



## X-TREME WASTE INCORPORATED

## FINANCIAL STATEMENTS for the year ended 30 June 2010

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**X-TREME WASTE INCORPORATED****Directory  
for the year ended 30 June 2010**

<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 2010



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	Co-opted – Full year
Rick Thorpe	Management Rep	Co-opted – Full year
Liz Stanway	Minute Secretary	Appointed - Full year

### ***Management Team as at 30 June 2010:***

Rick Thorpe	Co-manager
Koko Whitiora	Operations Manager
Liz Stanway	Shop Manager
Jacqui Forbes	Co-manager
Lindsey Turner	Education Manager
Niki Maniapoto	Finance / Administration Manager

# X-TREME WASTE INCORPORATED



## Income Statement for the year ended 30 June 2010

	Notes	2010 Actual \$	2010 Budget \$	2009 Actual \$
<b>Income</b>				
Sales of Products & Services	2	473,654	449,512	397,419
Contract Income Waikato District Council	3	417,111	364,654	377,315
Operating Grants	4	163,517	197,499	117,813
Capital Grants	5	9,043	-	8,457
Other Income		2,658	20,032	18,116
<b>Total Income</b>		<b>1,065,983</b>	<b>1,031,697</b>	<b>919,120</b>
<b>Expenditure</b>				
Administration	6	138,473	151,292	195,555
Education	7	69,938	73,565	78,917
Pare Kore	8	62,626	100,194	-
Prepaid Bags	9	98,001	89,070	90,799
Refuse Transfer Station	10	351,806	386,397	362,357
Miniskips	11	10,086	18,466	9,063
Kerbside Collections	12	67,100	58,489	64,983
Public Bins	13	35,899	29,916	35,767
Rural Recycling	14	9,174	16,206	455
Business Collections	15	30,763	22,636	33,194
Interest Paid		16,039	21,000	18,466
Vehicle Running Costs		46,655	53,000	43,366
Depreciation	16	75,092	45,000	67,455
<b>Total Expenditure</b>		<b>1,011,652</b>	<b>1,065,231</b>	<b>1,000,377</b>
<b>Net Operating Surplus (Deficit)</b>		<b>54,331</b>	<b>( 33,534 )</b>	<b>( 81,257 )</b>

**X-TREME WASTE INCORPORATED****Balance Sheet  
as at 30 June 2010**

	<i>Notes</i>	<i>2010 Actual \$</i>	<i>2010 Budget \$</i>	<i>2009 Actual \$</i>
<b>Current Assets</b>				
Cash & Bank	17	99,348	43,145	77,911
Inventory	18	11,565	8,300	7,832
Accounts Receivable	19	112,841	95,000	92,718
Prepayments	20	9,660	10,000	9,492
<b>Total Current Assets</b>		<b>233,414</b>	<b>156,445</b>	<b>187,953</b>
<b>Current Liabilities</b>				
Accounts Payable		96,675	80,000	75,175
Grants Received in Advance	21	23,500	40,000	41,043
GST Accrued		12,629	15,000	7,561
Prometheus Loans Current portion	22	41,034	48,000	57,030
<b>Total Current Liabilities</b>		<b>173,838</b>	<b>183,000</b>	<b>180,809</b>
<b>Working Capital</b>		<b>59,576</b>	<b>( 26,555 )</b>	<b>7,144</b>
<b>Non-Current Assets</b>				
Property, Plant & Equipment	16	212,850	235,651	235,946
<b>Total Non-Current Assets</b>		<b>212,850</b>	<b>235,651</b>	<b>235,946</b>
<b>Non-Current Liabilities</b>				
Prometheus Loans Term portion	22	97,465	122,000	122,460
<b>Total Non-Current Liabilities</b>		<b>97,465</b>	<b>122,000</b>	<b>122,460</b>
<b>Net Assets &amp; Liabilities</b>		<b>174,961</b>	<b>87,096</b>	<b>120,630</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 2010**

	<i>Notes</i>	<i>2010 Actual \$</i>	<i>2010 Budget \$</i>	<i>2009 Actual \$</i>
Opening Balance		120,630	120,630	201,887
Net Operating Surplus (Deficit)		54,331	( 33,534 )	( 81,257 )
<b>Closing Balance</b>		<b>174,961</b>	<b>87,096</b>	<b>120,630</b>

# X-TREME WASTE INCORPORATED



## Statement of Cash Flows for the year ended 30 June 2010

	Notes	2010 Actual \$	2009 Actual \$
<b>Cash Flow from Operating Activities</b>			
<i>Cash was provided from:</i>			
Sales of Products & Services		888,886	832,890
Operating Grants & Subsidies		145,275	113,202
Other Sources		2,658	18,116
		<b>1,036,819</b>	<b>964,208</b>
<i>Cash was applied to:</i>			
Suppliers		314,990	352,372
Employees & Contractors		603,971	591,199
GST		( 5,068)	7,631
		<b>913,893</b>	<b>951,202</b>
<b>Net cash inflow (outflow) from operating activities</b>	<b>20</b>	<b>122,926</b>	<b>13,006</b>
<b>Cash flow from investing activities</b>			
<i>Cash was provided from:</i>			
Capital grants received (applied)		( 8,500)	42,500
		<b>( 8,500)</b>	<b>42,500</b>
<i>Cash was applied to:</i>			
Property, Plant & Equipment Acquisitions		51,998	51,778
Reducing loans		40,991	36,746
		<b>92,989</b>	<b>88,524</b>
<b>Net cash inflow (outflow) from investing activities</b>		<b>( 101,489)</b>	<b>( 46,024)</b>
<b>Net increase (decrease) in cash held</b>		<b>21,437</b>	<b>( 33,018)</b>
Plus Opening Balance		77,911	110,929
<b>Cash at 30 June</b>		<b>99,348</b>	<b>77,911</b>
<b>Reconciliation of closing cash to Statement of Financial Position</b>			
WestpacTrust Cheque Account		34,891	16,198
ASB Investment Account		64,312	61,001
Cash on Hand		145	712
<b>Cash at 30 June</b>	<b>17</b>	<b>99,348</b>	<b>77,911</b>

# X-TREME WASTE INCORPORATED

## Notes to the Accounts for the year ended 30 June 2010



### 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 INCORPORATED

## Notes to the Accounts for the year ended 30 June 2010



### (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 INCORPORATED****Notes to the Accounts  
for the year ended 30 June 2010****(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**

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 2010

	<b>2010 Actual \$</b>	<b>2010 Budget \$</b>	<b>2009 Actual \$</b>
<b>2 Sale of Products and Services</b>			
Collections	55,122	57,200	57,519
Events & Projects	3,965	-	( 6,348)
Miniskip Income	48,279	45,000	38,185
Prepaid Bags	132,728	126,970	98,616
Recyclables	145,795	139,607	139,315
Transfer Station Gate Takings	87,765	80,735	70,132
	<b>473,654</b>	<b>449,512</b>	<b>397,419</b>
<b>3 Contract Income - Waikato District Council</b>			
RTS Management Contract	277,132	265,670	276,142
Public Bins - Litter & Recycling	68,393	65,184	60,900
Siteworks	37,904	-	7,135
Rural Recycling	33,682	33,800	33,138
	<b>417,111</b>	<b>364,654</b>	<b>377,315</b>
<b>4 Operating Grants</b>			
Ministry for Environment	114,562	127,499	42,500
Environment Waikato	10,435	10,000	11,240
Trust Waikato	22,340	43,820	45,000
NZ Trade & Enterprise	8,144	8,144	8,144
Department of Conservation	3,036	3,036	3,036
Waste Management Institute NZ	444	444	444
Sky City	4,556	4,556	1,067
Work & Income New Zealand	-	-	6,382
	<b>163,517</b>	<b>197,499</b>	<b>117,813</b>
<b>5 Capital Grants</b>			
WEL Trust - Containment & Installation of Baler	9,043	-	8,457
	<b>9,043</b>	<b>-</b>	<b>8,457</b>
<b>6 Administration</b>			
Accountancy & Consultancy Fees	3,900	3,500	5,019
Accident Compensation Premiums	14,120	11,303	8,569
Advertising & Sponsorship	3,239	6,000	-
Audit Fees	2,788	840	914
Communications	5,401	5,800	5,880
Consultancy	3,579	5,500	23,863
Coordination	82,075	80,981	81,366
Conferences, Travel, Training	1,962	2,000	-
General Expenses	7,665	8,368	57,406
Insurance	9,492	11,000	8,693
Printing, Postage, Stationery	2,955	3,500	2,783
Office Rent & Power	1,126	1,000	937
Research & Development	-	5,000	-
Repairs and Replacements	171	6,500	125
	<b>138,473</b>	<b>151,292</b>	<b>195,555</b>

# X-TREME WASTE INCORPORATED



## Notes to the Accounts for the year ended 30 June 2010

	2010 Actual \$	2010 Budget \$	2009 Actual \$
<b>7 Education</b>			
Advertising	899	2,000	2,772
Brochures, Web-site & Educational Communications	205	2,500	40
Contractors & Wages	1,170	2,000	991
Events & Projects Expenses	49,591	49,276	53,169
General	5,747	1,000	4,286
Hui & Conferences	4,567	4,155	5,684
Professional Development	227	-	1,235
T Shirt Purchases	3,330	10,094	4,421
Travel & Accommodation	506	-	163
	3,696	2,540	6,156
	<b>69,938</b>	<b>73,565</b>	<b>78,917</b>
<b>8 Pare Kore</b>			
Contractors & Wages	51,395	59,370	-
Project Costs	11,231	40,824	-
	<b>62,626</b>	<b>100,194</b>	<b>-</b>
<b>9 Prepaid Bags</b>			
Contractors & Wages	90,456	74,019	69,553
Purchases	7,545	15,051	21,246
	<b>98,001</b>	<b>89,070</b>	<b>90,799</b>
<b>10 Refuse Transfer Station (includes Rural Recycling)</b>			
<i>Mulch:</i>			
Opening Stock on Hand	438	-	690
Mulching Costs	4,719	8,000	7,577
Closing Stock on Hand	( 700)	-	( 438)
<i>Net Mulching Costs</i>	4,457	8,000	7,829
<i>Recyclables:</i>			
Opening Stock on Hand	4,783	-	9,101
Closing Stock on Hand	( 5,320)	-	( 4,783)
<i>Net Recyclables Costs</i>	( 537)	-	4,318
<i>Operations:</i>			
Conferences & Travel	-	-	605
Fadges, Safety Equipment, Consumables	14,494	6,000	7,838
General Expenses	13,470	7,000	4,250
Koha	-	-	-
Recycle Bins	-	-	311
Repairs & Maintenance	5,969	4,000	4,391
Site Repairs, Hire, Development, Security	5,296	30,000	10,373
Transport	75,484	135,604	73,892
Wages & Contractors	233,173	195,793	248,550
<i>Net Operations</i>	347,886	378,397	350,210
	<b>351,806</b>	<b>386,397</b>	<b>362,357</b>
<b>11 Miniskips</b>			
Advertising & Sponsorship	1,498	2,000	1,671
Contractors & Wages	6,830	14,466	6,850
Skip Bins, Safety Equipment, Consumables, Repairs	1,758	2,000	542
	<b>10,086</b>	<b>18,466</b>	<b>9,063</b>

# X-TREME WASTE INCORPORATED



## Notes to the Accounts for the year ended 30 June 2010

	<b>2010 Actual \$</b>	<b>2010 Budget \$</b>	<b>2009 Actual \$</b>
<b>12 Kerbside Collections</b>			
Contractors & Wages	67,100	57,489	64,983
Fadges, Safety Equipment, Consumables, Repairs	-	1,000	-
	<b>67,100</b>	<b>58,489</b>	<b>64,983</b>
<b>13 Public Bins</b>			
Contractors & Wages	31,676	27,031	33,645
Bin Bags & Liners, Consumables, Repairs	4,223	2,885	2,122
	<b>35,899</b>	<b>29,916</b>	<b>35,767</b>
<b>14 Rural Recycling</b>			
Contractors & Wages	8,717	14,206	-
Consumables, Repairs	457	2,000	455
	<b>9,174</b>	<b>16,206</b>	<b>455</b>
<b>15 Business Collections</b>			
Contractors & Wages	29,043	18,136	28,742
Fadges, Safety Equipment, Consumables, Repairs, Hire	1,720	4,500	4,452
	<b>30,763</b>	<b>22,636</b>	<b>33,194</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	15,248	5,189	3,361
Plant & Equipment - Site	93,919	53,860	57,472
Plant & Equipment - Recycling Containers	25,811	13,957	5,618
Building & Site Development	65,500	41,771	29,187
Vehicles	294,119	98,073	140,308
	<b>494,597</b>	<b>212,850</b>	<b>235,946</b>
<b>Depreciation</b>	<b>Rates</b>	<b>2010</b>	<b>2009</b>
Plant & Equipment - Office	33.0%	2,172	2,380
Plant & Equipment - Site	33.0%	14,920	9,650
Plant & Equipment - Recycling Containers	12.5%	1,999	831
Building & Site Development	4% & 12.5%	5,234	4,937
Vehicles	20.0%	50,767	49,657
		<b>75,092</b>	<b>67,455</b>
	<b>2010 Actual \$</b>	<b>2010 Budget \$</b>	<b>2009 Actual \$</b>
<b>17 Cash &amp; Bank</b>			
Westpac Cheque Account	34,891	17,400	16,198
ASB Investment Account	64,312	25,000	61,001
Cash On Hand	145	745	712
	<b>99,348</b>	<b>43,145</b>	<b>77,911</b>

# X-TREME WASTE INCORPORATED



## Notes to the Accounts for the year ended 30 June 2010

	<b>2010 Actual \$</b>	<b>2010 Budget \$</b>	<b>2009 Actual \$</b>
<b>18 Inventory</b>			
Mulch	700	500	438
Prepaid Bags	5,152	2,500	2,311
Recyclables	5,320	5,000	4,783
T Shirts	393	300	300
	<b>11,565</b>	<b>8,300</b>	<b>7,832</b>
<b>19 Accounts Receivable</b>			
Local Customers	34,711	30,000	29,247
Provisional for Doubtful Debts	( 1,000)	-	( 1,000)
Government Agencies	23,867	5,000	5,625
Waikato District Council	55,263	60,000	58,846
	<b>112,841</b>	<b>95,000</b>	<b>92,718</b>
<b>20 Prepaid Expenses</b>			
Insurance Premiums paid in advance	9,660	10,000	9,492
	<b>9,660</b>	<b>10,000</b>	<b>9,492</b>
<b>21 Grants Received in Advance</b>			
WEL Trust	17,000	40,000	16,043
Trust Waikato	-	-	20,000
Sky City	2,000	-	-
Hamilton City Council	4,500	-	5,000
	<b>23,500</b>	<b>40,000</b>	<b>41,043</b>
<b>22 Term Loans</b>			
Prometheus Loan 1 - <i>Current portion</i>	35,349	40,000	48,080
Prometheus Loan 2 - <i>Current portion</i>	5,685	8,000	8,950
Prometheus Loan 1 - <i>Term portion</i>	75,363	100,000	97,761
Prometheus Loan 2 - <i>Term portion</i>	22,102	22,000	24,699
	<b>138,499</b>	<b>170,000</b>	<b>179,490</b>

*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, \$5,500 remained (2009: \$19,691)*

*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%*

### 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 2010

	<b>2010 Actual \$</b>	<b>2010 Budget \$</b>	<b>2009 Actual \$</b>
<b>24 Commitments</b>			
<b>Operating Lease Commitments</b>			
Lease commitments under non-cancellable operating leases:			
	<b>2010</b>	<b>2009</b>	
	<b>\$</b>	<b>\$</b>	
Not later than one year	759	-	
Later than one year and not later than two years	759	-	
Later than two years	759	-	
	<b>2,277</b>	<b>-</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>			
<p>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). All transactions took place during the year ended 30 June 2010.</p> <p>There were no other commitments for capital expenditure at 30 June 2010 (30 June 2009 - \$11,300).</p>			
<b>26 Contingent Losses or Gains</b>			
<p>There were no known contingent losses or gains outstanding as at 30 June 2009. (30 June 2008 - \$Nil)</p>			
<b>27 Reconciliation of reported surplus after taxation with cash from operating activities</b>			
Reported Surplus (Deficit)	54,331		(81,257)
Plus (Less) non-cash items	75,092		67,455
Plus (Less) capital grants	(9,042)		(8,456)
<i>Movement in Working Capital</i>			
Increase (decrease) in accounts payable	26,568		(30,076)
(Increase) decrease in accounts receivable	(20,123)		53,544
(Increase) decrease in prepayments	(168)		219
(Increase) decrease in inventory	(3,733)		11,577
<b>Net cash flow from operating activities</b>	<b><u>122,925</u></b>		<b><u>13,006</u></b>
<b>28 Subsequent events</b>			
<p>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.</p>			