

## SUMMARY FINANCIAL STATEMENTS

### THE NORTH AND SOUTH TRUST LIMITED

FOR THE YEAR ENDED 31 MARCH 2021

	31-Mar-21	31-Mar-20
	\$	\$
<b>SUMMARY STATEMENT OF FINANCIAL PERFORMANCE</b>		
<b>INCOME</b>		
Gaming Machine Profits	8,006,280	11,775,441
Other operating revenue	<u>343,398</u>	<u>337,153</u>
Total Income	8,349,678	12,112,594
<b>EXPENDITURE</b>		
Gaming Duty and Problem Gambling Levy	1,841,398	2,708,318
Venue Payments	1,213,189	1,816,931
Depreciation	908,190	1,080,575
Other expenses	31,979	63,032
Other Operating Costs	1,172,394	1,386,395
Finance costs	<u>22,908</u>	<u>48,363</u>
Total Expenditure	<u>5,190,058</u>	<u>7,103,613</u>
Surplus for the period	<u>3,159,621</u>	<u>5,008,981</u>
Less: Grants Paid	<u>2,755,402</u>	<u>4,876,163</u>
Other comprehensive revenue and expense	-	-
Total Comprehensive Revenue and Expense for the Year	<u>404,219</u>	<u>132,818</u>
<b>SUMMARY STATEMENT OF MOVEMENTS IN NET ASSETS / EQUITY</b>		
Net Assets / Equity at Beginning of Year	986,769	853,951
Total Comprehensive Revenue and Expense for the Year	<u>404,219</u>	<u>132,818</u>
Net Assets / Equity at End of Year	<u>1,390,987</u>	<u>986,769</u>

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### THE NORTH AND SOUTH TRUST LIMITED

FOR THE YEAR ENDED 31 MARCH 2020

#### SUMMARY BALANCE SHEET

Current Assets	1,321,802	76,080
Non-Current Assets	1,740,071	2,005,581
<b>Total Assets</b>	<b>3,061,873</b>	<b>2,081,661</b>
Current Liabilities	887,256	768,719
Non-Current Liabilities-Term Debt	783,630	326,175
<b>Total Liabilities</b>	<b>1,670,886</b>	<b>1,094,894</b>
<b>Net Assets</b>	<b>1,390,987</b>	<b>986,769</b>
Represented by:		
<b>Net Assets / Equity at End of Year</b>	<b>1,390,987</b>	<b>986,769</b>

#### SUMMARY STATEMENT OF CASH FLOWS

	31-Mar-21	31-Mar-20
Net cash flows from operating activities	753,166	1,168,492
Net cash flows from investing activities	(359,702)	(972,705)
Net cash flows from financing activities	614,186	(257,816)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1,007,650</b>	<b>(62,029)</b>
Cash and cash equivalents at 1 April	27,775	89,804
<b>Cash and cash equivalents at 31 March</b>	<b>1,035,425</b>	<b>27,775</b>

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### THE NORTH AND SOUTH TRUST LIMITED FOR THE YEAR ENDED 31 MARCH 2021

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#### BASIS OF PREPARATION

##### 1. Basis of Preparation

These summary financial statements are for The North and South Trust Limited (the "Company") for the year ended 31 March 2021.

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

The Company was incorporated in New Zealand on 10 February 2010 under the Companies Act 1993, and commenced trading from 7 December 2010 upon the issue of its Class 4 Operator's Licence by the Department of Internal Affairs under the Gambling Act 2003.

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 2021 and 31 March 2020 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:

	2021	2020
Property, plant and equipment	<u>1,740,071</u>	<u>2,005,581</u>

##### 4. Term Debt

The Term loans requires the Company to comply with certain covenants. The Company is required to generate Earnings Before Interest, Tax, Depreciation & Amortisation (EBITDA) that is 3.0 times more than the interest servicing costs and shareholder funds ratio of 40% to be maintained. As at 31 March 2021, the EBITDA is 58.2 times the interest servicing costs and shareholders funds ratio is 45%.

##### 5. Current Liability

Accounts payable	126,508	119,336
Accruals	39,095	30,710
Gaming duty payable	176,014	169,794
GST payable	129,727	185,353
Wage subsidy received in advance	-	21,089
Employee related liabilities	37,774	14,600
Loan facility	378,139	227,836
	<u>887,256</u>	<u>768,719</u>

6. At balance date there are no known contingent liabilities.

## SUMMARY FINANCIAL STATEMENTS

### THE NORTH AND SOUTH TRUST LIMITED FOR THE YEAR ENDED 31 MARCH 2021

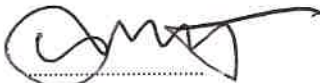
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7. As at balance date, the Company has a commitment to acquire assets for the Brass Boxer venue totaling \$170,000 which has been fully financed under a BNZ loan of \$464,000 (2020: \$Nil). \$260,367 has already been paid by the Company to purchase some gaming assets before the balance date which is shown as a capital work in progress on the statement of financial position.

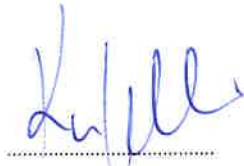
8. The directors are not aware of any other matters or circumstances since the end of the reporting period, not otherwise dealt with in these financial statements that have significantly or may significantly affect the operations of the Company (2020: \$Nil).

The Directors authorised the publication of these Summary Financial Statements on 23 June 2021.

Approved on behalf of the board:



Director



Director

# Report of the Independent Auditor on the Summary Financial Statements

## To the shareholders of The North and South Trust Limited

### Opinion

The accompanying summary financial statements, which comprise the summary balance sheet as at 31 March 2021, the summary statement of financial performance, summary cash flows and summary statement of movements in net assets / equity for the year then ended, and related notes, are derived from the audited financial statements of The North and South Trust Limited for the year ended 31 March 2021.

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 24 June 2021.

### 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*. Other than in our capacity as auditor we have no relationship with, or interests, in The North and South 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

**8 July 2021**