



REVERSE GARBAGE

THE EXPERTS IN REUSE



- Packing list instructions - Use one of the hessian sacks to put the rest of the kit in
- 2 hessian sacks
 - 1 fabric banner
 - Large buttons x 2
 - Eva foam x 2 pieces, 6" different colours both 50cm x 50cm approx.
 - Length of ribbon 5m's
 - One hat
 - Bag of polyfill/dacron scraps
 - Instructions 3 pages.

ANNUAL REPORT 2017



**Making a difference
in the world by
reducing waste and
creating change**

**REVERSE
GARBAGE**
THE EXPERTS IN REUSE

REVERSE GARBAGE Co-operative Ltd.

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Reverse Garbage (RG) is one of Australia's oldest and most established sustainability social enterprises. Our focus on innovation in sustainability has been ongoing as we continue to be relevant through four decades of service to the community and the environment.

Reverse Garbage was first established in 1975 and incorporated in its own right in 1976. From its inception RG has operated as a social enterprise. That is, it used business approaches to achieve a social and environmental objectives. In its start up-phase RG received some funding to subsidise the cost of the operations and community education activities. Since 1991, Reverse Garbage has been self funding in its retail and operations area with occasional special project funding and commissions.

RG promotes creative reuse and provides services to tens of thousands of customers every year. Our customer base includes community groups, businesses and individuals purchasing items for community activities such as volunteer groups, P&Cs, Scout and Guide Groups and so on.

Our key focus is increasing awareness and opportunities for life-long use of resources, thereby reducing waste and increasing sustainable consumption.

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OUR PURPOSE

Reverse Garbage Co-operative was established to protect and enhance the natural environment by educating individuals, communities and businesses about the value of conserving resources through waste avoidance, waste minimization and life-long resource use.

Reverse Garbage Co-operative members recognize the detrimental impact that excessive resource use and waste has on the natural environment. The Co-operative and its members seek to contribute to protecting and enhancing the natural environment by fulfilling the aims, and promoting the objectives of Reverse Garbage Co-operative.

In particular, Reverse Garbage seeks to contribute to a culture of environmental responsibility in the community and among businesses in order to ensure a sustained approach to protecting and enhancing the natural environment into the future.

OUR AIMS:

1.

To work co-operatively with all interested parties to achieve waste minimisation through promotion of life-long use of resources, and reuse of waste materials in order to preserve and protect the natural environment.

2.

To implement active education programs and mutual benefit projects with the community, education, industry and Government. These programs focus on decreasing human impact on the natural environment by changing patterns of behaviour in industry and the community regarding materials usage, organisational procedures and government legislation.

3.

To be a democratic, social enterprise committed to internationally accepted principles of cooperation, creating a framework for active involvement of members, and encouraging the participation of stakeholders.



CHAIRPERSON'S REPORT

I am pleased to present members and supporters of Reverse Garbage with the 2017 annual report outlining some of the highlights of another successful year.

Yvette Andrews, Chairperson, Board of Directors, Reverse Garbage Co-operative

Throughout the year, we have worked through the strategic business plan to strengthen Reverse Garbage in relation to all of our services. Our achievements big and small have been the result of hard working teams of staff and volunteers all dedicated to reducing waste and creating change.

Greg and Operations team have rescued hundreds of truck loads of materials from businesses, supporting greater sustainability and reducing waste to landfill. Kirsten and her team have served more than 50,000 customers helping them access reuse resources for projects big and small. Rachel and the Education team have provided creative re-use educational activities in classrooms, shopping centres, parks and community centres as well as here in our Re-Creation Room. More than 12,000 children and adults have taken part in the programs. As well as providing overall leadership and steering the organisation, Dare has coordinated our wide range of partnership activities including the awareness program about single use plastics with local high schools, support for emerging sustainability groups and sector-wide initiatives to promote re-use more broadly. Highlights of these achievements are included throughout the report.

Financially, we are pleased to report a strong result. With stable income and a tight hold on expenditure, we have come through the year in the black. The audited report shows that we have been able to retain a little over \$46,000 to use for equipment and asset replacement, as well as for expanding our education team with a new full time sustainability educator.

Our biggest challenge this year, has been the significant threat posed by not having our next 5 year lease and rental confirmed. After having been assured that we would have only a modest rental increase, our landlord, the Addison Road Community Centre, has demanded a rent increase exceeding 240% during the period of the new 5 year lease. Such an increase would force the closure of Reverse Garbage. The Reverse Garbage Board has been seeking a satisfactory resolution but the Addison Road Centre's board have not been willing to consider the value and service that Reverse Garbage offers to the Centre and wider community in their deliberations. The legal and administrative negotiations are ongoing. At the time of reporting, this issue remains unresolved. The Board will continue to work to ensure the survival of Reverse Garbage in our 40 year home in the inner west. We may be calling on members to help us in our efforts. We will keep you informed as this issue progresses.

Finally, I'd like to thank my colleagues on the board, for their commitment and dedication. It has been inspiring and rewarding to work with such an amazing group of people. Your contribution of skills and knowledge have strengthen our organisation. I'd also like to acknowledge Dare and our great staff team for their hard work and contribution to all of the achievements we have enjoyed this year.

On behalf of the Board of Directors and the staff, I'm pleased to present this year's report which provides highlights and insights from 2016/2017.

Yvette Andrews,
*Chairperson, Reverse Garbage Co-op
Board of Directors*



YEAR AT A GLANCE

July 2016 –

Educators from across Metro Sydney flock to Reverse Garbage's first Re-Play Early Childhood Educator Learning Fair with 14 free professional learning seminars offered as part of our Early Childhood Educators Engagement Program

August 2016 –

Reverse Garbage embraces e-commerce with a launch of the on-line shop

September 2016 –

Reverse Garbage says farewell to Kerry, long time truck driver and Teresa, long time Volunteer and hello to new board members recruited through the Institute of Community Directors

October 2016 –

Reverse Garbage welcomes South Sydney Regional Organisation of Councils (SSROC) Community Waste Education program for a series of visits by community groups from across southern Sydney

November 2016 –

RG's Early Childhood Educators Engagement Program wins the Inner west Council Sustainability Innovation Award. Reverse Garbage is named finalist in two additional categories

December 2016 –

Reverse Garbage brings summer fun to Wollongong's Crown Street Mall with 2 weeks of creative reuse activities and a pop up loose parts playground as we manage the Christmas on Crown Children's Hub

January 2017 –

Rachel and Phil deliver the first Reverse Garbage Kids Tinker Lab workshops.

February 2017 –

Reverse Garbage commences Waste Less Learn More an extended engagement program with low income primary schools, jointly funded through matching grant from the City of Sydney

March 2017 –

Re- activated program of visiting businesses to support waste diversion from landfill expands base of regular industrial contributions to Reverse Garbage

April 2017 –

Plastic Un-fantastic kicks off with students from 4 local high schools working with artists Stephanie Powell and Kim Davies to express their thoughts about the danger of single use plastics in the environment, funded in part by Inner West Council.

May 2017 –

More than 25 women attend the inaugural monthly sewing bee in our Re-Creation Room with the newly established Dulwich Hill Boomerang Bags group. Our shared campaign to a bag free shopping precinct at Dulwich Hill commences.

June 2017 –

Social media milestones! Reverse Garbage surpasses 80,000 likes on Facebook with 74,000 followers and 4500 followers on Instagram



CEO'S REPORT



Dare Kavanagh, *Chief Executive Officer*

I'm proud to present my third annual report to the members and supporters of Reverse Garbage. The central theme of my leadership has been to strengthen our focus on our core aims. We have articulated these simply in the current strategic business plan – educating; reducing waste; creating change.

The achievements highlighted throughout the report illustrate some of the many successes in each of these focus areas. The year has been a tremendous success with our services and support for the early childhood education sector as well as with our expanded access to resources through on-line and pop-ups.

I am proud of the collaborative efforts that the staff team, volunteers and Board Members have made to achieve incredible successes against our objectives. Each area of the organisation had stand out achievements.

Kirsten has done an outstanding job bringing her fabulous eye for design and presentation to displaying the creative reuse materials we make available to members and other customers. Kirsten has worked hard to expand the options for people to access creative use materials by coordinating materials for a program of pop-up shops. Under Kirsten's management we have expanded access to reuse materials through e-commerce and on-line sales through social media. Together with Greg, Kirsten has embarked on a proactive approach to identifying businesses and organisations that we can support in reducing waste.

Greg has also done a stellar job in his first year managing warehouse operations and logistics. He has streamlined Ops procedures; contributed to a review of our service contracts and strengthened our emergency procedures while under the pressure of a key vacancy of a truck driver for much of the year.

The Education section has grown with the skillful coordination that Rachel has brought to the role. We are now widely accepted as a provider of meaningful sustainability education in schools and have continued to offer fun engaging professionally delivered activities for festivals and community events.

RG Education professional education to teachers and early childhood educators is also well established and growing still.

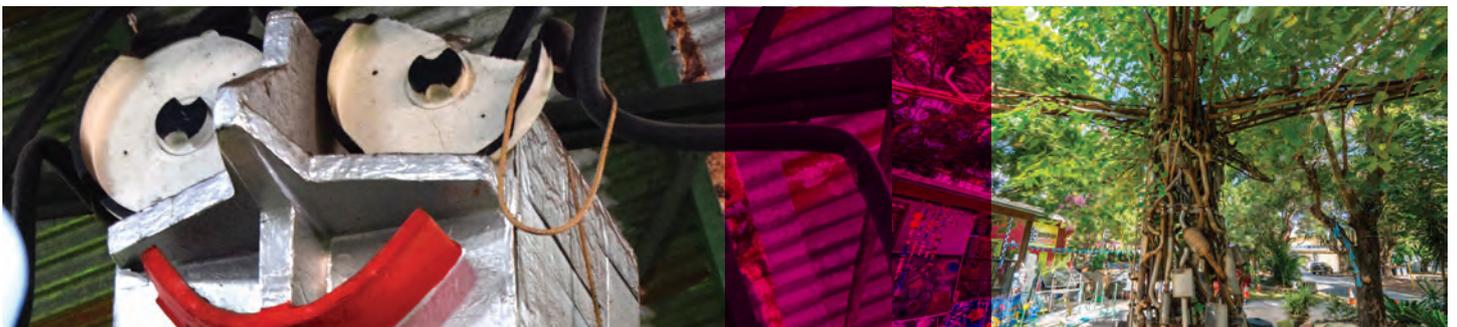
Retail, Education and Partnership sections have worked together to produce the RG roadshow projects that have seen us deliver materials, programs, workshops and presentations beyond Metro Sydney. In 2016/17, we provided services in Dubbo, Coffs Harbour, Port Macquarie and the Illawarra. Work with our partners in these areas has created the foundations for even more regional services in 2017/18.

The success and achievements in all sections was underpinned by the efforts of the retail and operations team, who worked with donors and business partners to ensure that materials destined for the rubbish tip could be diverted for reuse by our customers and partners.

Our first Re-Fine Artist in Residence program, which was reactivated in the container gallery by Tanya Ljubic last year, was continued this year by Stephanie Powell. Stephanie's shopping bag gown has been under construction throughout the year as a reminder of the ever growing mountain of plastic clogging up our environment and waterways.

I'd like to acknowledge and thank my team of amazing staff and volunteers. They have all contributed to the success and achievements we describe throughout the report and so much more. The 2016/17 core team deserve recognition and thanks from everyone who supports Reverse Garbage. They are Kirsten, Greg, Rachel, Nikki, Louise, Lisa, Emma, Con, and Fiona. They have all made great contributions throughout the year.

We have had the valuable input this year from volunteers who have contributed





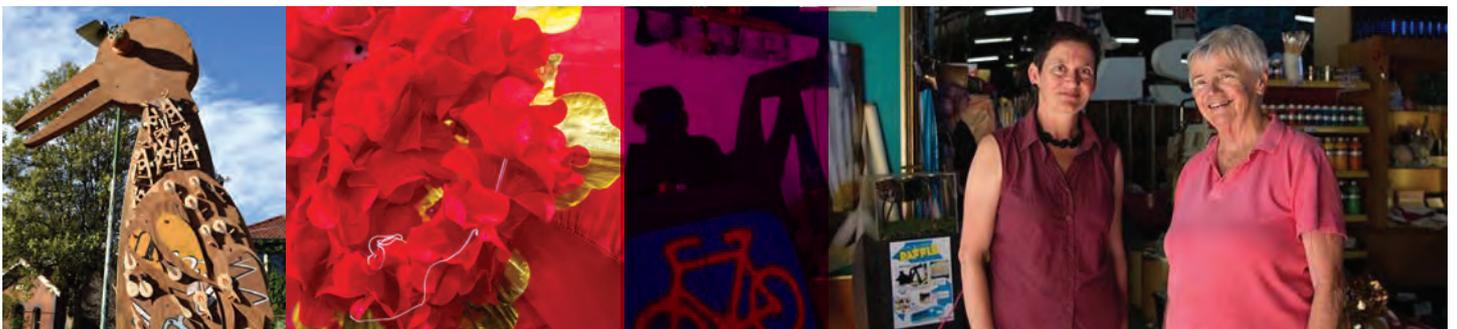
professional services with design, marketing and PR. In particular, I would like to thank Jackie from Bull Ant Design for assistance with the 2016 Annual Report; Paul Hinderer, for allowing us to use his fantastic photographic images of Reverse Garbage featured on our website and throughout this report and the Friday Collective's Julia, Nicky and Aija for taking us on as a pro bono client and shaping our communications, social media analysis and website overhaul.

The other group of volunteers that have been central to our many achievements is the board of directors. I extend my gratitude to all of the Board volunteers who worked throughout the year for the best interest of Reverse Garbage in the face of the immense distraction caused by our

unresolved lease issue. I have appreciated the input and support that each member has brought to our collective tasks.

On behalf of the staff and in conjunction with the board of directors, I am proud to present this Annual Report to our members, donors, customers and supporters.

Dare Kavanagh,
Chief Executive Officer



RETAIL REPORT



Kirsten Junor, Retail Manager

To many of our regular RG aficionados re-use is a way of life. They can see the value of re-using materials and keeping them above ground. There is a lovely aesthetic in many of our items that adds character to artworks, visitors recognizing the weird and wonderful in the industrial discards that you really can't source anywhere else in Sydney, that create unlimited possibilities for educators and students of all ages. Or the one off vintage items that we are able offer a second chance of re-use.

Our famous fill a bag zone, the area of the warehouse that has been the most frequented over the last 42 years, has been a focus of renewal over the last year. Reaching out to new donors and offering regular pickups, enables us to keep more industrial discards out of landfill and a greater variety for our customers that's new and exciting. Meeting new donors and asking them if I can go through their rubbish leads to interesting conversations. Once they understand the uniqueness of their "rubbish", the sustainable results and impact that donating to Reverse Garbage can have they are converts! This has meant an amazing 3744 'fill-a-bags' left Reverse Garbage in 2016/2017, full to the brim of unlimited possibilities.

Take the humble hessian sack and the 4810 sold last year! Used for sack races, upholstery, weed mats, dog beds, bunting or used in our Halloween Ghost and Scare Crow kits, to name just a few. Or the additional 535 that left full of reuse resources from our 'fill-a-bag' section.

Educators are still a large group of our many regulars, and over the last year we have focused on curating kits and resources that have helped them to embed re-use in daily activities in their centres. The Mandala kit is created from a myriad of objects that encourages creativity, open ended play and is liberating as there is no right or wrong. No rules just unlimited possibilities. Sustainable kits encouraging sustainable practices.

We hit the road this year taking a little bit of Reverse Garbage to educational conferences and workshops. Offering our resources to educators at workshops and conferences enables us to reach a wider audience and therefore educate more about our mission of re-use and sustainability.

Community groups are frequent visitors to the warehouse, recognizing that re-using or sourcing from RG means they are able to stretch their tight budgets further. It's always fun to help a school group design their end of year sustainable show stopper, a small festival with decorations or community theatre group find just the right prop.

All this would not be possible without a great team that offers 7 day a week inspiration, knowledge and customer friendliness to everyone that walks into the warehouse. So thank you to Lou, Lisa, Fiona, Michaela, India, Janelle, Ella and Phoung for all your work over the past year. Cheers!

Kirsten Junor,
Retail Manager



OPERATIONS REPORT



Greg Jackson, Operations Manager

ACHIEVEMENTS

Consolidation of the Warehouse layout to improve the shopping experience with a focus on work health and safety.

Revitalisation of the Regular Donor List to reflect current donor information in a continually changing commercial environment.

Establishing contact with new donors to expand access to key and new product type.

Rationalisation of waste management contract to reduce cost.

Continuing to engage with regular long term donors to maintain their support to our operation.

Developed a close working relationship with the Retail Section to improve the understanding of their product requirements.

Supporting RG community engagement and educational activities.

CHALLENGES

Managing the aging support vehicles to maintain maximum availability.

Dealing with the key truck driver vacancy in stages throughout the year.

With 19,135 km travelled for 783 completed tasks it was again another busy year for the Operations Team. With the help of Emma, Con, Kerry, Brian (truck driver 1), Dave (casual driver), and Craig (truck driver 2) and our volunteers much has been achieved to provide the necessary support to the Retail and Education teams.

A key focus has been improving the layout and storage of stock. Throughout the year, our focus has been on providing a safe shopping & working environment, so the team has worked hard to reorganise and place materials in locations that present the safest storage solution given the limitations of the warehouse design and age. The regular flow of donations continued to present a Tetris like challenge but the team have been equal to the task.

Managing the relationship with our donors has been a priority for both Retail and Operations. We have been able to revitalise the Donor List that has now become a living document regularly updated to reflect the ever-changing commercial environment in the greater Sydney region. This year we did lose our regular supplier of EVA skins when Ultralon Foam Group moved their manufacturing offshore, and sadly, we have collected from many small businesses throughout the Sydney metropolitan area who were closing their doors. However, on a positive note we have been able to add 22 companies to our donor list this year.

Greg Jackson,
Operations Manager



EDUCATION PROGRAM REPORT



Rachel Rothwell, Education Co-Ordinator

Reverse Garbage Education in 2016-2017 has been all about consolidation and growth. We have been refining our schools' programs, building our vacation care audience, instigating new programs for community activation in shopping districts and developing our Professional Learning offerings for early childhood and primary teachers.

We have developed new workshops, and new relationships with schools throughout this financial year, and our education department has continued to work with diverse groups to promote responsible resource use in a creative and fun setting

Our education program operates a wide variety of settings:

- Workshops with primary and secondary school groups as incursions or excursions
- Vacation care and out of school hours care (OOSHC)
- In-house works that we host for adults or children
- Professional learning workshops for teachers and child care workers
- Festivals, corporate and community events



SCHOOL PROGRAMS

Our suite of curriculum aligned programs for primary schools has been well received and bookings have increased considerably this year. We have run between 3-15 of each of the workshops we offer – See our website for the complete list. The sustainability linked programs such as Big Box City, Sustainable House, DIY better packaging and Shelter Shelter have been the most popular.

Our school programs are available as both an excursion to Reverse Garbage and an incursion with educators visiting the school. We have had an approximately even number of each. For the Excursion groups coming in to visit us onsite we also include a tour of the warehouse and a guides walk to see the sustainability features through out the Addison Rd Centre. These tours have been refined over the course of this year and now involve a treasure hunt style activity for the children where they are challenged to consider the properties of materials, their intended use and as well as a way they can be re-used.

High School bookings have been predominantly for upcycling workshops

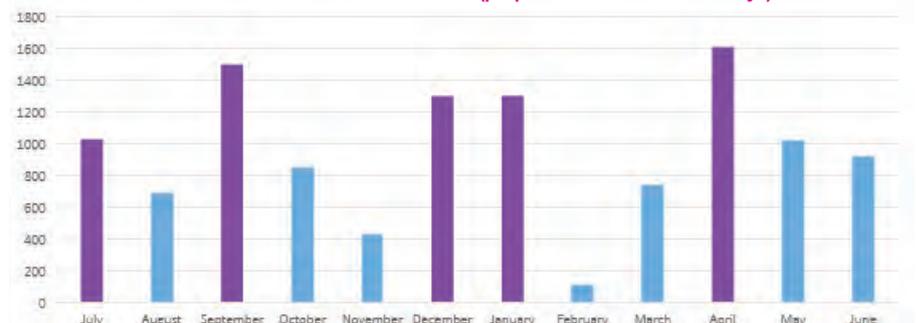
for Design and Technology students and Creative Arts students doing sculpture and design projects.

The highlight of the year involved a 3 day visit to Dubbo South Public School to support the implementation of their Makerspace Program

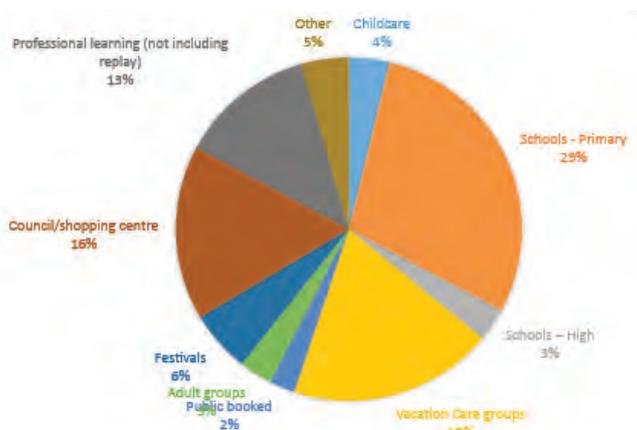
VACATION CARE

School holidays is the busiest time of the year for the Education programs with bookings increasing each holiday period throughout this year. We simplified our programs to only offer a choice of 2 or 3 different programs each school holidays. This enabled our educators to refine the programs. The children have been making some fabulous creations. Children visiting Reverse Garbage are also taken through the warehouse and when the groups are larger the opportunity to try some loose parts play.

WORKSHOP PARTICIPANTS BY MONTH (purple includes school holidays)



WORKSHOP TYPES



The 2017 Reverse Garbage Education staff group has included (Permanent, Contractor and Casual)

Rachel Rothwell <i>(coordinator)</i>	India Zegan	Crystal Arnold
Tanya Ljubic	Clare Powell	Lucy Lee
Fiona Arnold	Brooke Sanderson	Danielle Pischerchia
Lisa Bergan	Marcella Ormandez	Portia-Lyn O'Connor
Robyn Chiles	Rachel Bevan	Anita Watkins
India Evans	Roanne Hazeldene	Helen Peacock

SHOPPING CENTRES

We have had community activation workshop each holiday period this year with AMP Capital at Marrickville Metro as well as a 13-day program for Wollongong Council's Annual Christmas on Crown event. These programs typically run between 11am-2pm and provide the opportunity for children and families to create an item or add to a collaborative work. At Wollongong Mall we also ran a loose parts play pop up playground.

FESTIVALS & COMMUNITY EVENTS

We have run stalls at 17 festivals this year. We have been pleased to contribute to multiple events for the Hills Shire Council with their Orange Blossom Festival, Lunar New Year, Australia Day; North Sydney Council's Bradfield Bark festival, and Live at St Leonards and Randwick Council's Earth Hour, Eco living fair, the Best Gift and open day at the Community Recycling Centre. We have also run workshops for community organizations including Settlement Services International and the Sydney Community College "Fiona did an amazing job in designing a challenging and interesting series of projects - students and support

workers all responded with enthusiasm and were really engaged in the 3 sessions. One of the most successful inclusion in the sessions was giving students tuition and access to a power drill. 2 students with High support needs were particularly excited by being supported to use an electric drill to drill holes into their work! Fiona built up a great rapport with our students and we would love to get back in touch and do some more workshops later in the year."

PROFESSIONAL LEARNING

Our professional learning for Early Childhood educators has grown from strength to strength this year with 37 separate workshops run as well as our 3 weeks of Replay workshops. In Addition we ran several Talk and tour sessions for Early Childhood students. These include the chance to explore reuse materials, and take a reuse resource challenge where they work in teams looking for themed materials in the warehouse and then coming back and sharing their finds.

We have also run formal professional learning workshops for Early Childhood Centres in which whole staff have come to

Reverse Garbage for up to a whole day of professional learning. Our Educators have taken materials out for professional learning and we have attended and presented at conferences as well as holding pop up shops at conferences and events.

In addition to these workshops for Early Childhood educators we have also run Professional Learning workshops for teachers at Dubbo South Public School, Tempe Public School, and at the NSW Creative Arts Teachers Conference.

RePlay has been our in house professional learning offering running 3 times this year, twice for Early Childhood and once for OOSH educators. Each week has include more than 10 workshops and seen more than 150 educators visit Reverse Garbage for learning and inspiration.

Rachel Rothwell,
Education Co-Ordinator



FEATURE CASE STUDY:

Christmas on Crown Children's Hub

In response to a request from Wollongong City Council Reverse Garbage designed and delivered a series of creative activities for a Children's Hub as part of Council's Christmas on Crown. Activities were conducted each day from Saturday 10 December to Friday 23 December.

Children's Hub activities provided opportunities for children and families to enjoy time together as part of the Christmas on Crown event.

The program achieved its stated objectives of:

- Enhancing street activation through individual craft, loose parts free play time and the opportunity to contribute to a collaborative installation
- Promoting community engagement, creativity and innovation
- Fostering collaboration between participants
- Enhancing the experience of shopping and dining in the city centre.

THE HUB

Reverse Garbage Staff installed a creative and inspirational space decorated with brightly coloured reuse materials to set the scene for the activities programmed throughout the fortnight.

The programmed activities included:

- Creative Reuse Craft on a drop-in basis (2.5 hours)
- A pop-up loose parts playground (3 hours)
- Collaborative sculpture/installation building (1.5 hour)

CREATIVE REUSE CRAFT

Five creative reuse craft activities were offered over the 2 weeks. These included Junk Jewellery, journal making, Christmas cards, Wrapping paper stamping and Christmas trees. Each activity was programmed 3 times over the period.

LOOSE PARTS PLAY

The loose parts play proved a hit with the younger children. During the first week of the program, while school was still in sessions the open ended play was enjoyed by the under 5 age group but on weekends and during the second week it proved popular for a range of children up to 10 years of age.

COLLABORATIVE ARTWORK

The last session of each day involved a collaborative art project where individuals made a CD case Christmas themed tile for a mosaic piece, which was then attached to the fences surrounding the trees in the mall. Two trees were covered by the end of the 2-week program but many younger children were reluctant to leave their creations behind.

CASE STUDY:

Music Aviva Open Day

The Education Team ran some very successful workshops for the Musica Viva Family day on Friday 21st April at the Sydney Conservatorium.

Fiona led a workshop making moving sculptures from deconstructed piano parts, while Tarn led "Paint-a-Piano" which in participants contributed to the painting of 2 pianos. Both workshops were very popular and successful and Musica Viva have had great feedback from the event.

"A huge THANK YOU for your amazing work in the lead up and during the Musica Viva Festival! You truly brought Family Day to life and it was so great to see happy children and families running around with their musical sculptures, or raving about their beautiful artwork on the Paint a Piano's."

Great news, the two glamorous pianos both have homes! One piano has gone to a local Sydney family who were over the moon to have a colourful and unique piano for their 6 year old daughter Sophia to practice on. The second piano will be moving to Canberra to join a family with 3 kids who can't wait to brighten up their living room with this cheerful piece of art."

Thank you email from client MusicaViva



The bigger picture of reuse

Over the 40 years since Reverse Garbage was conceived the language we have used to talk about reducing waste in order to protect our natural environment has changed and evolved.

Where once we used phrases like fighting pollution or encouraging environmental responsibility now we refer to industrial ecology, circular economy and cradle to cradle resource stewardship. While language has changed our commitment to protecting our natural environment by reducing resource use, and encouraging life-long resources remains.

We also recognize that there are many ways for all of us to help protect our natural environment and live more sustainably. At Reverse Garbage, we contribute to this by promoting reuse.

Our long view on sustainability is backed up by our commitment to intergenerational equity. By reusing, we are considering how our resource use will affect future generations' access to resources.

We also recognize the limits of our planet. It is capable of producing abundance, but only within limits. We cannot use natural resources beyond their capacity to regenerate.

Sustainability is about creating systems and making choices which contribute to the regenerative capacity of the earth.

We also promote a healthy approach to the popular "Three R's" - REDUCE-REUSE-RECYCLE

Sensible resource use means more than putting waste in the recycling bin!

We look at it this way:

REDUCE: When we understand that the earth has limits, it follows on that we also have to limit what we consume. There are also limits to how many times some things can be reused or recycled. This is why the most important way to address planetary limits is to REDUCE. We can reduce by sharing, by choosing more durable items and avoiding single use items/disposable items.

REUSE: This is what we specialise in at Reverse Garbage. This is important because of the problem of WASTE. Reuse helps to extend the life of our resources.

Natural systems do not create waste; everything is reused and continues to cycle around the system. Industrial systems that are trying to mimic the natural closed-loop cycle are often referred to as Industrial Ecology or Circular Economy.

RECYCLE: Recycling helps to minimise the amount of new resources which need to be extracted from natural environments, but the process can still be very resource intensive (and potentially destructive). A lot of water and energy is required to break down and re-make our recycled products. Recycling paper may save forests, but because it consumes other resources, it is at the bottom of the hierarchy for responsible resource use.

Reuse is better than recycling because we are using our own energy instead of energy from coal and electricity. The more we can use our own energy to extend the life of our materials, the better. So we all have role to play! We are doing our bit and we encourage everyone to join in!



If you want to know more about sustainable resource use, the three R's and circular economy – check out these websites:

- www.circulareconomyaustralia.com/
- www.uts.edu.au/research-and-teaching/our-research/institute-sustainable-futures/news/what-will-circular-economy
- www.ellenmacarthurfoundation.org/circular-economy
- www.wwf.org.au/get_involved/change_the_way_you_live/recycle_reuse_reduce/



Reverse Garbage Co-Operative Ltd

ABN 70 561 909 900

Special Purpose Financial Report For the year ending 30 June 2017

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Directors' Report for the year ending 30 June 2017

The directors present their report, together with the financial statements, on the co-operative for the period ended 30 June 2017.

Directors

The names of Directors throughout the year and at the date of this report are:

Yvette Andrews
Fiona Katauskas
Amanda Brown
Deborah Stevenson
Scott Brunsdon
Vicky Lalwani Appointed September 2016
Jacqui Mumford Appointed September 2016
Jennifer Gaetz Appointed September 2016
Philip Nanlohy Appointed October 2016
Dina Petrakis Resigned July 2016
Colleen Sutherland Appointed November 2015 - Resigned October 2016

Principal Activities

The principal activities of the co-operative during the financial year were:

- Trading as a re-use retail warehouse.

Significant Changes

No significant change in the nature of these activities occurred during the year.

Operating Result

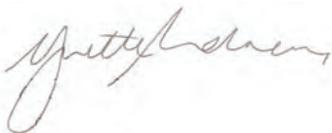
The profit from ordinary activities amounted to:

	Year ended 30 June 2017	Year ended 30 June 2016
	\$ 46,582	\$ 46,604

Signed in accordance with a resolution of the Directors on 25 October 2017.



Amanda Brown
Director



Yvette Andrews
Director

Directors' Declaration for the year ending 30 June 2017

The directors of the co-operative have determined that the co-operative is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the directors' opinion:

1. The accompanying financial report has been drawn up so as to present fairly the results of operations of Reverse Garbage Co-operative Ltd for the year ended 30 June 2017 and the state of affairs as at that date;
2. The attached financial statements and notes thereto give a true and fair view of the financial position and performance of the co-operative;
3. The attached financial statements and notes thereto are in accordance with the Australian Account Standards to the extent described in Note 1, the Australian Charities and Not-for-profits Commission Act 2012 and the Australian Charities and Not-for-profits Commission Regulation 2013; and
4. There are reasonable grounds to believe the co-operative will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 60.15 (2) of the Australian Charities and Not-for-profits Commission Regulation 2013;



Amanda Brown

Director



Yvette Andrews

Director

7-Nov-17

Date

Statement of Comprehensive Income for the year ending 30 June 2017

	Note	2017 \$	2016 \$
Trading Revenue	2	890,670	889,952
Cost of Goods Traded		(86,322)	(47,975)
Gross Profit		804,348	841,977
Other Revenues from Ordinary Activities	2	134,591	84,690
Occupancy Expenses	3	(94,856)	(99,130)
Employee Related Expenses		(656,635)	(640,507)
Depreciation		(1,305)	(3,137)
Other Operating Expenses		(139,561)	(137,289)
Net Surplus for the Year		46,582	46,604
Total Changes in Equity			
Opening Retained Earnings		159,261	112,657
Net Surplus for the Year		46,582	46,604
Transfer to reserves		(200,000)	-
Closing Retained Earnings		5,843	159,261

Statement of Financial Position as at 30 June 2017

	Note	2017 \$	2016 \$
Current Assets			
Cash & Cash Equivalents	4	138,581	79,505
Financial Assets	5	62,377	61,213
Trade & Other Receivables	6	19,574	28,081
Inventories	7	59,044	57,154
Other Assets	8	9,049	12,900
Total Current Assets		<u>288,625</u>	<u>238,853</u>
Non-Current Assets			
Property, Plant and Equipment	9	1,301	5,926
Total Non-Current Assets		<u>1,301</u>	<u>5,926</u>
Total Assets		<u>289,926</u>	<u>244,779</u>
Current Liabilities			
Trade & Other Payables	10	47,569	44,083
Provisions	11	36,514	41,435
Total Current Liabilities		<u>84,083</u>	<u>85,518</u>
Total Liabilities		<u>84,083</u>	<u>85,518</u>
Net Assets		<u>205,843</u>	<u>159,261</u>
Equity			
Retained Earnings		5,843	159,261
Reserves	12	200,000	-
Total Equity		<u>205,843</u>	<u>159,261</u>

Statement of Cash Flow for the year ending 30 June 2017

	Note	2017 \$	2016 \$
Cash Flow From Operating Activities			
Receipts from Customers		1,030,743	974,642
Payments to Suppliers and Employees		(973,528)	(941,601)
Interest received		1,861	1,953
Net Cash Provided by (used in) Operating	13	59,076	34,994
Cash Flow From Investing Activities			
Acquisition of Property, Plant & Equipment		-	(653)
Net Cash Provided by (used in) Investing		-	(653)
Net increase (decrease) in Cash Held		59,076	34,341
Cash at the Beginning of the Year		79,505	45,164
Cash at the End of the Year		138,581	79,505

1.Statement of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of Preparation

The Board have prepared the financial report on the basis that the co-operative is not a reporting entity as there are unlikely to exist users who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this “Special Purpose Financial Report” has been prepared in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and the requirements of the Co-Operatives (Adoption of National Law) Act 2012.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of:

AASB 101 Presentation of Financial Statements

AASB 107 Statement of Cash Flows

AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors

AASB 1048 Interpretation and Application of Standards

AASB 1054 Australian Additional Disclosures

These financial statements do not conform with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets.

(b) Property, Plant & Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Depreciation

The depreciable amount of property, plant and equipment is depreciated over their useful lives commencing from the time the asset is held ready for use. Artwork is not depreciated.

(c) Employee Benefits

Provision is made for the co-operative's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled.

Note 1: Statement of Significant Accounting Policies (cont.)

(d) Provisions

Provisions are recognised when the co-operative has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reasonably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

A long service leave provision is established after the employee has reached 5 completed years of service.

(e) Cash & Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less. For the purposes of the statement of cash flow, cash and cash equivalents consist of cash and cash equivalents as defined above, plus term deposits with maturity dates of less than twelve months from balance date net of any outstanding bank overdrafts.

(f) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the assets and liabilities statement are shown inclusive of GST.

(g) Trade & Other Receivables

Trade & other receivables are normally settled within 30 days and are carried at amounts due. The collectability of debts is assessed at balance date and specific provision is made for any doubtful accounts.

(h) Inventories

The value of inventory at year end is arrived at using an absorption costing basis.

(i) Trade & Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(j) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue. Sales revenue is recognised when the risk and rewards associated with the goods have transferred from the co-operative to the buyer which generally occur at the point of sale. Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Notes to the Financial Statements for the year ending 30 June 2017

	Note	2017 \$	2016 \$
(j) Revenue and Other Income (cont.)			
Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.			
All revenue is stated net of the amount of goods and services tax (GST).			
(k) Income Tax			
The co-operative is exempt from the payment of income tax under Subdivision 50 of the Income Tax Assessment Act 1997, as it is an income tax exempt entity.			
Note 2: Revenue and Other Income			
Sale of Goods		890,670	889,952
		<u>890,670</u>	<u>889,952</u>
Other Revenue:			
Interest Revenue		1,861	1,953
Educational Services		128,215	81,391
Memberships		246	1,022
Donations		4,177	75
Other Income		92	249
		<u>134,591</u>	<u>84,690</u>
Total Income for the Year		<u>1,025,261</u>	<u>974,642</u>
Note 3: Occupancy Expenses			
The co-operative has reduced occupancy costs as a result of better negotiated contracts with service providers regardless of an increase in rent costs incurred during the period.			
Note 4: Cash & Cash Equivalents			
Cash at Bank:		137,431	78,355
Cash on hand		1,150	1,150
		<u>138,581</u>	<u>79,505</u>
Note 5: Financial Assets			
Term Deposits		<u>62,377</u>	<u>61,213</u>
Bank term deposits with a maturity of more than 3 months but less than 12 months are shown as current financial assets.			
Note 6: Trade & Other Receivables			
Trade Debtors		19,574	27,426
GST Receivable		-	655
		<u>19,574</u>	<u>28,081</u>
Note 7: Inventories			
At Valuation		<u>59,044</u>	<u>57,154</u>
Note 8: Other Assets			
Prepayments		9,049	9,060
Deposit Paid		-	3,840
		<u>9,049</u>	<u>12,900</u>

Notes to the Financial Statements for the year ending 30 June 2017

	Note	2017 \$	2016 \$
Note 9: Property, Plant & Equipment			
Plant and Equipment			
At Cost		22,698	22,698
Less: Accumulated Depreciation		(21,397)	(20,092)
		<u>1,301</u>	<u>2,606</u>
Motor vehicles			
At Cost		75,783	75,783
Less: Accumulated Depreciation		(75,783)	(75,783)
		<u>-</u>	<u>-</u>
Art			
At Cost		-	3,320
		<u>-</u>	<u>3,320</u>
		<u>1,301</u>	<u>5,926</u>
Total Property, Plant & Equipment			
Note 10: Trade & Other Payables			
Trade Creditors		4,133	3,160
Other Payables		43,436	40,923
		<u>47,569</u>	<u>44,083</u>
Note 11: Provisions			
Annual Leave		25,914	27,948
Long Service Leave		10,600	13,487
		<u>36,514</u>	<u>41,435</u>
Note 12: Reserves			
Asset Replacement Reserve		200,000	-
		<u>200,000</u>	<u>-</u>

The reserve has been created for the purpose of replacing property, plant & equipment.

Note 13: Cash Flow Information

Cash at the end of year for the purposes of the cash flow is reconciled as follow:

Cash & Cash Equivalents	138,581	79,505
Financial Assets	62,377	61,213
	<u>200,958</u>	<u>140,718</u>

Notes to the Financial Statements for the year ending 30 June 2017

	Note	2017 \$	2016 \$
Note 13: Cash Flow Information (cont.)			
Reconciliation of Net Cash provided by / (used in) Operating Activities to Net Surplus			
Net Surplus for the Year		46,582	46,604
Non-cash Flows in Operating Result:			
Depreciation		1,305	3,137
Write off Balance of Property, Plant & Equipment		3,320	-
Changes in Assets and Liabilities:			
(Increase)/Decrease in Trade & Other Receivables		8,507	(2,493)
(Increase)/Decrease in Inventories		(1,890)	(26,111)
(Increase)/Decrease in Financial Assets		(1,164)	-
(Increase)/Decrease in Other Assets		3,851	3,941
Increase/(Decrease) in Trade & Other Payables		3,486	15,380
Increase/(Decrease) in Provisions		(4,921)	(5,464)
Net Cash Provided by (used in) Operating Activities		<u>59,076</u>	<u>34,994</u>

Note 14: Operational Risk

The directors have identified a potential operational risk in relation to the reliability of the electricity supply to the co-operative. The potential financial impact for the co-operative is unknown at this time but to the extent possible given operational and financial constraints, the co-operative will attempt to mitigate these risks and build appropriate contingencies to manage the financial implications.

Note 15: Going Concern

There is some uncertainty around the sustainability of the on-going operations of the co-operative arising from a proposed rent increase for the property the co-operative operates from. The proposed rent increase was effective from 17 January 2017 but is currently subject to a legal dispute with the lessor. The Directors are taking all reasonable and responsible actions to negate the risks arising from the proposed increase however should the lessor be successful, the ability of the organisation to continue to operate would be subject to finding an alternative and affordable location from which to operate. The legal advice obtained by the co-operative indicates that Reverse Garbage Co-operative Ltd is in a strong position to negotiate a more affordable outcome.

Auditor's Independence Declaration Under Section 60-40 of the Australian Not-For-Profit Commission Act 2012 to the Board Member of Reverse Garbage Co-Operative

I declare that to the best of my knowledge and belief, in relation to the audit of Reverse Garbage Co-operative Ltd for the year ended 30 June 2017 there have been:

- i) no contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- ii) no contraventions of any applicable code of professional conduct in relation to the audit.

NOT-FOR PROFIT ACCOUNTING SPECIALISTS
38 Surrey Road
KESWICK SA 5035



Nicholas Matsis CPA
Registered Company Auditor No 77466

Dated: 7 November 2017

Auditor's Independence Declaration Under Section 60-40 of the Australian Not-For-Profit Commission Act 2012 to the Board Member of Reverse Garbage Co-Operative



38 Surrey Road, Keswick
South Australia 5035
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Independent Auditor's Report for Reverse Garbage Co-operative Ltd

Auditor's Opinion

We have audited the financial report, being a special purpose financial report, of Reverse Garbage Co-operative Ltd for the year ended 30 June 2017, comprising the statement of financial position, statement of comprehensive Income and statement of cash flows for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' Declaration.

In our opinion, the financial report of Reverse Garbage Co-operative Ltd has been prepared in accordance with the requirements of the Co-operatives (Adoption of National Law) Act 2012, and Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

- (a) giving a true and fair view of the registered entity's financial position as at 30 June 2017 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the entity in accordance with the independence requirements of the Australian Charities and Not-for-profits Commission Act 2012 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other responsibilities in accordance with the Code.

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

Information Other than the Financial Report and Auditor's Report Thereon

The responsible persons' of the entity is responsible for the other information. The other information comprises the information included in the entity's annual report for the year ended 30 June 2017, but does not include the financial report and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we will communicate the matter to the responsible persons'.



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Auditor's Independence Declaration Under Section 60-40 of the Australian Not-For-Profit Commission Act 2012 to the Board Member of Reverse Garbage Co-Operative

The Responsibility of the Responsible Persons' for the Financial Report

The responsible persons' of the entity are responsible for the preparation and fair presentation of the financial report, and have determined that the accounting policies used and described in Note 1 to the financial statements, which form part of the financial reports, are appropriate to meet the financial reporting requirements of the members, the Co-operatives (Adoption of National Law) Act 2012 and of the Australian Charities and Not-for-profits Commission Act 2012. The responsible persons' responsibility also includes such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Committee website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

Basis of Accounting and Restriction and Distribution of Use

Without modifying our opinion, we draw attention to the fact that the financial report is prepared to assist the Reverse Garbage Co-operative Ltd to comply with the financial reporting provisions of the Australian Charities and Not-for-profits Commission Act 2012 and the Co-operatives (Adoption of National Law) Act 2012. As a result, the financial report may not be suitable for another purpose.

Not for Profit Accounting Specialists

38 Surrey Rd
KESWICK SA 5035



Nicholas Matsis CPA
Registered Company Auditor No 77466

Dated: 7 November 2017



THANKYOU

There have been lots of great businesses, organisations and people that have helped make the 2016/17 year great!

We encourage members and others to support these businesses whenever they can:

The Friday Collective	Addison Road Children's Centre
Glow Worm Electric Bike Hire	Addison Road Community Centre
The Gasoline Pony	Alfalfa House
Cornersmith Cafe and Picklery	The Network of Community Activities
Hobo Gro	Drawn to Seeing
Petty Cash Cafe	Ethical Grocer
Cafe 2204	Willie the Boatman Craft Brewery
Manmaru Cafe	Paul Hinderer, Photographer
Inner West Council	Impact Enviro
The City of Sydney Council	The Bower
Common Cause Australia	IGA Dulwich Hill
Marrickville High School	Urchin Books
Dulwich High School of Visual Arts and Design	UDJ Design
Community Early Learning Australia (formerly CCCC)	Bull Ant Design
Ethnic Community Services Co-op	Palletable Furniture
	Jamestown Collective
	Village Whole Foods

Many thanks go to Jackie Hodson, Bull Ant Design who created the graphic design.



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