



X-TREME WASTE INCORPORATED

FINANCIAL STATEMENTS for the year ended 30 June 2009

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X-TREME WASTE INC

Directory as at 30 June 2009

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

X-TREME WASTE INC

Directory as at 30 June 2009

Name	Position	Position held
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Elected office holders:

Jacqui Forbes (Raglan) Peter Haworth (Raglan)	Chairperson Chairperson	From 18 February 2009 To January 2009
Simon Thomson (Raglan) Jacqui Forbes (Raglan)	Assistant Chairperson Assistant Chairperson	From 18 February 2009 To 18 February 2009
Ian Mayes (Raglan) Simon Thomson (Raglan)	Secretary Secretary	From 18 February 2009 To 18 February 2009
Liz Stanway (Raglan)	Assistant Secretary	To 18 February 2009
Lynne Wilkins (Raglan)	Treasurer	Full year
Nandor Tanczos Niki Maniapoto (Raglan)	Assistant Treasurer Assistant Treasurer	From 18 February 2009 To 18 February 2009
Liz Stanway	Minute Secretary	From 12 March 2009

Management Team as at 30 June 2009:

Rick Thorpe	General Manager
Koko Whitiora	Operations Manager
Liz Stanway	Shop Manager
Jacqui Forbes	Strategic Manager
Lindsey Turner	Education Manager
Niki Maniapoto	Finance / Administration Manager

X-TREME WASTE INCORPORATED



Income Statement for the year ended 30 June 2009

	Notes	2009 Actual \$	2009 Budget \$	2008 Actual \$
Income				
Sales of Products & Services	2	397,419	421,159	405,139
Contract Income Waikato District Council	3	377,315	338,026	373,970
Operating Grants	4	117,813	83,960	23,263
Capital Grants	5	8,457	-	7,193
Other Income		18,116	4,000	62,489
Total Income		919,120	847,145	872,054
Expenditure				
Administration	6	195,555	144,056	113,935
Education	7	78,917	70,132	62,381
Prepaid Bags	8	90,799	67,059	76,786
Refuse Transfer Station	9	362,357	379,735	320,098
Miniskips	10	9,063	17,272	12,095
Kerbside Collections	11	64,983	54,997	58,294
Public Bins	12	35,767	31,111	24,220
Rural Recycling	13	455	15,843	12,703
Business Collections	14	33,194	22,204	26,214
Interest Paid		18,466	21,000	19,653
Vehicle Running Costs		43,366	51,000	50,697
Depreciation	15	67,455	63,000	62,528
Total Expenditure		1,000,377	937,409	839,604
Net Operating Surplus (Deficit)		(81,257)	(90,264)	32,450

X-TREME WASTE INCORPORATED**Balance Sheet
as at 30 June 2009**

	<i>Notes</i>	<i>2009 Actual \$</i>	<i>2009 Budget \$</i>	<i>2008 Actual \$</i>
Current Assets				
Cash & Bank	16	77,911	46,699	110,929
Inventory	17	7,832	19,500	19,409
Accounts Receivable	18	92,718	146,000	146,262
Prepayments	19	9,492	5,000	9,711
Total Current Assets		187,953	217,199	286,311
Current Liabilities				
Accounts Payable		75,175	98,200	97,620
Grants Received in Advance	20	41,043	-	7,000
GST Accrued		7,561	17,000	15,192
Prometheus Loans Current portion	21	57,030	67,024	67,024
Total Current Liabilities		180,809	182,224	186,836
Working Capital		7,144	34,975	99,475
Non-Current Assets				
Property, Plant & Equipment	15	235,946	188,624	251,624
		243,090	223,599	351,099
Non-Current Liabilities				
Prometheus Loans Term portion	21	122,460	111,976	149,212
Net Assets & Liabilities		120,630	111,623	201,887

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 2009**

	<i>Notes</i>	<i>2009 Actual \$</i>	<i>2009 Budget \$</i>	<i>2008 Actual \$</i>
Opening Balance		201,887	201,887	169,437
Net Operating Surplus (Deficit)		(81,257)	(90,264)	32,450
Closing Balance		120,630	111,623	201,887

X-TREME WASTE INCORPORATED



Statement of Cash Flows for the year ended 30 June 2009

	Notes	2009 Actual \$	2008 Actual \$
Cash Flow from Operating Activities			
<i>Cash was provided from:</i>			
Sales of Products & Services		832,890	728,263
Operating Grants & Subsidies		113,202	8,809
Other Sources		18,116	61,360
		964,208	798,432
<i>Cash was applied to:</i>			
Suppliers		352,372	268,416
Employees & Contractors		591,199	479,455
GST		7,631	(3,552)
		951,202	744,319
Net cash inflow (outflow) from operating activities	20	13,006	54,113
Cash flow from investing activities			
<i>Cash was provided from:</i>			
Grants Received		42,500	7,000
Loans		(36,746)	216,236
		5,754	223,236
<i>Cash was applied to:</i>			
Property, Plant & Equipment Acquisitions		51,778	235,346
		51,778	235,346
Net cash inflow (outflow) from investing activities		(46,024)	(12,110)
Net increase (decrease) in cash held		(33,018)	42,003
Plus Opening Balance		110,929	68,926
Cash at 30 June		77,911	110,929
Reconciliation of closing cash to Statement of Financial Position			
WestpacTrust Cheque Account		16,198	21,380
ASB Investment Account		61,001	89,206
Cash on Hand		712	343
Cash at 30 June		77,911	110,929

The attached notes form part of, and should be read in conjunction with these financial statements.

X-TREME WASTE INC

Notes to the Accounts for the year ended 30 June 2009

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

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 INC

Notes to the Accounts for the year ended 30 June 2009

(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) 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.

(k) 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 INC

Notes to the Accounts for the year ended 30 June 2009

(l) 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.

(m) 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.

(n) Changes in Accounting Policies

X-treme Waste Incorporated has implemented the New Zealand equivalents to International Financial Reporting Standards for the first time. This has not involved significant changes to accounting policy. A change required under NZIFRS to the method of accounting for sick leave was not implemented (see note 1 (m)).

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

**Notes to the Accounts
for the year ended 30 June 2009**

	2009 Actual \$	2009 Budget \$	2008 Actual \$
2 Sale of Products and Services			
Collections	57,519	52,000	43,098
Events & Projects	(6,348)	0	3,632
Miniskip Income	38,185	60,000	54,098
Prepaid Bags	98,616	93,974	97,988
Recyclables	139,315	147,457	134,257
Transfer Station Gate Takings	70,132	67,728	72,066
	397,419	421,159	405,139
3 Contract Income - Waikato District Council			
RTS Management Contract	276,142	260,461	264,174
Public Bins - Litter & Recycling	60,900	44,427	78,486
Siteworks	7,135	0	0
Rural Recycling	33,138	33,138	31,310
	377,315	338,026	373,970
4 Operating Grants			
Ministry for Environment / Environment Waikato	42,500	57,568	0
Environment Waikato	11,240	2,000	11,707
Trust Waikato	45,000	20,000	5,000
NZ Trade & Enterprise	8,144	0	0
Department of Conservation	3,036	0	0
Waste Management Institute NZ	444	0	0
Sky City	1,067	0	1,000
Work & Income New Zealand	6,382	4,392	5,556
	117,813	83,960	23,263
5 Capital Grants			
WEL Trust - Containment & Installation of Baler	8,457	0	7,193
	8,457	0	7,193
6 Administration			
Accountancy & Consultancy Fees	5,019	3,500	4,621
Accident Compensation Premiums	8,569	12,287	11,773
Advertising & Sponsorship	0	3,000	0
Audit Fees	914	700	765
Communications	5,880	6,700	6,730
Consultancy	23,863	15,000	5,196
Coordination	81,366	90,088	66,404
Conferences, Travel, Training	0	1,000	1,511
General Expenses	57,406	2,600	5,784
Insurance	8,693	3,681	7,402
Printing, Postage, Stationery	2,783	3,500	2,551
Office Rent & Power	937	1,000	928
Repairs and Replacements	125	1,000	270
	195,555	144,056	113,935

**Notes to the Accounts
for the year ended 30 June 2009**

	2009 Actual \$	2009 Budget \$	2008 Actual \$
7 Education			
Advertising	2,772	2,000	4,311
Brochures, Web-site & Educational Communications	40	2,500	0
Contractors & Wages	53,169	61,632	46,011
Events & Projects Expenses	4,286	1,000	7,433
General	5,684	0	1,169
Hui & Conferences	1,235	1,000	1,612
Professional Development	4,421	0	0
T Shirt Purchases	163	0	796
Travel & Accommodation	6,156	0	1,049
	78,917	70,132	62,381
8 Prepaid Bags			
Contractors & Wages	69,553	66,195	76,273
Purchases	21,246	864	513
	90,799	67,059	76,786
9 Refuse Transfer Station (includes Rural Recycling)			
<i>Mulch:</i>			
Opening Stock on Hand	690	0	2,150
Mulching Costs	7,577	8,000	15,393
Closing Stock on Hand	(438)	0	(690)
<i>Net Mulching Costs</i>	<u>7,829</u>	<u>8,000</u>	<u>16,853</u>
<i>Recyclables:</i>			
Opening Stock on Hand	9,101	0	3,136
Closing Stock on Hand	(4,783)	0	(9,102)
<i>Net Recyclables Costs</i>	<u>4,318</u>	<u>0</u>	<u>(5,966)</u>
<i>Operations:</i>			
Conferences & Travel	605	0	558
Fadges, Safety Equipment, Consumables	7,838	6,000	8,559
General Expenses	4,250	1,000	1,351
Koha	0	0	42
Recycle Bins	311	0	272
Repairs & Maintenance	4,391	4,000	6,045
Site Repairs, Hire, Development, Security	10,373	4,000	7,805
Transport	73,892	131,299	82,066
Wages & Contractors	248,550	225,436	202,513
	362,357	379,735	320,098
10 Miniskips			
Advertising & Sponsorship	1,671	0	0
Contractors & Wages	6,850	14,872	11,388
Skip Bins, Safety Equipment, Consumables, Repairs	542	2,400	707
	9,063	17,272	12,095
11 Kerbside Collections			
Contractors & Wages	64,983	53,997	58,294
Fadges, Safety Equipment, Consumables, Repairs	0	1,000	0
	64,983	54,997	58,294

Notes to the Accounts for the year ended 30 June 2009

	2009 Actual \$	2009 Budget \$	2008 Actual \$
12 Public Bins			
Contractors & Wages	33,645	22,868	18,826
Bin Bags & Liners, Consumables, Repairs	2,122	8,243	5,394
	35,767	31,111	24,220
13 Rural Recycling			
Contractors & Wages	0	13,843	10,545
Consumables, Repairs	455	2,000	2,158
	455	15,843	12,703
14 Business Collections			
Contractors & Wages	28,742	17,704	26,214
Fadges, Safety Equipment, Consumables, Repairs, Hire	4,452	4,500	0
	33,194	22,204	26,214
15 Property, Plant & Equipment			
	Cost	Closing Bk Value	Opening Bk Value
Plant & Equipment - Office	11,248	3,361	3,371
Plant & Equipment - Site	82,611	57,472	34,190
Plant & Equipment - Recycling Containers	15,473	5,618	819
Building & Site Development	47,682	29,187	34,124
Vehicles	285,587	140,308	179,120
	442,601	235,946	251,624
Depreciation			
	Rates	2009	2008
Plant & Equipment - Office	33.0%	2,380	1,637
Plant & Equipment - Site	33.0%	9,650	11,047
Plant & Equipment - Recycling Containers	12.5%	831	1,763
Building & Site Development	4% & 12.5%	4,937	4,937
Vehicles	20.0%	49,657	43,144
		67,455	62,528
	2009 Actual \$	2009 Budget \$	2008 Actual \$
16 Cash & Bank			
Westpac Cheque Account	16,198	16,359	21,380
ASB Investment Account	61,001	30,000	89,206
Cash On Hand	712	340	343
	77,911	46,699	110,929
17 Inventory			
Mulch	438	1,000	910
Prepaid Bags	2,311	8,000	7,905
Recyclables	4,783	9,000	9,261
T Shirts	300	1,500	1,333
	7,832	19,500	19,409

**Notes to the Accounts
for the year ended 30 June 2009**

	2009 Actual \$	2009 Budget \$	2008 Actual \$
18 Accounts Receivable			
Local Customers	29,247	72,000	72,131
Provisional for Doubtful Debts	(1,000)	0	0
Government Agencies	5,625	9,000	9,956
Waikato District Council	58,846	65,000	64,175
	92,718	146,000	146,262
19 Prepaid Expenses			
Insurance Premiums paid in advance	9,492	5,000	9,711
	9,492	5,000	9,711
20 Grants Received in Advance			
WEL Trust	16,043	0	7,000
Trust Waikato	20,000	0	0
Hamilton City Council	5,000	0	0
	41,043	0	7,000

X-treme Waste Inc has received a Community Conservation Fund grant from the Department of Conservation for planting the landfill site. The grant is drawn upon presentation of invoices to show that the money has been spent. As at 30th June 2009, \$19,691 remained (2008: \$Nil)

21 Term Loans			
Prometheus Loan 1	145,841	145,000	177,540
Prometheus Loan 2	33,649	34,000	38,696
	179,490	179,000	216,236

Loan 1 repayments are \$4006.71 monthly. The loan commenced 31 August 2007, and the final payment is due 30 July 2014. Interest rate is 11.5%

Loan 2 repayments are \$745.83 monthly. The loan commenced 30 March 2008, and the final payment is due 30 July 2014. Interest rate is 11.75%

Loan 2 was borrowed for the purpose of purchasing an Auto baler. The purchase was not actioned as at 30th June 2008, but was drawn during the current year.

22 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.

23 Capital Expenditure Commitments

X-treme Waste purchased and paid for a Baling Machine from Ashburton District Council in March 2009. At 30th June 2009 X-treme Waste Inc was committed to costs for freight (\$2,800), a sea freight container (\$3,500) and the installation of this machine. WEL Trust provided funds to assist with the installation (\$5,000) and the sea freight container (\$3,500).

There were no other commitments for capital expenditure at 30 June 2009 (30 June 2008 - \$Nil).

**Notes to the Accounts (cont'd)
for the year ended 30 June 2009**

	2009 Actual \$	2009 Budget \$	2008 Actual \$
24 Contingent Losses or Gains			
There were no known contingent losses or gains outstanding as at 30 June 2009. (30 June 2008 - \$Nil)			
25 Reconciliation of reported surplus after taxation with cash from operating activities			
Reported Surplus (Deficit)	(81,257)		32,450
Plus (Less) non-cash items	67,455		62,528
Plus (Less) capital grants	(8,456)		(7,193)
<i>Movement in Working Capital</i>			
Increase (decrease) in accounts payable	(30,076)		48,248
(Increase) decrease in accounts receivable	53,544		(66,430)
(Increase) decrease in prepayments	219		(5,929)
(Increase) decrease in inventory	11,577		(9,562)
Net cash flow from operating activities	<u>13,006</u>		<u>54,112</u>
26 Subsequent events			
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.			
27 Uncommitted Funds			
<i>At balance date the following funds were available:</i>			
WestpacTrust Cheque Account	16,198	16,359	21,380
ASB Investment Account	61,001	30,000	89,206
Cash on Hand	712	250	343
Stock on Hand	7,832	18,000	19,409
Accounts Receivable	92,718	137,000	146,262
	<u>178,461</u>	<u>201,609</u>	<u>276,600</u>
<i>To meet the following commitments:</i>			
Accounts Payable	75,175	98,000	97,441
Grants Received in Advance	41,043	0	7,000
GST	7,561	17,000	15,192
	<u>123,779</u>	<u>115,000</u>	<u>119,633</u>
Cash Surplus (Deficit)	54,682	86,609	156,967
Property, Plant & Equipment Replacement Fund	50,000	50,000	139,620
Net Uncommitted Funds	<u>4,682</u>	<u>36,609</u>	<u>17,347</u>