MILESTONE
Foundation

Milestone Foundation
Annual Report
1 July 2020 – 30 June 2021

Milestone Foundation Annual Report

1 July 2020 – 30 June 2021

Board of Directors

Milestone Foundation is governed by a Board of Directors. The Members of the Board are:

Yuan (Leon) Li | Chairman Yuan Li (also known as Leon Li) moved to New Zealand from China in 2004 with his wife and son. Leon had been a school teacher for 10 years prior to relocating to New Zealand. He has worked across a number of industries in a management capacity and developed his interest in consulting. Leon is now a licensed immigration adviser and registered financial adviser. Being a migrant himself, Leon has a keen interest in supporting the Asian community in need of funding for education and health care purposes.

Frank Wu | Director Frank moved to New Zealand in 2002 with his family. His working background is grocery retail management in Auckland and Northland Regions. Frank and his wife now operate a rest home in Auckland. Frank enjoys participating in community services. He joined the Lions Club and is now a member of the Lions Eden-Epsom Club.

Colin Cao | Director Colin moved to New Zealand in 1992 and started his working career in the health sector. Since 1993, Colin has worked within the printing industry and is today the Managing Director of a large printing company in Auckland. Colin has a keen interest in supporting the Asian community and is the Chairman of the New Zealand Jiangmen Chinese Association and Vice Chairman of Jiangmen City Returnee Overseas Chinese Association.

Our Venues

Milestone Foundation for this financial year has eight gaming venues operating in Auckland, Thames, Hamilton and Te Awamutu. The Board of Directors would like to thank our venues for their efforts in making our contribution to the community possible:

- Kopu Staton: corner State Highway 25 & 26, Kopu, RD 1, Thames
- Mr Wang's Bar: 244-256 Dominion Road, Mt Eden, Auckland 1024
- The Longkeeper: 249 King St, Pukekohe, Auckland
- Mt Richmond Hotel: 676 Mt Wellington Highway, Otahuhu, Auckland
- Peach & Porker: Corner Alexandra and Roche Streets, Te Awamutu
- Mad Dogs & Englishmen: 8/20 Link Drive, Wairau Valley, Auckland 0629
- Hillcrest Haven Bar & Eatery: 276 Cambridge Road, Hillcrest, Hamilton 3216
- Kung Fu Chef: 70G Grand Drive, Orewa, Auckland 0931

Authorised Purpose

Milestone Foundation Limited may make grants for any charitable purpose and any non-commercial purpose that is beneficial to the whole or a section of the community. Priority funding will be given to education, health and matters that promote and support the Asian culture.

The above authorised purpose includes (but is not limited to) providing grants for:

a. Increasing access to technology resources to educate and skill people at a primary and secondary level (e.g. the provision of computers and tablets in classrooms, electronic whiteboards, and Wi-Fi access at schools);

b. Scholarships and prizes for academic achievement (provided the students are selected in a fair and open manner, and are overseen by a recognised educational authority or school board, and provided that they are limited to primary and secondary level);

c. The provision of non-profit childcare and educational services for children;

d. Public health services including education, counselling and rehabilitation services;

e. Providing healthcare equipment to public hospitals and non-profit health clinics;

f. Relieving poverty through access to advice, support and assistance to recent immigrants to New Zealand including, without limitation:

> **i**. Counselling services;
>
> **ii**. Health information;
>
> **iii**. Mediations for family conflicts;
>
> **iv**. Visitation;
>
> **v**. Creating social networks; and
>
> **vi**. Providing assistance and support for other family members who provide care for such persons.

g. Guidance services aimed at enabling Asian immigrants to settle faster and take up their responsibilities as part of the New Zealand society and so eliminate the possibility of Asian immigrant families being dependant on government social assistance;

h. The provision of advice and training to Asian immigrants on access to job training and work experience;

i. The provision of training to assist unemployed Asian immigrants in gaining the confidence and initiative to handle themselves in all aspects of communication and job seeking;

j. The provision of education and training for the improvement of road safety, with a particular focus on recent Asian immigrants to New Zealand;

k. The promotion, planning, organising and running of non-profit events that celebrate or concern Asian culture;

l. Classes that teach Asian languages and culture;

m. Classes that teach the English language to new immigrants;

n. The provision of advice, assistance and information about Asian cultures;

o. Providing milk and breakfasts to decile one schools;

p. The promotion of health via encouraging participation in amateur sport, including participation in table tennis, badminton and soccer; and

q. The promotion of public amenities such as parks or museums.

Grants

GRANTS 1st July 2020 – 30th June 2021

Milestone Foundation granted $1,560,404.12 to local communities in the 12 months ending 30th June 2021.

Recipient	Amount
Auckland Rugby League Inc	$10,000.00
Cochlear Implant Foundation of New Zealand	$5,416.67
Te Awamutu Rugby Sports and Recreation Club Inc	$5,081.13
Auckland Observatory and Planetarium Trust "Stardome"	$3,000.00
NZ Korean Youth Community Trust	$7,320.00
North Shore Cricket Club Inc	$1,500.00
Pacific Culture and Arts Development Association Inc	$7,980.50
Coast Youth Community Trust Inc	$5,000.00
AttainAble Trust	$5,111.52
Chinese Association of West Auckland	$4,043.83
NZ Future Community Trust	$1,884.00
The Kids for Kids Charitable Trust	$5,000.00
A Better Chance Charitable Trust	$5,566.10
New Zealand Jiangmen-Wuyi Youth Association	$8,822.00
Pukekohe Metro Cricket Club Incorporated	$8,665.34
Silver Fern Motorsport Charitable Trust	$2,049.65
Mt Albert Tennis Club Inc	$4,600.00
Bowel Cancer New Zealand Inc	$4,840.00
Guangdong Universities Alumni Alliance of New Zealand Inc	$8,826.50
Upside Youth Mentoring Aotearoa	$4,480.00
Great Families Charitable Trust	$4,125.00
New Zealand Asian Sports Inc	$8,500.20
Surf Life Saving Northern Region	$4,215.60
Life Education Trust Counties Manukau	$16,923.07
New Asian Community Services Charitable Trust	$852.45
Ferguson Intermediate School BOT	$4,940.00
The Pukekohe High School Childcare Centre Society Incorporated	$9,346.80
Auckland Festival of Photography	$3,000.00
Asian Library Trust	$6,707.30
The Parkinson's NZ Charitable Trust	$8,512.00
Community Education Foundation Aotearoa NZ Trust	$10,000.00
Federation of NZ Cheongsam Association Inc	$15,000.00
Waikato Family Centre Trust	$6,552.00
Sir Douglas Bader Intermediate School BOT	$6,195.50
Stanhope Road School	$15,390.00
NZ Chinese Federation of Literary and Art Circles Inc	$5,000.20
Ferguson Intermediate School BOT	$4,756.00
Titirangi Badminton Club Inc	$5,600.00
Auckland Table Tennis Association Inc	$5,000.00

The Auckland District Kidney Society Inc	$5,000.00
Epsom Girls Grammar School	$3,880.00
Immune Deficiencies Foundation of New Zealand	$3,000.00
Milford Tennis Club Inc	$4,170.00
Moanataiari School	$5,000.00
Big Buddy Mentoring Trust	$2,906.89
Te Awamutu Imtermediate School	$19,246.96
Te Tamawai Trust T/A The Waterboy	$6,000.00
Dance Therapy NZ (Dance & Art Therapy NZ)	$1,911.75
BMX New Zealand Inc	$4,650.00
Great Potentials Foundation	$9,525.44
New Zealand Council of Victim Support Groups Inc	$4,923.08
The Auckland Children's Christmas Parade Trust	$30,710.00
Howick Pakuranga Cricket Club Inc	$2,000.00
Ronald McDonald House Charities New Zealand Trust	$10,000.00
Aotea Sport and Recreation Association Inc	$5,404.00
Asian Unity Incorporated	$13,081.94
ChildPlayWorks Charitable Trust	$4,000.00
Chinese Women Association of New Zealand Inc	$11,726.66
Athletics New Zealand Inc	$7,500.00
Auckland Observatory and Planetarium Trust "Stardome"	$2,000.00
Westlake Boys High School	$16,329.68
Children's Bible Ministries Inc	$2,558.00
Maungatautari Ecological Island Trust	$3,162.50
Ngatea Primary School	$1,950.00
New Asian Community Services Charitable Trust	$4,825.30
The Stroke Foundation of NZ Ltd	$8,834.40
Auckland Indian Sports Club Inc	$3,319.00
Surf Life Saving Northern Region	$10,308.00
Pukekohe Lawn Tennis Club	$3,280.00
Great Families Charitable Trust	$3,600.00
CNSST Foundation (Chinese New Settlers Services Trust)	$11,588.00
East Coast Bays' and Districts Cricket Club Inc.	$6,000.00
Auckland Basketball Services Ltd	$10,741.00
Supreme Sikh Society of New Zealand	$20,200.00
Supreme Sikh Society of New Zealand	$20,000.00
Counselling Services Centre	$5,100.00
Christians Against Poverty New Zealand	$2,298.49
Cure Kids	$6,700.00
RC Bishop of the Diocese of Hamilton	$4,189.00
The Eden Park Trust	$5,000.00
Southern Cross Community Association Inc	$11,500.00
John Walker Find Your Field of Dreams Foundation	$15,000.00
Blue Light Ventures Inc	$8,442.00
Heart Kids New Zealand Inc	$6,000.00
Auckland Sexual Abuse Help Foundation Charitable Trust	$7,902.54

Te Puru Primary School	$5,439.10
Upside Youth Mentoring Aotearoa	$8,960.00
Parent and Family Resource Centre Inc (T/A Disability Connect)	$779.81
The National Heart Foundation of New Zealand	$11,160.00
Great Families Charitable Trust	$6,580.00
BMX New Zealand Inc	$9,758.00
Recreate NZ	$4,826.10
Waikato Community Hospice Trust	$17,720.00
Home and Family Counselling Inc	$7,000.00
Waitakere Youth Basketball Association Inc	$5,900.00
Synergy Community Trust	$7,027.54
Hannah Sport and Culture Association Inc	$19,435.00
Ferguson Intermediate School BOT	$4,146.85
Greenhithe Tennis Club Inc	$782.00
Sir Douglas Bader Intermediate School BOT	$3,953.37
A Better Chance Charitable Trust	$2,000.00
Harbour Hospice Trust	$5,000.00
New Zealand Sikh Games Inc	$20,000.00
New Zealand Sikh Games Inc	$24,000.00
Epsom Girls Grammar School	$4,256.75
The Mt Albert Tennis Club	$5,613.75
Asthma New Zealand Inc	$10,000.00
Epilepsy Association of New Zealand	$8,568.00
Auckland Festival of Photography	$4,000.00
Auckland Table Tennis Association Inc	$8,257.60
Te Awamutu Rugby Sports and Recreation Club Inc	$3,131.54
Te Ha Ora The Asthma and Respiratory Foundation Charitable Trust	$4,957.70
Auckland & District Pipe Band Inc	$3,800.00
New Lynn Tennis, Sport and Social Club Inc	$2,599.00
One Tree Hill College	$1,500.00
Leukaemia & Blood Cancer New Zealand	$10,843.20
Albany Badminton Club Inc	$8,726.00
Sunset Beach Lifeguard Service Inc	$3,652.00
Surf Life Saving Northern Region	$15,462.00
New Zealand Jiangmen-Wuyi Youth Association	$8,885.00
Tangaroa College BOT	$10,000.00
The Actor's Program	$1,000.00
Coast Youth Community Trust Inc	$2,500.00
The Friendship House Trust	$3,500.00
A Better Chance Charitable Trust	$6,402.06
Attainable Trust	$5,000.00
Auckland Observatory and Planetarium Trust "Stardome"	$3,000.00
Child Cancer Foundation Inc	$10,000.00
Amitabha Hospice Service Trust	$9,012.50
Waikato Family Centre Trust	$9,945.00
The Hibiscus Coast Raiders Rugby League & Sports Club Inc.	$2,000.00

Chinese Women Association of New Zealand Inc	$25,000.00
Auckland Rugby League lnc	$10,000.00
Royal New Zealand Plunket Trust	$3,500.00
The Operating Theatre Trust T/A Tim Bray Theatre Company	$3,826.24
Aotea Sport and Recreation Association Inc	$7,276.00
Royal New Zealand Foundation of the Blind Inc.	$9,000.00
NZ Future Community Trust	$1,920.00
Chinese Star Sports Association Inc	$10,463.70
Wellbeing Collective Incorporated Charity	$12,960.00
Auckland Si Hai Badminton Club	$9,365.00
The Eden Park Trust	$5,000.00
The Hubei Association of New Zealand	$8,208.00
Western Springs Association Football Club	$2,367.00
Surf Life Saving Northern Region	$1,517.00
New Asian Community Services Charitable Trust	$4,543.90
Proact Badminton Association Inc	$11,775.00
Albany Badminton Club Inc	$7,641.74
New Zealand Wu Style Tai Chi Association Inc	$2,460.24
Brain Injury Waikato Inc	$3,000.00
Zeal Education Trust	$4,230.77
Auckland Indian Sports Club Inc	$2,437.50
Franklin United Football Club	$3,000.00
The Stroke Foundation of NZ Ltd	$3,079.62
Anxiety New Zealand Trust	$3,333.00
Auckland United Football Club Inc	$5,000.00
Hamilton BMX Club Inc	$24,000.00
New Zealand Council of Victim Support Groups Inc	$5,046.15
Waitakere Youth Basketball Association Inc	$5,900.00
Hannah Sport and Culture Association Inc	$19,435.00
Auckland Community Service Centre	$15,230.20
Aphasianz Charitable Trust	$5,400.00
Great Families Charitable Trust	$4,125.00
Auckland Badminton Association Inc	$20,000.00
Waikato Community Broadcasting Charitable Trust (T/A Free FM)	$3,111.30
New Zealand Internal Energy and Health Preservation Association	$7,130.43
Matamata Golf Club Inc	$10,000.00
Guangdong Universities Alumni Alliance of New Zealand Inc	$9,447.50
Chinese Women Association of New Zealand Inc	$7,400.00
NZ Wellness and Recreation Association Inc	$7,378.96
One Tree Hill College	$7,000.00
Access Community Radio Auckland Inc (T/A Planet FM)	$10,000.00
Sunset Beach Lifeguard Service Inc	$3,743.40
Paterangi School	$4,440.00
NZ Future Community Trust	$5,672.50
New Zealand Institute of Chinese Calligraphy and Painting	$13,767.00
Auckland Grammar School	$2,000.00

Recreate NZ	$1,826.09
Cystic Fibrosis Association of New Zealand	$3,000.00
Panmure Chinese Association Inc	$5,000.00
New Zealand Asian Sports Inc	$9,828.00
Parent and Family Resource Centre Inc (T/A Disability Connect)	$697.39
Remuera Chinese Association Inc	$6,742.50
Stanhope Road School	$12,480.00
A Better Chance Charitable Trust	$1,976.52
Sir Douglas Bader Intermediate School BOT	$3,615.63
Auckland Whau Chinese Association Inc	$9,565.70
New Lynn Tennis, Sport and Social Club Inc	$2,505.50
Pukekohe Intermediate School BOT	$2,500.00
Thames Squash Rackets Club Inc	$1,000.00
New Zealand Wu Style Tai Chi Association Inc	$1,040.00
NZ Chinese Photography Association Inc	$6,412.50
Knox Home Trust (Elizabeth Knox Home and Hospital)	$10,000.00
New Asian Community Services Charitable Trust	$5,697.75
Federation of NZ Cheongsam Association Inc	$7,062.30
National Foundation for Deaf & Hard of Hearing	$7,306.71
New Zealand Friendship for Peace Association	$5,980.00
Chinese Women Association of New Zealand Inc	$4,500.00
Pacific Culture and Arts Development Association Inc	$7,192.21
Chinese Women Association of New Zealand Inc	$4,913.04
New Zealand Confucian Association Inc	$9,972.00
Te Awamutu Rugby Sports and Recreation Club Inc	$2,944.77
Children 1st Charitable Trust	$4,500.00
Auckland Asian Youth Art Centre Inc	$7,862.00
Auckland Observatory and Planetarium Trust "Stardome"	$3,000.00
Harbour Hospice Trust	$5,000.00
NZ Overseas Chinese Union Inc	$5,295.00
Howick Pakuranga Cricket Club Inc	$5,390.00
Ferguson Intermediate School BOT	$3,250.00
Sir Douglas Bader Intermediate School BOT	$4,750.00
Cloud Dragon Society of NZ Inc	$7,998.00
Age Concern Auckland Inc	$3,353.00
Counselling Services Centre	$2,040.00
Auckland Si Hai Badminton Club	$5,850.00
Ace Sports Inc	$9,042.00
Federation of NZ Cheongsam Association Inc	$3,000.00
The Operating Theatre Trust T/A Tim Bray Theatre Company	$5,302.50
NZ AIDS Foundation	$10,000.00
New Zealand & China Association	$18,860.00
Autism Eden Trust	$12,606.30
Able Music Charitable Trust	$1,035.00
Angel Golf Foundation Charitable Trust	$4,550.00
Ohaupo School	$16,481.70

Milestone Foundation Declined Applications: 1 July 2020 – 30 June 2021

Parawai School
Thames Squash Rackets Club Inc
Epsom Girls Grammar School
Auckland Indian Sports Club Inc
Cambridge Racquets Club Incorporated
Supreme Sikh Society of New Zealand
Ngatea Primary School
Mobility Assistance Dogs Trust
CNSST Foundation (Chinese New Settlers Services Trust)
Maungatautari Ecological Island Trust
Ronald McDonald House Charities New Zealand Trust
Auckland Golf Inc
Japan Kauri Education Trust
Auckland Environment Protection Association Incorporated
Howick Pakuranga Cricket Club Inc
Auckland Table Tennis Association Inc
Epsom Girls Grammar School
Western Springs Association Football Club
Counties Manukau Cricket Association
National Heart Foundation of NZ
Diabetes NZ- Auckland Branch
Pukekohe Lawn Tennis Club
Bridge of Love Association Inc
Eden-Roskill District Cricket Club
Anxiety New Zealadn Trust
Mt Albert Ramblers Softball Club
St Josephs Primary Netball Club
Parawai School
Waitakere United Inc.
Kihikihi Bowling Club Inc.
Thames South School
Cambridge Road Community Kindergarten Inc
Wanderers Sports Club (Hamilton) Inc
Mt Albert Ramblers Softball Club
NZ Future Community Trust
Howick Pakuranga Cricket Club Inc
Pukekohe High School Childcare Centre
Waikato Clay Target Club Inc
Amped4Life Trust
Coast Youth Community Trust Inc
Central City Baseball Club Inc
South Auckland Rangers AFC
St Josephs Primary Netball Club
New Zealand China Education Development Association
Parent to Parent NZ Inc

Central Netz Indoor Netball Club
Cambridge Road Community Kindergarten Inc
Mt Albert Ramblers Softball Club
Amped4Life Trust
Waiata-Epsom Tennis Club Inc
Eden-Roskill District Cricket Club
Te Tamawai Trust T/A The Waterboy
Upside Youth Mentoring Aotearoa
Milford Tennis Club Inc
Howick Pakuranga Cricket Club Inc
Great Families Charitable Trust
Barnardos New Zealand Inc
YMCA North Inc
Chinese association of North Shore City Inc
Ronald McDonald House Charities New Zealand Trust
Ellerslie Association Football Club Inc
Epsom Girls Grammar School
Takapuna City Association Football Club Inc
Metro Mt Albert Sports Club Inc
John Walker Find Your Field of Dreams Foundation
Epsom Girls Grammar School
New Zealand China Education Development Association
Chinese Women Association of New Zealand Inc
Surf Life Saving Northern Region
Upside Youth Mentoring Aotearoa
Athletics New Zealand Inc
Howick Pakuranga Cricket Club Inc
Melville Association Football Club Inc
Surf Life Saving Northern Region
Takapuna City Association Football Club Inc
Auckland Table Tennis Association Inc
Make-A-Wish Foundation of New Zealand Trust
Auckland Observatory and Planetarium Trust "Stardome"
Epsom Girls Grammar School
Eden-Roskill District Cricket Club
North Shore Squash Rackets Club Inc
Family Works, Presbyterian Support (Northern)
BMX New Zealand Inc
The Eden Park Trust
New Zealand Friendship for Peace Association
The Auckland Women's Centre Inc
Waikato Clay Target Club Inc
Pukekohe Rugby Football Club Inc
Bowel Cancer New Zealand Inc
NZ Overseas Chinese Culture & Arts Centre Inc
John Walker Find Your Field of Dreams Foundation

WanderSearch Auckland Charitable Trust
Community Approach Trust
Youthline Auckland Charitable Trust
Te Tamawai Trust T/A The Waterboy
Graeme Dingle Foundation Auckland
Surf Life Saving Northern Region
Life Education Trust Counties Manukau
Epsom Girls Grammar School
North Shore Squash Rackets Club Inc
Great Families Charitable Trust
Waikato Community Hospice Trust
Metro Mt Albert Sports Club Inc
Te Waipuna Puawai Mercy Oasis Ltd
Marist Auckland Water Polo Club Inc
Auckland Indian Sports Club Inc
The Eden Park Trust
Surf Life Saving Northern Region
BMX New Zealand Inc
Family Success Matters
Milford Bowling Club
Punjab Lions Sports & Cultural Club NZ Inc
New Zealand Sikh Games Inc
Sikh Warriors Sports Club Inc
Sikh Warriors Sports Club Inc
Papamoa Sikh Temple NZ Charitable Trust
East Coast Boys Association Football Club
Auckland Table Tennis Association Inc
Thames South School
Epsom Girls Grammar School
Great Families Charitable Trust
Auckland Community Service Centre
Auckland Basketball Services Ltd
NZ Overseas Chinese Culture & Arts Centre Inc
CNSST Foundation (Chinese New Settlers Services Trust)
United Multicultural Trust

MILESTONE FOUNDATION LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

MILESTONE FOUNDATION LIMITED

CONTENTS OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

Title Page	
Table of Contents	
Directory	Page 1
Directors' Report and Statement of Responsibility for Financial Statements	Page 2
Independent Auditor's Report	Page 3 - 4
Statement of Comprehensive Revenue and Expense	Page 5 - 6
Statement of Changes in Net Assets / Equity	Page 7
Statement of Financial Position	Page 8 - 9
Statement of Cash Flows	Page 10
Notes to the Financial Statements	Page 11 - 18

MILESTONE FOUNDATION LIMITED

DIRECTORY
AS AT 30 JUNE 2021

Nature of Business	The Company raises funds through the operation of gaming machines to distribute to the community groups with priority funding given to education, health and matters that promote and support Asian culture.
Incorporation Number	5229541
Directors	Yuan (Leon) Li (Chairperson) Quanie (Frank) Wu Colin Cao
Bankers	BNZ Hamilton Branch Hamilton
Solicitor	True Legal Limited Specialist Legal Advisor Hamilton
Auditor	RSM Hayes Audit Level 1 1, Broadway, Newmarket Auckland 1023

MILESTONE FOUNDATION LIMITED

DIRECTORS' REPORT AND STATEMENT OF RESPONSIBILITY FOR THE YEAR ENDED 30 JUNE 2021

Directors' Report

The Directors of Milestone Foundation Limited ("the Company") present this Annual Report, being the financial statements of the Company for the financial year ended 30 June 2021, and the independent auditor's report thereon.

The shareholders of the Company have exercised their right under section 211(3) of the Companies Act 1993, whereby pursuant to a decision of the shareholders of the Company who together hold at least 95% of the voting shares, they have agreed not to comply with the paragraphs (a) and (e) to (j) of section 211(1) of the Act.

Statement of Responsibility

The Directors are responsible for the maintenance of adequate accounting records and the preparation and integrity of the financial statements and related information.

The independent external auditors, RSM Hayes Audit, have audited the financial statements and their report appears on pages 3 to 4.

The Directors are also responsible for the systems of internal control. These are designed to provide reasonable but not absolute assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability for assets, and to prevent and detect material misstatements.

Appropriate systems of internal control have been employed to ensure that all transactions have been executed in accordance with authority and correctly processed and accounted for in the financial records. The systems are implemented and monitored by suitably trained personnel with an appropriate segregation of authority and duties. Nothing has come to the attention of the Directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The financial statements are prepared on a going concern basis. Nothing has come to the attention of the Directors to indicate that the Company will not remain a going concern in the foreseeable future.

In the opinion of the Directors:

- the statement of comprehensive revenue and expense is drawn up so as to present fairly, in all material respects, the financial result of the Company for the financial year ended 30 June 2021;

- the statement of financial position is drawn up so as to present fairly, in all material respects, the state of affairs of the Company as at 30 June 2021;

- the statement of cash flows is drawn up so as to present fairly, in all material respects, the cash flows of the Company for the financial year ended 30 June 2021;

For and on behalf of the Directors:

Chairperson

20/09/2021
Date

Director

20/09/2021
Date

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

Independent Auditor's Report

To the Directors of Milestone Foundation Limited

Opinion

We have audited the financial statements of Milestone Foundation Limited (the "Company"), which comprise:

- the statement of financial position as at 30 June 2021;
- the statement of comprehensive revenue and expenses for the year then ended;
- the statement of changes in net assets/equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies.

In our opinion, the accompanying financial statements on pages 5 to 18 present fairly, in all material respects, the financial position of Milestone Foundation Limited as at 30 June 2021, and its financial performance and its cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We are independent of the company in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Other than in our capacity as auditor we have no relationship with, or interests, in Milestone Foundation Limited.

Other information

The directors are responsible for the other information. The other information comprises the Company directory and Directors' report and statement of responsibility on page 1 and 2 (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RSM Hayes Audit is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

Responsibilities of the directors for the financial statements

The directors are responsible, on behalf of the Company, for the preparation and fair presentation of the financial statements in accordance with Public Benefit Entity Standards Reduced Disclosure Regime, and for such internal control as those charged with governance determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible, on behalf of the Company, for assessing Company'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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 ISAs (NZ) 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 decisions of users taken on the basis of these financial statements. A further description of the auditor's responsibilities for the audit of the financial statements is located at the XRB's website at:

https://xrb.govt.nz/Site/Auditing_Assurance_Standards/Current_Standards/Page8.aspx

Who we report to

This report is made solely to the directors, 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

RSM Hayes Audit
Auckland

20 September 2021

MILESTONE FOUNDATION LIMITED

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE
FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021	2020
Revenue			
Gaming Machine Proceeds (Exchange transactions)		6,177,569	4,441,121
Total Revenue		**6,177,569**	**4,441,121**
Interest Received		-	37
Total Income		**6,177,569**	**4,441,158**
Expenses			
Accounting Fees		36,500	33,850
Advertising & Promotion		-	12,618
Audit Fees		9,113	7,800
Bank Fees & Charges		1,596	1,698
CITO Consumables and Fees		5,310	5,774
Computer Expenses		16,080	10,607
Depreciation	**2, 7**	490,737	396,498
Directors Fees	**11**	94,250	68,500
EMS Expenses		54,570	44,453
Gaming Machine Duty		1,428,219	1,013,955
General Expenses		4,104	36
Insurance		22,440	15,338
Interest Expense		62,183	57,057
Legal expenses		10,279	1,770
Licencing Expenses		76,471	74,417
(Gain) / Loss on Disposal of Fixed Assets	**7**	(24,096)	29,730
Management Fees		133,500	128,958
Printing & Stationery		1,740	331
Problem Gambling Levy		60,811	39,544
Repairs & Maintenance - General		46,115	35,616
Repairs and Maintenance - Service Contract		72,160	58,223
Storage of Equipment		553	455
Subscriptions		10,726	3,240
Telephone & Tolls		1,888	5,060
Travel and Accommodation		5,620	3,100
Venue Payment		987,689	707,365
Training		1,284	-
Total Expenses		**3,609,841**	**2,755,990**
Surplus for the period before grant distributions		**2,567,728**	**1,685,168**

The attached notes to the financial statements form part of and should be read in conjunction with the financial statements.

MILESTONE FOUNDATION LIMITED

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE
FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021	2020
Grant Distributions			
Grant Distributions		1,560,404	1,685,699
Less Grants Returned - Current Year		(101,214)	(51,199)
Less Grants Returned - Previous Year		-	(51,010)
Total Grants For The Year		**1,459,190**	**1,583,491**
Net Surplus for the Period		**1,108,537**	**101,678**
Other Comprehensive Income		-	-
Total Comprehensive Income for the Period		**1,108,537**	**101,678**

The attached notes to the financial statements form part of and should be read in conjunction with the financial statements.

MILESTONE FOUNDATION LIMITED

STATEMENT OF CHANGES IN NET ASSETS / EQUITY
FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 $	2020 $
Balances as at 1 July 2020		**178,402**	**76,726**
Total comprehensive revenue and expense for the year		1,108,537	101,678
Balances as at 30 June 2021	**8**	**1,286,940**	**178,402**

The attached notes to the financial statements form part of and should be read in conjunction with the financial statements.

MILESTONE FOUNDATION LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	Note	2021	2020
Current assets		$	$
Cash and cash equivalents	**3**	866,187	218,886
Trade and other receivables	**4**	162,808	160,853
Prepayments		35,500	26,057
Total current assets		**1,064,495**	**405,796**
Non-current assets			
Plant and equipment	**7**	1,530,431	1,270,483
Total non-current assets		**1,530,431**	**1,270,483**
Total Assets		**2,594,925**	**1,676,279**
Current liabilities			
Trade and other payables	**5**	234,499	465,586
GST payable		127,084	49,559
Borrowings	**6**	570,912	476,835
Total current liabilities		**932,495**	**991,980**
Non-current liabilities			
Borrowings	**6**	375,488	505,896
Total non-current liabilities		**375,488**	**505,896**
Total Liabilities		**1,307,983**	**1,497,875**
Total net assets		**1,286,940**	**178,402**

The attached notes to the financial statements form part of and should be read in conjunction with the financial statements.

MILESTONE FOUNDATION LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	Note	2021	2020
Net Assets			
Accumulated comprehensive revenue and expense		1,286,940	178,402
Total net assets / equity	**8**	**1,286,940**	**178,402**

For and on behalf of the Company:

Director	20/09/2021 **Date**
Director	20/09/2021 **Date**

The attached notes to the financial statements form part of and should be read in conjunction with the financial statements.

MILESTONE FOUNDATION LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021	2020
Cash flows from operating activities		$	$
Cash was received from:			
Gaming machine proceeds		6,195,613	4,374,760
Interest Received		-	37
Net GST received / (paid)		77,526	(30,798)
		6,273,139	4,343,999
Cash was applied to:			
Payments to suppliers		(3,321,547)	(1,985,493)
Grants to the community		(1,479,190)	(1,583,491)
Interest paid		(62,183)	(57,057)
		(4,862,920)	(3,626,041)
Net cash flows from operating activities		**1,410,219**	**717,958**
Cash flows from investing activities			
Cash was received from:			
Proceeds from sale of property plant and equipment		188,002	2,446
		188,002	2,446
Cash was applied to:			
Purchase of property, plant and equipment		(914,590)	(890,605)
		(914,590)	(890,605)
Net cash flow from investing activities		**(726,588)**	**(888,160)**
Cash flows from financing activities			
Cash was received from:			
Proceeds from draw down of loans		516,941	535,533
		516,941	535,533
Cash was applied to:			
Repayment of Borrowings		(553,271)	(235,165)
		(553,271)	(235,165)
Net cash flow from financing activities		**(36,330)**	**300,368**
Net increase/(decrease) in cash and cash equivalents		**647,301**	**130,166**
Cash and cash equivalents at the beginning of the period		218,886	88,720
Cash and cash equivalents at the end of the period	**3**	**866,187**	**218,886**

The attached notes to the financial statements form part of and should be read in conjunction with the financial statements.

MILESTONE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

1. Statement of accounting policies

Reporting entity

Milestone Foundation Limited is a registered Company incorporated under the Companies Act 1993. The Company is licensed to operate gaming machines by the Department of Internal Affairs, licence number 80003896. The Company raises funds through the operation of gaming machines to distribute to the community groups with priority funding given to education, health and matters that promote and support Asian culture.

Milestone Foundation Limited is a public benefit entity for the purposes of financial reporting in accordance with the Financial Reporting Act (2013).

Basis of preparation

Statement of compliance

The financial statements comply with generally accepted accounting practice in New Zealand ("NZ GAAP"). The primary objective of the Company is to apply all of its net proceeds as grants in the application of its Authorised Purpose as per the Gambling (class 4 net proceeds) Regulations 2004. As such the Company is a public benefit entity for the purpose of complying with NZ GAAP. The financial statements of the Company comply with Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") for Tier 2 entities issued by the New Zealand External Reporting Board (XRB) and disclosure concessions have been applied. The Company is eligible to report in accordance with PBE Standards RDR because it does not have public accountability and is not large. All reduced disclosure regime exemptions have been adopted. This decision results in the Company not preparing a Statement of Service Performance for both reporting periods. The financial statements for the Company are for the year ended 30 June 2021, and were approved by the Board as stated in page 8.

The Company has elected to report as a Tier 2 reporting entity.

These financial statements are for the year ended 30 June 2021.

The comparative figures are for a 12 month period.

The financial statements have been prepared on the basis of historical cost.

The financial statements are presented in New Zealand dollars (NZ$) rounded to the nearest dollar.

Significant accounting policies

The following specific accounting policies have been adopted in the preparation and presentation of the financial statements.

Significant judgements and assumptions

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts represented in the financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of the estimates . Actual results in the future could differ from these estimates. Estimates and underlying assumptions are reviewed on an on going basis. Revisions to accounting estimates are recognised in the period in which estimates are revised and in any future periods affected.

a) Judgements
In the process of applying the Company's accounting policies, management has made the following judgements,

Classification of non-financial assets as cash generating assets or non-cash-generating assets
For the purpose of assessing impairment indicators and impairment testing, the Company classifies non-financial assets as either cash-generating or non-cash-generating assets. The Company classifies a non-financial asset as a cash-generating asset if the primary objective of the asset is to generate commercial return. All other assets are classified as non-cash-generating assets.

b) Assumptions and estimation uncertainties
The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Significant judgements and assumptions(Con't)

Useful lives and residual values
The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- The condition of the asset based on the assessment of Directors of The Company
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset

Revenue from exchange transactions

Revenue is recognised to the extent that it is probable that economic benefits or service potential will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

The specific recognition criteria described below must also be met before revenue is recognised.

Interest revenue

For all financial instruments measured at amortised cost and interest-bearing financial assets classified as available-for-sale, interst income is recorded using the effective interest rate. Effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest revenue is included in finance income in the statement of comprehensive revenue and expense.

Gaming machine revenue

Revenue shown in the Statement of Comprehensive Income and Expense comprise the amounts received and receivable for gaming services supplied to customers in the ordinary course of business. Revenue recognised in relation to the gaming proceeds is recognised on a daily basis. Gaming profits represent the net win to the Company from gaming activities, being the difference betrween the amounts wagered and amounts won by gaming patrons.

Grant distribution

Grants are accounted for at the time the Grant Approval Letters are sent to the recipients which creates a constructive obligation. Payment comprises approval by the Directors that the grant is for an 'authorised purpose' as defined under the Gambling Act 2003. In the event that grants are not used for their authorised purpose they are returned to the Company.

Finance expenses

Interest payable on borrowings is recognised on the accrual basis and calculated using the effective interest rate method.

Income tax

The Company is exempt from income tax in accordance with section CW48 of the (New Zealand) Income Tax Act 2007. The Act provides an exemption for gaming machine income of licensed operators provided all distributions are made in accordance with the Gambling Act 2003. Accordingly, all surpluses are distributed as grants in accordance with the Company's Authorised Purpose statement as approved by Department of Internal Affairs.

Plant and equipment

Items of plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Where material parts of an item of plant and equipment have different useful lives, they are accounted for as separate items of plant and equipment. Subsequent costs are added to the carrying amount of an item of plant and equipment when the cost is incurred if it is probable that the future economic benefits embodied within the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced component is derecognised. All other costs are recognised in profit or loss as an expense when incurred.

Depreciation

Depreciation is calculated so as to write off the cost of plant and equipment, less any assigned residual value, over the expected useful economic lives of the assets concerned.

The depreciation rates applied to each class of the assets for the current and prior year are as follows:

Gaming machines	SL	24.0%
Gaming machines - conversions	DV	40.0%
Ancillary gaming equipment	SL	6.0% to 40.0%
Ancillary gaming equipment	DV	13.0% to 67.0%
Furniture & fittings	SL	33.0%

The useful lives, depreciation methods and residual values of assets is reassessed annually.

Financial instruments

Financial instruments are recognised in the Statement of Financial Position initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition financial instruments are measured as described below. A financial instrument is recognised when the Company becomes a party to the contractual provisions of the financial instrument. Financial assets are derecogn ised if the Company's contractual rights to the cash flows from the financial assets expire or if the Company transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Financial liabilities are derecognised if the Company's obligations specified in the contract expire or are discharged or cancelled.

Financial assets and liabilities are offset and the net amount presented in the Statement of Financial Position when , and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously .

Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents (including bank overdrafts), interest-bear ing loans and borrowings, related party receivables and payables and trade and other payables.

Loans and receivables

Loans and receivables, which consist of trade and other receivables and related party receivables, are subsequently measured at amortised cost, using the effective interest method, less impairment losses. Trade receivables of a short-term nature are not discounted.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value and bank overdrafts.

Liabilities at amortised cost

Liabilities at amortised cost, which consist of trade and other payables, related party payables and interest-bearing loans and borrowings, are measured at amortised cost, using the effective interest method . Trade payables of a short-term nature are not discounted.

Impairment of assets

Financial assets

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar characteristics . In assessing collective impairment the Company uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. Receivables with a short duration are not discounted. For trade receivables, significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy, and default in payments are considered indicators that the receivable is impaired.

All impairment losses are recognised in surplus or deficit and reflected in an allowance account against receivables.

Bad debts are written off in the period in which they are identified and authorised by the Directors as non recoverable .

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost the reversal is recognised in surplus or deficit.

Non-financial assets

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any objective evidence of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses directly reduce the carrying amount of assets and are recognised in surplus or deficit.

The estimated recoverable amount of non-financial assets is the greater of their fair value less costs to sell and value in use. Value in use is determined by estimating future cash flows from the use and ultimate disposal of the asset and discounting these to their present value using a pre-tax discount rate that reflects current market rates and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

A cash-generating unit is the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of the other assets or groups of assets.

Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of assets in the unit on a pro rata basis.

Impairment losses are reversed when there is a change in the estimates used to determ ine the recoverable amount and there is an indication that the impairment loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined , net of depreciation, if no impairment loss had been recognised. All impairment losses are reversed through surplus or deficit.

Equity

Equity is the community's interest in the Company measured as the difference between total assets and total liabilities. Equity is made up of the following component:

Accumulated comprehensive revenue and expense
Accumulated comprehensive revenue and expense is the Company's accumulated surplus or deficit since the formation of the Company adjusted for transfers to/from specific reserves.

Distributions to the Community

Distributions to the Community are recorded as an appropriation of the surplus for the year.

Net surplus generated by the Company is to be paid out in accordance with the Gambling (Class 4 Net Proceeds) Regulations 2004. The regulation stipulates that all or nearly all net surplus must be distributed during the financial year and any remainder of net surplus within 3 months after the end of each of its financial years. In addition, the Company is expected to generate net surplus equal to 40% of its GST exclusive gross receipts in each financial year.

For the current financial year the Company has generated net surplus equal to 37.94% of its GST exclusive gross receipts (2020: 41.57%). All net surplus generated from last financial year has been distributed in the current year.

Payment requires approval by the Board of Directors that the recipient has requested the donation for an "authorised purpose" as defined by the Gambling Act 2003.

Regulatory Relief Due to Covid-19 for FY2021

On 1 Jul 2020, a new regulation (11A) made under section 114 of the Gambling Act was established to improve the liquidity to retain an amount of gross proceeds up to a maximum of 1.5:1 ratio of current assets to current liabilities used as cash reserverse only. This is only a temporary measure which only lasts till the end of FY2021. As at 30 Jun 2021, Milestone has a current ratio of 1.12 which is below the maximum threshold.

Regulations 10(1) and 11 of the Gambling (Class 4 Net Proceeds) Regulations 2004 (Net Proceeds Regulations) have been suspended for each society's 2020 and 2021 financial years. This means that societies which are unable to meet the minimum rate of return to the community (i.e. equivalent to 40 per cent of a society's gross proceeds), will not be penalised for the 2020 and 2021 financial years. As at 30 Jun 2021, Milestone's % of total proceeds distributed in FY2021 is 23.94%.

Goods and services tax (GST)

The financial statements have been prepared on a GST exclusive basis with the exception of receivables and payables which are stated inclusive of GST.

Statement of cash flows

For the purpose of the statement of cash flows, cash and cash equivalents include cash on hand and in banks and investments, net of outstanding bank overdrafts. The following terms are used in the statement of cash flows;

- operating activities are the principal revenue producing activities of the Company and other activities that are not financing or investing; and

- investing activities are the acquisition and disposal of long term assets and other investments not included in cash equivalents;

- financing activities are activities that result in changes in the size and composition of the contributed equity and borrowings of the entity.

Changes in Accounting Policies

There have been no changes in Accounting Policies. All policies have been applied on a basis consistent with those applied in previous years.

2. Depreciation		**2021**	**2020**
		$	**$**
Gaming Machines		157,576	260,314
Ancillary equipment		287,754	104,516
Furniture and fittings		45,407	31,668
Total	**7**	**490,737**	**396,498**

3. Cash and cash equivalents	**2021**	**2020**
	$	**$**
BNZ bank accounts	866,187	218,886
Total	**866,187**	**218,886**

There is no overdraft facility on the bank account. Bank balances are on call and the interest received on bank balances at 0.10% (2020: 0.10%).

4. Trade and other receivables	**2021**	**2020**
	$	**$**
Trade receivables (from exchange transactions)	142,808	160,853
Grants refund receivable	20,000	-
Total	**162,808**	**160,853**

Trade receivables generally have terms of 5 days and are interest free. Trade receivables of a short-term duration are not discounted. There are no impairment losses relating to trade receivables (2020: Nil). Impairment losses are recognised in surplus or deficit.

5. Trade and other payables	2021	2020
	$	$
Trade payables	234,499	199,986
Grants approved but not paid	-	265,600
Total	**234,499**	**465,586**

Trade payables generally have terms of 30 days and are interest free. Trade payable of a short-term duration are not discounted.

6. Borrowings	2021	2020
	$	$
Current portion of borrowing	570,912	476,835
Term portion of borrowing	375,488	505,896
Total	**946,400**	**982,730**
Lender information		
BNZ	946,400	982,730
Total	**946,400**	**982,730**

The borrowing consists of 8 separate loans financed for 36 months with maturity dates Sep 2021 to Feb 2024. The interest rates are 5.19% to 6.27% (2020: 7 loans, 5.96% to 6.99%). Finance is secured over all present and after acquired property of Milestone Foundation Limited. Covenants for these loans are: provide annual audited accounts within 180 days of the financial year end, cannot obtain finance from another financier to fund PPE without prior approval from BNZ and retaining operator's license.

7. Plant and equipment

For year ended 30 June 2021

	Gaming Machines	Ancillary Equipment	Furniture and Fittings	Total
Cost				
Balance as at 1 July 2020	1,258,530	555,711	132,869	1,947,110
Additions	493,368	351,447	69,775	914,590
Disposals	(148,190)	(103,450)	(16,933)	(268,573)
Balance as at 30 June 2021	**1,603,708**	**803,707**	**185,711.33**	**2,593,127**
Accumulated depreciation and impairment				
Balance as at 1 July 2020	453,656	183,326	39,645	676,627
Depreciation	287,754	157,576	45,407	490,737
Disposals	(51,426)	(46,820)	(6,421)	(104,667)
Balance as at 30 June 2021	**689,985**	**294,081**	**78,630**	**1,062,696**
Net book value				
As at 30 June 2019	**560,650**	**226,167**	**21,734**	**808,551**
As at June 2020	**804,874**	**372,385**	**93,224**	**1,270,483**
As at June 2021	**913,723**	**509,626**	**107,081**	**1,530,431**

8. Equity

	Retained Earnings	Share Capital	Total Equity
Balance at 30 June 2019	76,726	-	76,726
Surplus for the year	101,678	-	101,678
Balance at 30 June 2020	**178,402**	**-**	**178,402**
Surplus for the year	1,108,537	-	1,108,537
Balance at 30 June 2021	**1,286,940**	**-**	**1,286,940**

9. Commitments

As at reporting date there were no grants approved but not disbursed. (2020: $265,600)
There is capital commitments of $379,034 which includes $149,034 for the purchase of Dark Horse venue and $230,000 for the purchase of Rhyley's venue as at balance date.

10. Contingent liabilities

At reporting date there are no known contingent liabilities for which the Company may be liable. (2020: Nil)

11. Related party transactions

Key management personnel are the members of the governing body.
The Members of the governing body are paid bi-annual honoraria. The honoraria paid to the Chairperson was $43,000 and the remaining members received $51,250 during the year totalling $94,250. (2020: $68,500)

Grants are provided to community groups during the normal course of business. At times Directors may be a related party of the group that is applying for a grant (i.e. a Trustee, committee member etc.). During the grant allocation process the Director will disclose his interest and abstain from the discussion. In that way the Director remains independent of the grant process.

There have been no other material transactions with related parties.

The Directors are covered by Directors Liability Insurance.

12. Events subsequent to reporting date

NZ went into level 4 lockdown from 18th Aug 2021 resulting in no GMP being able to be generated. On 8th Sep 2021, the whole country except Auckland fell to level 2 which allows gaming activities to resume which affected two non-Auckland venues (Peach & Porker and Hillcrest haven). It is not confirmed when Auckland will be allowed to fall to level 2. Estimating that Auckland will fall to level 2 at the start of Oct 2021, the total estimated loss of the impact of the Aug to Sep 2021 lockdown is $912,220 (2020: $277,726).

Milestone purchased Dark Horse venue on 17 August 2021.

13. Capital risk management

The Company manages it's capital to ensure that the Company is able to continue as a going concern while maximising the return to the community through the optimisation of the debt and equity balance.

The capital structure of the Company consists of debt, which includes borrowings disclosed in note 6, cash and cash equivalents, and equity, comprising of retained earnings disclosed in the statement ot.changes in net.assests / equity.

The secured bank loans are subject to interest cover covenant, providing quarterly management accounts with 45 days, and provide annual audited financials within 180 days. In addition the annual grants may only exceed the minimum statutory requirement after allowance has been made for debt servicing. The Company complied with these covenants.

The Directors review the capital structure on an semi annual basis. As part of the review the Directors consider the cost of capital and the risks associated with each class of capital. The Directors balance the overall capital structure through the acquisition of new debt or the redemption of existing debt.

14. Categories of financial assets and financial liabilities

At reporting date, the Company had the following financial instruments by class of financial instrument:

	Loans and receivables	Liabilities at amortised cost	Total
30 June 2021	**$**	**$**	**$**
Trade and other receivables	162,808	-	162,808
Cash and cash equivalents	866,187	-	866,187
	1,028,995	**-**	**1,028,995**
Interest bearing loans and borrowings	-	946,400	946,400
Trade and other payables	-	234,499	234,499
	-	**1,180,899**	**1,180,899**
30 June 2020			
Trade and other receivables	160,853	-	160,853
Cash and cash equivalents	218,886	-	218,886
	379,739	**-**	**379,739**
Interest bearing loans and borrowings	-	982,730	982,730
Trade and other payables	-	465,586	465,586
	-	**1,448,316**	**1,448,316**

15. Going Concern

The financial statements have been prepared using the going conern assumption. To the best of the knowledge of the Directors, the Company has, or will have, adequate resources to continue operations for the foreseeable future.