

SUMMARY FINANCIAL STATEMENTS

DRAGON COMMUNITY TRUST LIMITED

FOR THE YEAR ENDED 31 MARCH 2018

	2018	2017
SUMMARY STATEMENT OF FINANCIAL PERFORMANCE		
INCOME		
Gaming Machine Profits	8,530,859	6,265,173
Other Income	4,623	84,984
Total Income	8,535,482	6,350,157
EXPENDITURE		
Gaming Duty and Problem Gambling Levy	2,089,635	1,534,822
Venue Payments	1,364,175	944,750
Depreciation	553,498	430,512
Compliance & Regulatory Costs	293,927	258,016
Other Operating Costs	531,975	441,209
Interest Costs	67,560	43,590
Total Expenditure	4,900,770	3,652,899
Surplus for the period	3,634,712	2,697,258
Grants Paid	3,634,221	2,695,595
Net Surplus/(Deficit) for the Period	491	1,663
SUMMARY STATEMENT OF MOVEMENTS IN EQUITY		
Equity at Beginning of Year	62,218	60,555
Net Surplus/(Deficit) for the Period	491	1,663
Equity at End of Year	62,709	62,218
SUMMARY BALANCE SHEET		
Current Assets	380,714	358,187
Non-Current Assets	1,016,766	636,987
Total Assets	1,397,480	995,174
Current Liabilities	917,936	627,751
Non-Current Liabilities-Term Debt	416,835	305,205
Total Liabilities	1,334,771	932,956
Net Assets	62,709	62,218
Represented by:		
Shareholders Equity	62,709	62,218

SUMMARY FINANCIAL STATEMENTS

DRAGON COMMUNITY TRUST LIMITED FOR THE YEAR ENDED 31 MARCH 2018

BASIS OF PREPARATION

1. Basis of Preparation

These summary financial statements are for Dragon Community Trust Limited (the "Company") for the year ended 31 March 2018.

The summary financial statements are presented in New Zealand Dollars (NZD) rounded to the nearest dollar.

The comparative figures are for a period of twelve (12) months

The summary financial statements are presented in summary form and therefore do not give all information required by Generally Accepted Accounting Practice in New Zealand using PBE Accounting Standards (PBE IPSAS) Reduced Disclosure Regime. The Summary Financial Statements have been prepared in accordance with PBE FRS 43 Summary Financial Statements.

The full financial statements for the Company have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand using PBE Accounting Standards (PBE IPSAS) Reduced Disclosure Regime.

Due to the summarised nature, these summary financial statements cannot provide a full understanding of the financial performance and financial position of the Company. The understanding can only be obtained by reference to the annual financial statements of the Company which are available from the registered office.

2. Nature of Audit Opinion

The full financial statements for the years ended 31 March 2018 and 31 March 2017 have both been audited with unqualified audit opinions issued in respect of each.

3. Non-Current Assets

Non-current assets are made up of the following:

	2018	2017
Fixed Assets	<u>1,016,766</u>	<u>636,987</u>
	1,016,766	636,987

4. Term Debt

The term loans consists of 7 (2017: 5) separate loans from BNZ financed for 36 months. The interest rates range from 7.86% to 8.05% p.a (2017: 7.93% to 7.95% p.a) Finance is secured over gaming assets of the Company.

5. There are no capital commitments as at 31 March 2018 (2017: Nil).

6. At balance date there are no known contingent liabilities (2017: Nil).

The Directors authorised the publication of these Summary Financial Statements on 24 July 2018.

Approved on behalf of the board:



RSM Hayes Audit

PO Box 9588
Newmarket, Auckland 1149
Level 1, 1 Broadway
Newmarket, Auckland 1023

T +64 (9) 367 1656
www.rsmnz.co.nz

Report of the Independent Auditor on the Summary Financial Statements

To the Shareholders of Dragon Community Trust Limited

Opinion

The accompanying summary financial statements, which comprise the summary balance sheet as at 31 March 2018, the summary statement of financial performance, and summary statement of movements in equity for the year then ended, and related notes, are derived from the audited financial statements of Dragon Community Trust Limited for the year ended 31 March 2018.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with PBE FRS-43; *Summary Financial Statements* issued by the New Zealand Accounting Standards Board.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR"). Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

The Audited Financial Statements and Our Report thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 25 June 2018. That report also includes an Emphasis of Matter section that draws attention to the audited financial statements. The audited financial statements indicate that the Company will apply to the Department of Internal Affairs for renewal of the licence in the normal manner. The audited financial statements have been prepared on a going concern assumption. This assumes that the application to the Department of Internal Affairs for the renewal of the Class 4 Operator's and Venue license will be renewed to enable the Company to continue operation. The Directors are confident these licences will be renewed. The audited financial statements do not include any adjustments that would result should the Department of Internal Affairs not renew the Company's Class 4 Operator's and Venue licence.

The Board's Responsibility for the Summary Financial Statements

The directors are responsible on behalf of the entity for the preparation of the summary financial statements in accordance with PBE FRS-43: *Summary Financial Statements*.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (New Zealand) (ISA (NZ)) 810 (Revised), "*Engagements to Report on Summary Financial Statements*".

We have formatted the financial statements of Dragon Community Trust Limited to which our audit opinion relates, based on the trial balance and other records of Dragon Community Trust Limited. We were not involved in the compilation of those records or the entries they contain. The provision of this service has not impaired our independence as auditor of Dragon Community Trust Limited. Except in this regard, and other than in our capacity as auditor, the firm has no other relationship with, or interests in, Dragon Community Trust Limited.

Who we report to

This report is made solely to the shareholders, as a body. Our audit has been undertaken so that we might state to the shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the shareholders as a body, for our work, for this report, or for the opinions we have formed.



RSM Hayes Audit
Auckland

24 July 2018