

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS

To the Shareholders of BlueSky Community Trust Limited

The accompanying summary financial statements, which comprise the summary balance sheet as at 31 July 2013, the summary statement of financial performance, summary statement of movements in equity, and related notes, are derived from the audited financial statements of BlueSky Community Trust Limited for the year ended 31 July 2013. We expressed an unmodified audit opinion on those financial statements in our report dated 29 September 2013. Those financial statements, and the summary financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

The summary financial statements do not contain all the disclosures required for full financial statements under generally accepted accounting practice in New Zealand. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of BlueSky Community Trust Limited.

Directors' Responsibility for the Summary Financial Statements

The directors are responsible for the preparation of a summary of the audited financial statements in accordance with FRS-43: Summary Financial Statements.

Auditor's Responsibility

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

Other than in our capacity as auditor we have no relationship with, or interest in, Bluesky Community Trust Limited.

Matter of Emphasis

The current licence to operate will expire on 31 October 2013. The Company will apply to the Department of Internal Affairs for renewal of the licence in the normal manner. The 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 licence will be renewed to enable the Company to continue operation. The Directors are confident these licences will be renewed. The financial statements do not include any adjustments that would result should the Department of Internal Affairs not renew the Trusts Class 4 Operator's and Venue licence.

Opinion

In our opinion, the summary financial statements derived from the audited financial statements of BlueSky Community Trust Limited for the year ended 31 July 2013 are consistent, in all material respects, with those financial statements, in accordance with FRS-43; Summary Financial Statements.

CST Nexia Audit

**CST Nexia Audit
Chartered Accountants
Manukau City, New Zealand**

24 November 2014

SUMMARY FINANCIAL STATEMENTS

BLUESKY COMMUNITY TRUST LIMITED

FOR THE YEAR ENDED 31 JULY 2013

	2013 12 Months NZ\$	2012 13 Months NZ\$
SUMMARY STATEMENT OF FINANCIAL PERFORMANCE		
INCOME		
Gaming Machine Profits	2,899,094	770,277
Other Income	3,232	-
Total Income	2,902,326	770,277
EXPENDITURE		
Gaming Duty	715,433	190,274
Venue Payments	378,018	81,831
Depreciation	224,359	61,450
Compliance & Regulatory Costs	139,630	17,194
Other Operating Costs	211,763	137,777
Interest Costs	96,161	27,552
Total Expenditure	1,765,364	516,078
Surplus for the period	1,136,962	254,199
Grants Paid	1,101,419	295,010
Net Surplus/(Deficit) for the Period Before Tax Expense	35,543	(40,811)
Tax Expense	-	-
Net Surplus/(Deficit) for the Period	35,543	(40,811)
SUMMARY STATEMENT OF MOVEMENTS IN EQUITY		
Equity at Beginning of Year	(40,811)	-
Net Surplus/(Deficit) for the Period	35,543	(40,811)
Equity at End of Year	(5,268)	(40,811)
SUMMARY BALANCE SHEET		
Current Assets	332,280	197,289
Non-Current Assets	571,606	501,979
Total Assets	903,886	699,268
Current Liabilities	536,131	740,079
Non-Current Liabilities-Term Debt	373,023	-
Total Liabilities	909,154	740,079
Net Assets	(5,268)	(40,811)
Represented by:		
Shareholders Equity	(5,268)	(40,811)

SUMMARY FINANCIAL STATEMENTS

BLUESKY COMMUNITY TRUST LIMITED FOR THE YEAR ENDED 31 JULY 2013

BASIS OF PREPARATION

1. Basis of Preparation

These summary financial statements are for BlueSky Community Trust Limited (the "Company") for the year ended 31 July 2013 authorised for issue on 29 September 2013.

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

The comparative figures are for a period of thirteen (13) months

These summary financial statements are presented in summary form and therefore do not give all information required by NZ GAAP. The Summary Financial Statements have been prepared in accordance with FRS 43 Summary Financial Statements.

The full financial statements for the Company has been prepared in accordance with New Zealand Generally Accepted Accounting Principles and comply with the Old GAAP in New Zealand as appropriate and which qualify for differential reporting concessions.

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 is available from the registered office.

2. Nature of Audit Opinion

The full financial statements for the year ended 31 July 2013 have been audited with unmodified audit opinion issued with an matter of emphasis paragraph on the company's going concern being reliant on renewal of Operator's licence renewal.

3. Non-Current Assets

Non-current assets are made up of the following:

	2013	2012
Fixed Assets	<u>571,606</u>	<u>501,979</u>
	571,606	501,979

4. Term Debt

The term loans consists of two separate loans from Jinsheng Rao and a loan from Mutual Credit Finance financed for 36 months and 33 months respectively. The interest rate at balance date was 14.95% p.a. Finance is secured over gaming assets of the Company in note 3.

5. There are no capital commitments as at 31 July 2013 (2012: Nil)

6. At balance date there are no known contingent liabilities (2012: Nil)

The Directors authorised the publication of these Summary Financial Statements on 24 November 2014.

Approved on behalf of the board:

