

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 2014, 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 2014. We expressed an unmodified audit opinion on those financial statements in our report dated 13 October 2014. 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 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 2014 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 2014

	2014 12 Months NZ\$	2013 12 Months NZ\$
SUMMARY STATEMENT OF FINANCIAL PERFORMANCE		
INCOME		
Gaming Machine Profits	4,334,487	2,899,094
Other Income	43,807	3,232
Total Income	4,378,294	2,902,326
EXPENDITURE		
Gaming Duty	1,062,229	715,433
Venue Payments	656,604	378,018
Depreciation	389,805	224,359
Compliance & Regulatory Costs	239,475	139,630
Other Operating Costs	271,692	211,763
Interest Costs	107,634	96,161
Total Expenditure	2,727,439	1,765,364
Surplus for the period	1,650,855	1,136,962
Grants Paid	1,635,847	1,101,419
Net Surplus/(Deficit) for the Period Before Tax Expense	15,008	35,543
Tax Expense	1,057	-
Net Surplus/(Deficit) for the Period	13,951	35,543
SUMMARY STATEMENT OF MOVEMENTS IN EQUITY		
Equity at Beginning of Year	(5,268)	(40,811)
Net Surplus/(Deficit) for the Period	13,951	35,543
Equity at End of Year	8,683	(5,268)
SUMMARY BALANCE SHEET		
Current Assets	270,748	332,280
Non-Current Assets	741,798	571,606
Total Assets	1,012,546	903,886
Current Liabilities	676,707	536,131
Non-Current Liabilities-Term Debt	327,156	373,023
Total Liabilities	1,003,863	909,154
Net Assets	8,683	(5,268)
Represented by:		
Shareholders Equity	8,683	(5,268)

SUMMARY FINANCIAL STATEMENTS

BLUESKY COMMUNITY TRUST LIMITED FOR THE YEAR ENDED 31 JULY 2014

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 2014 authorised for issue on 10 October 2014.

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

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 2014 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:

	2014	2013
Fixed Assets	741,798	571,606
	<u>741,798</u>	<u>571,606</u>

4. Term Debt

The term loans consists of four separate loans from Mutual Credit Finance and a loan from Jinsheng Rao financed for 33 months to 36 months. The interest rates range from 13.50% to 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 2014 (2013: Nil)

6. At balance date there are no known contingent liabilities (2013: Nil)

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

Approved on behalf of the board:

