepaid Bags	7,164	5,000	5,152
Recyclables	6,408	5,400	5,320
T Shirts	-	400	393
	<b>15,512</b>	<b>11,500</b>	<b>11,565</b>
<b>19 Accounts Receivable</b>			
Local Customers	76,076	42,000	34,711
Provisional for Doubtful Debts	( 860)	-	( 1,000)
Government Agencies	902	16,000	23,867
Waikato District Council	60,029	55,000	55,263
	<b>136,147</b>	<b>113,000</b>	<b>112,841</b>
<b>20 Prepaid Expenses</b>			
Insurance Premiums paid in advance	8,986	10,000	9,660
	<b>8,986</b>	<b>10,000</b>	<b>9,660</b>
<b>21 Grants Received in Advance</b>			
WEL Trust	7,000	10,000	17,000
Sky City	-	-	2,000
Hamilton City Council	4,500	-	4,500
Other	-	15,000	-
	<b>11,500</b>	<b>25,000</b>	<b>23,500</b>

*X-treme Waste Inc has received a grant from the Waste Minimisation Fund of \$27,150 for a project researching the management of organic waste, payable upon achievement of milestones. As at 30 June 2011, \$14,159 was due for payment and a further \$3,219 was to be paid upon completion of the project. (2010: \$5,500 for Community Conservation Fund)*

<b>22 Term Loans</b>			
Prometheus Loan 1 - <i>Current portion</i>	42,839	40,000	35,349
Prometheus Loan 2 - <i>Current portion</i>	7,149	8,000	5,685
Prometheus Loan 1 - <i>Term portion</i>	29,085	32,000	75,363
Prometheus Loan 2 - <i>Term portion</i>	14,165	14,000	22,102
	<b>93,238</b>	<b>94,000</b>	<b>138,499</b>

*Loan 1 repayments are \$4006.71 monthly. The loan commenced 31 August 2007, and the final payment is due 30 July 2014. The effective interest rate is 9.94% (2010: 11.5%)*

*Loan 2 repayments are \$745.83 monthly. The loan commenced 30 March 2008, and the final payment is due 30 July 2014. The effective interest rate is 9.95% (2010: 11.5%)*

### 23 Related Party Transactions

X-treme Waste Incorporated employs or contracts the services of members of the committee on a commercial basis, and contracts are formally documented.

# X-TREME WASTE INCORPORATED



## Notes to the Accounts for the year ended 30 June 2011

	<b>2011 Actual \$</b>	<b>2011 Budget \$</b>	<b>2010 Actual \$</b>
<b>24 Commitments</b>			
<b><i>Operating Lease Commitments</i></b>			
Lease commitments under non-cancellable operating leases:			
	<b>2011</b>		<b>2010</b>
	<b>\$</b>		<b>\$</b>
Not later than one year	759		759
Later than one year and not later than two years	759		759
Later than two years	0		759
	<b>1,518</b>		<b>2,277</b>
<p>X-treme Waste entered into a lease agreement for EFTPOS equipment on 10 May 2010. The agreement commences 4 July 2010 and expires 3 July 2013.</p>			
<b>25 Capital Expenditure Commitments</b>			
There were no commitments for capital expenditure at 30 June 2011 (30 June 2010 - \$6,300).			
<b>26 Contingent Losses or Gains</b>			
There were no known contingent losses or gains outstanding as at 30 June 2011. (30 June 2010 - \$Nil)			
<b>27 Reconciliation of reported surplus after taxation with cash from operating activities</b>			
Reported Surplus (Deficit)	(24,825)		54,331
Plus (Less) non-cash items	76,310		75,092
Plus (Less) capital grants	(8,000)		(9,042)
<i>Movement in Working Capital</i>			
Increase (decrease) in accounts payable	42,864		26,569
(Increase) decrease in accounts receivable	(23,306)		(20,123)
(Increase) decrease in prepayments	674		(168)
(Increase) decrease in inventory	(3,947)		(3,733)
<b>Net cash flow from operating activities</b>	<b><u>59,770</u></b>		<b><u>122,926</u></b>
<b>28 Subsequent events</b>			
There are no other matters or events that have arisen, or been discovered, subsequent to balance date that would require adjustment to, or disclosure in these financial statements.			