



X-TREME WASTE INCORPORATED

FINANCIAL STATEMENTS for the year ended 30 June 2013

Contents:

Directory	1
Income Statement	3
Balance Sheet	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Notes to the Financial Statements	7
Auditors' Report	15

X-TREME WASTE INCORPORATED**Directory
for the year ended 30 June 2013**

Entity:	Incorporated Society holding Charitable Status as approved by the Charities Commission
Incorporated:	31 May 2000
Registered:	30 June 2008
Registration Numbers:	CC34145 (Charities Commission) 1040359 (Incorporated Societies)
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 INCORPORATED

**Directory
for the year ended 30 June 2013**



Name	Position	Position held - Term
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Elected office holders:

Ian Mayes	Chairperson	Elected - Full year
Simon Thomson	Assistant Chairperson	Elected - Full year
Jo McKay	Secretary	Elected - Full year
Lynne Wilkins	Treasurer	Elected - Full year
Gary Kelk	Assistant Treasurer	Elected - Full year
Rick Thorpe	Management Rep	Elected – Full year
Liz Stanway	Minute Secretary	Appointed - Full year

Management Team as at 30 June 2013:

Rick Thorpe	Co-manager
Gavin Melgren	Operations Manager
Jacqui Forbes	Co-manager
Jo Gibbs	Finance Manager

X-TREME WASTE INCORPORATED



Income Statement for the year ended 30 June 2013

	Notes	2013 Actual \$	2013 Budget \$	2012 Actual \$
Income				
Sales of Products & Services	2	562,940	555,397	545,143
Contract Income Waikato District Council	3	472,997	467,600	462,790
Operating Grants	4	83,345	80,000	27,833
Capital Grants	5	1,500	5,000	7,000
Other Income		19,722	9,400	6,995
Total Income		1,140,504	1,117,397	1,049,761
Expenditure				
Administration	6	164,495	171,476	173,074
Business Collections	15	27,561	37,918	43,128
Depreciation	16	27,856	26,135	69,228
Education	7	62,271	74,736	95,072
Interest Paid		1,938	5,000	7,079
Ewaste		31,204	90,771	44,427
Kerbside Collections	12	76,345	68,616	76,969
Miniskips	11	10,620	11,067	15,460
Para Kore	8	-	-	278
Prepaid Bags	9	46,102	35,555	50,260
Public Bins	13	38,880	32,498	36,527
Refuse Transfer Station	10	455,397	460,244	411,000
Research & Development		34,166	36,863	12,862
Rural Recycling	14	14,184	12,852	12,491
Vehicle Running Costs		65,554	73,500	52,874
Total Expenditure		1,056,573	1,137,231	1,100,729
Net Operating Surplus (Deficit)		83,931	(19,834)	(50,968)

X-TREME WASTE INCORPORATED**Balance Sheet
as at 30 June 2013**

	Notes	2013 Actual \$	2013 Budget \$	2012 Actual \$
Current Assets				
Cash & Bank	17	60,426	29,429	43,900
Inventory	18	19,929	17,200	16,869
Accounts Receivable	19	110,215	115,000	129,605
Prepayments	20	9,611	9,000	9,085
Total Current Assets		200,181	170,629	199,459
Current Liabilities				
Accounts Payable		66,857	140,000	134,995
Grants Received in Advance	21	12,500	10,000	7,000
GST Accrued		15,080	15,000	14,850
Prometheus Loans Current portion	22	-	-	37,004
Total Current Liabilities		94,437	165,000	193,849
Working Capital		105,744	5,629	5,610
Non-Current Assets				
Property, Plant & Equipment	16	77,355	73,705	99,840
Total Non-Current Assets		77,355	73,705	99,840
Non-Current Liabilities				
Prometheus Loans Term portion	22	-	-	6,282
Total Non-Current Liabilities		-	-	6,282
Net Assets & Liabilities		183,099	79,334	99,168

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 2013**

	Notes	2013 Actual \$	2013 Budget \$	2012 Actual \$
Opening Balance		99,168	99,168	150,136
Net Operating Surplus (Deficit)		83,931	(19,834)	(50,968)
Closing Balance		183,099	79,334	99,168

X-TREME WASTE INCORPORATED



Statement of Cash Flows for the year ended 30 June 2013

	Notes	2013 Actual \$	2012 Actual \$
Cash Flow from Operating Activities			
<i>Cash was provided from:</i>			
Sales of Products & Services		1,047,805	998,192
Operating Grants & Subsidies		90,867	44,116
Other Sources		19,722	6,995
		1,158,394	1,049,303
<i>Cash was applied to:</i>			
Suppliers		484,824	440,961
Employees & Contractors		615,617	595,491
GST		(230)	(1,172)
		1,100,211	1,035,280
Net cash inflow (outflow) from operating activities	27	58,183	14,023
Cash flow from investing activities			
<i>Cash was provided from:</i>			
Capital grants received (applied)		7,000	2,500
		7,000	2,500
<i>Cash was applied to:</i>			
Property, Plant & Equipment Acquisitions		5,371	8,581
Reducing loans		43,286	49,952
		48,657	58,533
Net cash inflow (outflow) from investing activities		(41,657)	(56,033)
Net increase (decrease) in cash held		16,526	(42,010)
Plus Opening Balance		43,900	85,910
Cash at 30 June		60,426	43,900
Reconciliation of closing cash to Statement of Financial Position			
WestpacTrust Cheque Account		18,063	16,292
ASB Investment Account		40,306	26,187
Cash on Hand		2,057	1,421
Cash at 30 June	17	60,426	43,900

X-TREME WASTE INCORPORATED

Notes to the Accounts for the year ended 30 June 2013



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.

Purpose of Entity

The purpose of X-treme Waste Incorporated is:

- To contract to the Waikato District Council (WDC) for the management of the current Raglan Transfer Station (RTS)
- To develop recycling facilities at the RTS
- To contract to WDC for the kerbside pickup collection of all waste
- To initiate a kerbside recyclable 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.

X-TREME WASTE INCORPORATED

Notes to the Accounts for the year ended 30 June 2013



(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.

(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	12.5% SL, 20% SL, 22% SL & 33.3% SL	
Recycling Containers		12.5% & 20% SL
Buildings		4% SL & 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, ewaste and pre-loved items)	Net realisable value
Recycle bins for resale	Cost

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 budget that was approved by the Committee at the beginning of the year.

X-TREME WASTE INCORPORATED

Notes to the Accounts for the year ended 30 June 2013



(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

An accrual has been made for annual leave as at 30 June \$ 11,608 (2012: \$34,310)

No accrual has been made for sick leave entitlements for the employees concerned as while the entitlement in hours/days is recorded the financial impact of not calculating the liability is not considered 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 2013

	2013 Actual \$	2013 Budget \$	2012 Actual \$
2 Sale of Products and Services			
Collections	69,509	66,009	67,414
Events & Projects	14,443	-	27,958
Miniskip Income	45,671	45,000	45,875
Prepaid Bags	149,463	135,000	139,049
Recyclables	215,414	246,488	203,443
Transfer Station Gate Takings	68,440	62,900	61,404
	562,940	555,397	545,143
3 Contract Income - Waikato District Council			
RTS Management Contract	326,175	319,550	316,541
Public Bins - Litter & Recycling	108,870	110,450	109,729
Siteworks	-	-	21
Rural Recycling	37,952	37,600	36,499
	472,997	467,600	462,790
4 Operating Grants			
Ministry for Environment	18,000	18,000	-
Trust Waikato	40,000	20,000	-
Waste Minimisation Fund	10,000	-	-
Sky City	1,500	-	-
Waikato Regional Council	280	-	-
Ministry of Social Development	1,565	-	-
Hamilton City Council	12,000	-	16,500
Waikato Community Trust	-	-	2,000
Other	-	42,000	9,333
	83,345	80,000	27,833
5 Capital Grants			
WEL Trust	1,500	5,000	7,000
	1,500	5,000	7,000
6 Administration			
Accountancy & Consultancy Fees	6,063	5,000	5,000
Accident Compensation Premiums	16,188	14,344	14,202
Advertising & Sponsorship	723	2,500	3,014
Audit Fees	1,544	1,600	1,115
Communications	5,812	7,000	8,276
Consultancy	4,413	8,000	7,904
Coordination	100,322	99,532	101,956
Conferences, Travel, Training	3,480	4,000	1,007
General Expenses	8,266	8,250	10,334
Insurance	9,085	15,000	9,334
Printing, Postage, Stationery	4,356	2,250	2,656
Office Rent, Power, Water Rates	2,319	3,000	2,439
Repairs and Replacements	1,924	1,000	5,837
	164,495	171,476	173,074

X-TREME WASTE INCORPORATED



Notes to the Accounts for the year ended 30 June 2013

	2013 Actual \$	2013 Budget \$	2012 Actual \$
7 Education			
Advertising	2,737	4,500	4,200
Brochures, Web-site & Educational Communications	-	600	-
Contractors & Wages	45,288	49,136	50,410
Events & Projects Expenses	4,124	2,000	25,145
General	6,669	7,500	9,625
Hui & Conferences	-	1,500	374
Professional Development	-	-	130
T Shirt Purchases	-	500	-
Travel & Accommodation	3,453	7,000	4,643
	62,271	74,736	95,072
8 Para Kore			
Contractors & Wages	-	-	-
Kai & Groceries	-	-	208
Project Costs	-	-	70
	-	-	278
9 Prepaid Bags			
Contractors & Wages	30,690	21,867	31,515
Purchases	15,412	13,688	18,745
	46,102	35,555	50,260
10 Refuse Transfer Station (includes Rural Recycling)			
<i>Mulch:</i>			
Opening Stock on Hand	890	-	1,940
Mulching Costs	4,041	5,000	4,378
Closing Stock on Hand	<u>(6,825)</u>	<u>-</u>	<u>(890)</u>
<i>Net Mulching Costs</i>	<u>(1,894)</u>	<u>5,000</u>	<u>5,428</u>
<i>Recyclables:</i>			
Opening Stock on Hand	8,742	-	6,408
Closing Stock on Hand	<u>(11,939)</u>	<u>-</u>	<u>(8,742)</u>
<i>Net Recyclables Costs</i>	<u>(3,197)</u>	<u>-</u>	<u>(2,334)</u>
<i>Recycle Bins:</i>			
Opening Stock on Hand	-	-	-
Purchases	3,240	-	-
Closing Stock on Hand	<u>(1,110)</u>	<u>-</u>	<u>-</u>
<i>Net Recyclables Costs</i>	<u>2,130</u>	<u>-</u>	<u>-</u>
<i>Operations:</i>			
Conferences & Travel	-	-	-
Ewaste	6,617	4,000	4,184
Fadges, Safety Equipment, Consumables	12,818	10,000	8,868
General Expenses	4,338	7,500	3,549
Koha	-	-	-
Repairs & Maintenance	12,306	8,000	7,919
Site Repairs, Hire, Development, Security	13,178	10,000	2,153
Transport	152,613	164,530	140,554
Wages & Contractors	256,488	251,214	240,679
<i>Net Operations</i>	<u>458,358</u>	<u>455,244</u>	<u>407,906</u>
	455,397	460,244	411,000

X-TREME WASTE INCORPORATED



Notes to the Accounts for the year ended 30 June 2013

	2013 Actual \$	2013 Budget \$	2012 Actual \$
11 Miniskips			
Advertising & Sponsorship	2,329	2,500	2,737
Contractors & Wages	6,290	7,567	10,634
Skip Bins, Safety Equipment, Consumables, Repairs	2,001	1,000	2,089
	10,620	11,067	15,460
12 Kerbside Collections			
Contractors & Wages	74,300	64,616	76,969
Fadges, Safety Equipment, Consumables, Repairs	2,045	4,000	-
	76,345	68,616	76,969
13 Public Bins			
Contractors & Wages	34,186	29,498	33,372
Bin Bags & Liners, Consumables, Repairs	4,694	3,000	3,155
	38,880	32,498	36,527
14 Rural Recycling			
Contractors & Wages	14,184	12,352	5,695
Consumables, Repairs	-	500	6,796
	14,184	12,852	12,491
15 Business Collections			
Contractors & Wages	25,104	32,049	42,961
Fadges, Safety Equipment, Consumables, Repairs, Hire	2,457	5,869	167
	27,561	37,918	43,128
16 Property, Plant & Equipment	Closing Cost	Closing Bk Value	Opening Bk Value
Plant & Equipment - Office	11,655	1,621	2,128
Plant & Equipment - Site	95,724	17,696	25,851
Plant & Equipment - Recycling Containers	21,433	5,612	8,872
Building & Site Development	91,573	49,560	55,032
Vehicles	245,235	2,866	7,957
	465,620	77,355	99,840
Depreciation	Rates	2013	2012
Plant & Equipment - Office	33.0%	2,134	2,240
Plant & Equipment - Site	33.0%	10,344	16,077
Plant & Equipment - Recycling Containers	12.5%	3,260	3,085
Building & Site Development	4% & 12.5%	5,472	6,611
Vehicles	20.0%	6,646	41,215
		27,856	69,228

X-TREME WASTE INCORPORATED



Notes to the Accounts for the year ended 30 June 2013

	2013 Actual \$	2013 Budget \$	2012 Actual \$
17 Cash & Bank			
Westpac Cheque Account	18,063	8,189	16,292
ASB Investment Account	40,306	20,000	26,187
Cash On Hand	2,057	1,240	1,421
	60,426	29,429	43,900
18 Inventory			
Mulch	6,825	1,000	890
Prepaid Bags	55	7,200	7,237
Recycle Bins	1,110	-	-
Recyclables	11,939	9,000	8,742
	19,929	17,200	16,869
19 Accounts Receivable			
Local Customers	46,308	20,000	(4,732)
Provisional for Doubtful Debts	(3,096)	-	(710)
Government Agencies	344	25,000	50,604
Waikato District Council	66,659	70,000	84,443
	110,215	115,000	129,605
20 Prepaid Expenses			
Insurance Premiums paid in advance	9,611	9,000	9,085
	9,611	9,000	9,085
21 Grants Received in Advance			
WEL Trust	7,000	7,000	7,000
RCN Group	2,500	3,000	-
Waikato District Council (for awning)	3,000	-	-
	12,500	10,000	7,000
22 Loans			
Prometheus Loan 1 - <i>Current portion</i>	-	-	29,113
Prometheus Loan 2 - <i>Current portion</i>	-	-	7,891
	<u>-</u>	<u>-</u>	<u>37,004</u>
Prometheus Loan 1 - <i>Term portion</i>	-	-	0
Prometheus Loan 2 - <i>Term portion</i>	-	-	6,282
	<u>-</u>	<u>-</u>	<u>6,282</u>
	-	-	43,286

Loan 1 repayments were \$4006.71 monthly. The loan commenced 31 August 2007, and the final payment was made 28 February 2013. The effective interest rate is 9.95% (2012: 9.95%)

Loan 2 repayments were \$745.83 monthly. The loan commenced 30 March 2008, and the final payment was made April 2013. The effective interest rate was 9.95% (2012: 9.95%)

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 2013

	2013 Actual	2013 Budget	2012 Actual
	\$	\$	\$
24 Commitments			
Operating Lease Commitments			
Lease commitments under non-cancellable operating leases:			
Not later than one year	-	-	9,446
Later than one year and not later than two years	-	-	-
Later than two years	-	-	-
	-	-	9,446

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, at a cost of \$64.29 per month.

X-treme Waste entered into a lease agreement for premises at 8 Jolly Street, Hamilton on 1 December 2011. The agreement commenced on 1 December 2011, and had a right of renewal date on 1 December 2012. X-treme Waste chose not to renew the lease.

25 Capital Expenditure Commitments

There were no commitments for capital expenditure at 30 June 2013 (30 June 2012 - \$Nil).

26 Contingent Losses or Gains

There were no known contingent losses or gains outstanding as at 30 June 2013 (30 June 2012 - \$Nil)

27 Reconciliation of reported surplus after taxation with cash from operating activities

Reported Surplus (Deficit)	83,931	(50,968)
Plus (Less) non-cash items	27,856	69,228
Plus (Less) capital grants	(1,500)	(7,000)
<i>Movement in Working Capital</i>		
Increase (decrease) in accounts payable	(67,908)	(2,323)
(Increase) decrease in accounts receivable	19,390	6,542
(Increase) decrease in prepayments	(526)	(99)
(Increase) decrease in inventory	(3,060)	(1,357)
Net cash flow from operating activities	<u>58,183</u>	<u>14,023</u>

28 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.