



Milestone Foundation
Annual Report
1 July 2021 – 30 June 2022

Milestone Foundation Annual Report

1 July 2021 – 30 June 2022

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. He has been working in grocery retailing for over a decade, and is currently running a retail shop in Stratford, Taranaki. Frank is keen in participating community services, he joined Lions Club since 2010, 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, 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:

- Mr Wang's Bar: 244-256 Dominion Road, Mt Eden, Auckland 1024
- 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 (left Milestone Foundation on 27/09/21).
- Kung Fu Chef: 70G Grand Drive, Orewa, Auckland 0931
- The Dark Horse: 70 Park Drive, Mairangi Bay, Auckland 0632
- Office Bar & Grill: 82 The Strand, Whakatane 3120

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 2021 – 30th June 2022

Milestone Foundation granted \$2,062,926.62 to local communities in the 12 months ending 30th June 2022.

Recipient	Amount
A Better Chance Charitable Trust	\$11,515.43
A Better Chance Charitable Trust	\$8,380.84
Able Music Charitable Trust	\$1,035.00
Access Community Radio Auckland Inc (T/A Planet FM)	\$18,938.50
Ace Sports Inc	\$9,354.00
All for Badminton Association	\$9,622.50
Alpha Athletes Association Inc	\$9,354.00
Alpha Athletes Association Inc	\$9,509.25
Amped4Life Trust	\$1,812.63
Anxiety New Zealand Trust	\$5,000.00
Anxiety New Zealand Trust	\$5,000.00
Aotea Sport and Recreation Association Inc	\$10,539.90
Aotea Sport and Recreation Association Inc	\$6,210.00
Aphasia NZ Charitable Trust	\$5,000.00
Asian Community Arts and Culture Society Inc	\$10,088.01
Asthma New Zealand Inc	\$20,000.00
Athletics New Zealand Inc	\$7,500.00
Attainable Trust	\$11,280.00
Attainable Trust	\$11,712.00
Auckland & District Pipe Band Inc	\$4,982.00
Auckland Asian Youth Art Centre Inc	\$7,896.00
Auckland Asian Youth Art Centre Inc	\$13,596.45
Auckland Badminton Association Inc	\$40,000.00
Auckland Basketball Services Ltd	\$10,000.00
Auckland Basketball Services Ltd	\$15,650.00
Auckland Community Service Centre	\$18,936.00
Auckland Festival of Photography	\$4,000.00
Auckland Grammar School	\$2,000.00
Auckland Ice Hockey Association Inc	\$4,782.61
Auckland Indian Sports Club Inc	\$5,000.00
Auckland Indian Sports Club Inc	\$5,000.00
Auckland Indian Sports Club Inc	\$8,000.00
Auckland Niue Rugby League	\$2,060.00
Auckland Observatory and Planetarium Trust "Stardome"	\$3,000.00
Auckland Sexual Abuse Help Foundation Charitable Trust	\$8,288.16
Auckland Si Hai Badminton Club	\$11,889.00
Auckland Table Tennis Association Inc	\$11,161.75
Auckland United Football Club Inc	\$5,500.00
Auckland Whau Chinese Association Inc	\$13,846.00

Auckland Whau Chinese Association Inc	\$9,927.50
Autism Eden Trust	\$7,500.00
Better Life Foundation	\$14,900.00
Big Buddy Mentoring Trust	\$8,139.00
Birkenhead City & Sports Club Inc	\$4,454.34
Blue Light Ventures Inc	\$7,280.00
BMX New Zealand Inc	\$5,436.70
Bowel Cancer New Zealand Inc	\$4,095.00
Brain Injury Waikato Inc	\$3,000.00
Breast Cancer Aotearoa Coalition Inc	\$5,000.00
Carers New Zealand Trust	\$5,000.00
Central Auckland Chinese Association Inc	\$1,981.45
Central City Baseball Club Inc	\$2,027.40
Child Cancer Foundation Inc	\$25,000.00
Children's Bible Ministries Inc	\$1,995.00
Children's Bible Ministries Inc	\$2,100.00
Chinese Senior Citizen Help Foundation	\$7,410.00
Chinese Women Association of New Zealand Inc	\$4,509.56
Chinese Women Association of New Zealand Inc	\$4,913.04
Chinese Women Association of New Zealand Inc	\$8,400.00
Christians Against Poverty New Zealand	\$3,000.00
Coast Youth Community Trust Inc	\$7,573.00
Community Approach Trust	\$10,000.00
Community Education Foundation Aotearoa NZ Trust	\$4,833.00
Cystic Fibrosis Association of New Zealand	\$1,995.00
Dementia New Zealand Charitable Trust	\$23,145.00
Duolan Ethnic Dancing Training Centre Inc	\$5,780.00
East Coast Bays Cricket Inc.	\$6,200.00
Eden-Roskill District Cricket Club	\$5,000.00
Ellerslie Association Football Club Inc	\$3,000.00
Epilepsy Association of New Zealand	\$6,000.00
Family Success Matters	\$7,000.00
Federation of NZ Cheongsam Association Inc	\$18,628.90
Ferguson Intermediate School BOT	\$23,398.75
Flat Bush School BOT	\$20,420.00
Franklin Arts Festival Society Inc	\$4,720.00
Franklin United Football Club	\$5,000.00
Franklin United Football Club	\$15,000.00
Funminton Badminton Inc	\$9,711.75
Glen Massey School BOT	\$12,328.40
Graeme Dingle Foundation Auckland	\$8,000.00
Graeme Dingle Foundation Auckland	\$3,000.00
Graeme Dingle Foundation Auckland	\$5,000.00
Great Families Charitable Trust	\$4,708.40
Great Potentials Foundation	\$4,762.72
Greenhithe Tennis Club Inc	\$2,678.01

Greenhithe Tennis Club Inc	\$1,500.00
Grief Support and Education Charitable Trust	\$1,580.00
Guangdong Universities Alumni Alliance of New Zealand Inc	\$8,640.00
Hannah Sport and Culture Association Inc	\$14,913.25
Hannah Sport and Culture Association Inc	\$14,231.25
Harbour Hospice Trust	\$5,000.00
Home and Family Counselling Inc	\$2,333.00
Howick Pakuranga Cricket Club Inc	\$1,390.61
Immune Deficiencies Foundation of New Zealand	\$3,656.00
Japan Kauri Education Trust	\$4,630.00
Jasmine Arts and Culture Charitable Trust	\$3,845.00
K-Centre (Waikato Korean Cultural Centre Trust)	\$25,440.00
Kedgley Intermediate School BOT	\$6,687.00
Kedgley Intermediate School BOT	\$9,904.30
Knox Home Trust (Elizabeth Knox Home and Hospital)	\$9,684.00
Leukaemia & Blood Cancer New Zealand	\$7,440.00
Life Education Trust Counties Manukau	\$5,538.46
Life Education Trust Counties Manukau	\$7,500.00
Life Education Trust North Shore	\$10,000.00
Lucky Clover Community Trust	\$9,843.00
Macular Degeneration New Zealand	\$8,711.00
Mainly Music New Zealand Trust	\$6,158.00
Mainly Music New Zealand Trust	\$5,873.00
Make-A-Wish Foundation of New Zealand Trust	\$10,000.00
Marist Auckland Water Polo Club Inc	\$5,544.00
Marist North Harbour Rugby and Sports Club Inc	\$10,165.22
Maungatautari Ecological Island Trust	\$10,000.00
ME/CFS Support (Auckland) Inc	\$1,620.30
Melville Association Football Club Inc	\$10,000.00
Mercy Hospice Auckland Ltd	\$14,480.00
Metro Mt Albert Sports Club Inc	\$4,643.60
Milford Tennis Club Inc	\$3,750.00
Milford Tennis Club Inc	\$3,750.00
National Foundation for Deaf & Hard of Hearing	\$13,000.00
Natural Environment Defence Foundation	\$3,483.99
Natural Environment Defence Foundation	\$4,283.75
Natural Environment Defence Foundation	\$5,750.00
Natural Environment Defence Foundation	\$7,935.00
Natural Environment Defence Foundation	\$6,250.00
Nepalese Cultural Centre NZ Inc	\$10,828.40
New Lynn Tennis, Sport and Social Club Inc	\$2,158.00
New Zealand Asian Sports Inc	\$9,241.40
New Zealand Chinese Calligraphers Association Inc	\$17,663.90
New Zealand Confucian Association Inc	\$9,516.80
New Zealand Council of Victim Support Groups Inc	\$5,384.62
New Zealand Council of Victim Support Groups Inc	\$10,769.22

New Zealand Friendship for Peace Association	\$6,542.81
New Zealand Friendship for Peace Association	\$14,352.00
New Zealand Friendship for Peace Association	\$7,900.00
New Zealand Global Culture Art Inc	\$6,516.00
New Zealand Institute of Chinese Calligraphy and Painting	\$15,584.80
New Zealand Jiangmen-Wuyi Youth Association	\$4,275.00
New Zealand Jiangmen-Wuyi Youth Association	\$4,160.00
New Zealand Jiangmen-Wuyi Youth Association	\$9,940.00
Newton Central School	\$16,418.50
Ngatea Primary School	\$7,143.00
NHTT Charitable Trust	\$10,000.00
North Shore Squash Rackets Club Inc	\$3,750.00
Northern United Sports Club Inc	\$3,408.00
NZ Chinese Federation of Literary and Art Circles Inc	\$16,914.20
NZ Chinese Writers Association Inc	\$10,636.35
NZ Culture & Media Group Ltd	\$16,380.00
NZ Future Community Trust	\$10,000.00
NZ Multicultural Exchange and Experience Centre	\$13,680.40
NZ Overseas Chinese Union Inc	\$12,121.00
NZ Punjabi Multimedia Trust Board	\$35,100.00
NZ Wellness and Recreation Association Inc	\$7,000.00
NZ Wellness and Recreation Association Inc	\$18,759.92
One Tree Hill College	\$10,000.00
One Tree Hill College	\$2,850.00
Orewa Surf Life Saving Club Inc	\$2,592.00
Orewa Surf Life Saving Club Inc	\$3,480.00
Otahuhu Badminton Club Inc	\$16,155.00
Otahuhu Badminton Club Inc	\$10,550.00
Pacific Culture and Arts Development Association Inc	\$12,088.10
Parent to Parent Auckland	\$6,500.00
Parent to Parent NZ Inc	\$3,000.00
Phoenix Aquatics Inc	\$26,711.35
Phoenix Aquatics Inc	\$21,672.00
Phoenix Aquatics Inc	\$24,870.40
Pt Chevalier Bowling Club Inc	\$8,850.00
Pukekohe Intermediate School BOT	\$4,000.00
Rape Prevention Education Whakatu Mauri Trust	\$10,000.00
Recreate NZ	\$3,000.00
Royal New Zealand Plunket Trust	\$5,000.00
Saanjh Sports & Cultural Club Inc	\$44,185.48
Saanjh Sports & Cultural Club Inc	\$33,139.11
Saanjh Sports & Cultural Club Inc	\$30,388.74
Silver Fern Motorsport Charitable Trust	\$2,049.65
Silver Fern Motorsport Charitable Trust	\$2,250.00
Sir Douglas Bader Intermediate School BOT	\$19,765.06
Sir Douglas Bader Intermediate School BOT	\$4,380.87

Sir Douglas Bader Intermediate School BOT	\$13,020.00
St Patrick's Catholic School Fundraising Committee	\$14,740.00
Stability House NZ Charitable Trust	\$7,607.00
Stability House NZ Charitable Trust	\$9,268.70
Stuttering Treatment And Research Trust	\$6,512.79
Sunset Beach Lifeguard Service Inc	\$3,651.80
Sunset Beach Lifeguard Service Inc	\$1,950.00
Supreme Sikh Society of New Zealand	\$30,151.00
Surf Life Saving Kariaotahi Inc	\$6,426.00
Surf Life Saving Northern Region	\$10,768.00
Synergy Community Trust	\$18,897.95
Synergy Community Trust	\$19,258.67
Tangaroa College BOT	\$16,773.52
Te Awamutu Golf Club	\$14,333.44
Te Awamutu Rugby Sports and Recreation Club Inc	\$5,234.07
Thames Squash Rackets Club Inc	\$3,742.00
The Actor's Program	\$10,641.00
The Auckland Children's Christmas Parade Trust	\$20,000.00
The Auckland District Kidney Society Inc	\$5,000.00
The Friendship House Trust	\$3,500.00
The Hubei Association of New Zealand	\$8,404.00
The One Victoria Trust Board Inc	\$2,480.00
The Operating Theatre Trust T/A Tim Bray Theatre Company	\$3,826.09
The Operating Theatre Trust T/A Tim Bray Theatre Company	\$4,134.72
The Operating Theatre Trust T/A Tim Bray Theatre Company	\$5,000.00
The Stroke Foundation of NZ Ltd	\$8,834.40
The Stroke Foundation of NZ Ltd	\$9,230.40
The Yes and Trust	\$6,553.08
Titirangi Badminton Club Inc	\$9,900.00
Waikato Clay Target Club Inc	\$12,000.00
Waikato Community Hospice Trust	\$5,907.00
Waikato Community Hospice Trust	\$18,524.62
Waikato Family Centre Trust	\$2,808.00
Waikato Family Centre Trust	\$9,000.00
Waitakere Youth Basketball Association Inc	\$9,916.50
Waitakere Youth Basketball Association Inc	\$12,132.50
Warriors Community Foundation	\$3,495.00
Waterview School BOT	\$15,000.00
Whakatenatena Charitable Trust	\$10,350.00
Whakatenatena Charitable Trust	\$10,350.00
Whakatenatena Charitable Trust	\$10,350.00
Youth in Transition Charitable Trust	\$10,000.00
YouthCan Inc	\$7,452.00
Zeal Education Trust	\$11,634.61

Milestone Foundation Declined Applications: 1 July 2021 – 30 June 2022

A Better Chance Charitable Trust
Able Music Charitable Trust
Amitabha Hospice Service Trust
Athletics New Zealand Inc
Auckland Basketball Services Ltd
Auckland Golf Inc
Auckland Indian Sports Club Inc
Auckland Observatory and Planetarium Trust "Stardome"
Auckland Table Tennis Association Inc
Better Life Foundation
Better Life Foundation
Birkenhead City & Sports Club Inc
BMX New Zealand Inc
Bowel Cancer New Zealand Inc
Carers New Zealand Trust
Chinese Women Association of New Zealand Inc
Chinese Women Association of New Zealand Inc
Coast Youth Community Trust Inc
Coast Youth Community Trust Inc
Dementia New Zealand Charitable Trust
East Coast Bays Association Football Club
East Coast Bays Association Football Club
East Coast Bays Cricket Inc.
East Coast Bays Cricket Inc.
Epilepsy Association of New Zealand
Franklin United Football Club
Graeme Dingle Foundation Auckland
Great Families Charitable Trust
Great Families Charitable Trust
Gymnastics Community Trust
Hannah Sport and Culture Association Inc
Harbour Hospice Trust
Howick Pakuranga Cricket Club Inc
Howick Pakuranga Cricket Club Inc
Inner City Women's Group
John Walker Find Your Field of Dreams Foundation
Kerikeri Primary School BOT
Life Education Trust Rodney
Marist Auckland Water Polo Club Inc
Matamata Golf Club Inc
Matamata Golf Club Inc
Maungatautari Ecological Island Trust
McKenzie Centre Trust
Melville Association Football Club Inc
Metro Mt Albert Sports Club Inc

Milford Tennis Club Inc
Milford Tennis Club Inc
Mobility Assistance Dogs Trust
Mobility Assistance Dogs Trust
More for Kidz Foundation Trust
Morrinsville Golf Club Inc
Mt Albert Ramblers Softball Club
Mt Albert Tennis Club Inc
Natural Environment Defence Foundation
New Life Charitable Trust
New Life Charitable Trust
New Life Charitable Trust
New Zealand Chinese Calligraphers Association Inc
New Zealand Council of Victim Support Groups Inc
New Zealand Council of Victim Support Groups Inc
New Zealand Friendship for Peace Association
New Zealand Wan Fang Sports Association Inc
New Zealand Wu Style Tai Chi Association Inc
Ngaroto Boating Club Inc
Ngatira Tennis Club Inc
North Harbour Indian Sports Club Inc
North Shore Brass Inc
North Shore Squash Rackets Club Inc
Northern United Sports Club Inc
NZ Future Community Trust
One Tree Hill College
Otahuhu Business Association Inc
Pacific Culture and Arts Development Association Inc
Papatoetoe Adolescent Christian Trust
Parent/ Caregiver Player Supporter Group
Phoenix Aquatics Inc
Pt Chevalier Bowling Club Inc
Pukekohe Metro Cricket Club Incorporated
Recreate NZ
Recreate NZ
Rongomai Sports & Community Trust
Royal New Zealand Foundation of the Blind Inc.
Stuttering Treatment And Research Trust
Surf Life Saving Northern Region
Surf Life Saving Northern Region
Swimming NZ
Takapuna Community Facilities Trust
Tangaroa College BOT
Tangaroa College BOT
Te Awamutu Rugby Sports and Recreation Club Inc
Te Puru Primary School

Te Tamawai Trust T/A The Waterboy
Thames Squash Rackets Club Inc
Thames Squash Rackets Club Inc
The Auckland Diving Community Trust
The Auckland Women's Centre Inc
The Friendship House Trust
The Operating Theatre Trust T/A Tim Bray Theatre Company
The Parkinson's NZ Charitable Trust
The Rising Foundation Trust
The Yes and Trust
Titirangi Badminton Club Inc
Waikato Clay Target Club Inc
Waikato Clay Target Club Inc
Waikato Region BMX Association Inc
Waipa/ King Country Life Education Trust
Whakatenatena Charitable Trust

MILESTONE FOUNDATION LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

MILESTONE FOUNDATION LIMITED

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MILESTONE FOUNDATION LIMITED



DIRECTORY AS AT 30 JUNE 2022

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) Quanle (Frank) Wu Colin Cao
Bankers	BNZ Hamilton Branch Hamilton
Solicitor	True Legal Limited Specialist Legal Advisor Hamilton
Auditor	BDO Auckland Level 4 BDO Centre, 4 Graham Street Auckland 1140

MILESTONE FOUNDATION LIMITED

DIRECTORS' REPORT AND STATEMENT OF RESPONSIBILITY FOR THE YEAR ENDED 30 JUNE 2022



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 2022, 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, BDO Auckland, 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.

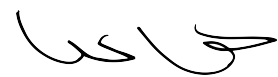
In the opinion of the Directors:

- 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 2022;
- 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 2022;
- 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 2022;

For and on behalf of the Directors:


Chairperson

29/09/2022
Date


Director

29/09/2022
Date

**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS 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 2022, and the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 30 June 2022, and its financial performance and its cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") 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 *International Code of Ethics for Assurance Practitioners (including International Independence Standards)* (New Zealand) 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, the Company.

Other Matter

The financial statements of the Company for the year ended 30 June 2021, were audited by another auditor who expressed an unmodified opinion on those statements on 20 September 2021.

Other Information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is directors report and statement of responsibility for the financial statements contained in the annual report, but does not include the financial statements and our auditor's report thereon.

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 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 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.

Directors' Responsibilities 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 PBE Standards RDR, and for such internal control as the directors 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 the 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 our responsibilities for the audit of the financial statements is located at the External Reporting Board's website at: <https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-8/>.

This description forms part of our auditor's report.

Who we Report to

This report is made solely to the Company's shareholders, as a body. Our audit work has been undertaken so that we might state those matters which 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 Company's Directors, as a body, for our audit work, for this report or for the opinions we have formed.

BDO Auckland

BDO Auckland
Auckland
New Zealand
29 September 2022

MILESTONE FOUNDATION LIMITED



STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022	2021
Revenue			
Gaming Machine Proceeds (Exchange transactions)		5,504,129	6,177,569
Total Revenue		5,504,129	6,177,569
 Gain on Disposal of PPE		 85,368	 24,096
Total Income		5,589,497	6,201,665
 Expenses			
Accounting Fees		31,800	36,500
Audit Fees		-	9,113
AUP Fees (paid to BDO)		18,834	-
Bank Fees & Charges		2,723	1,596
CITO Consumables and Fees		5,310	5,310
Computer Expenses		19,697	16,080
Depreciation	7	641,564	490,737
Directors Fees	11	105,500	94,250
EMS Expenses		54,665	54,570
Gaming Machine Duty		1,270,935	1,428,219
General Expenses		1,050	4,104
Insurance		26,567	22,440
Interest Expense - financial liabilities at amortised cost		50,631	62,183
Legal expenses		9,505	10,279
Licencing Expenses		85,209	76,471
Management Fees		185,200	133,500
Printing & Stationery		959	1,740
Problem Gambling Levy		44,455	60,811
Repairs & Maintenance - General		47,857	46,115
Repairs and Maintenance - Service Contract		53,779	72,160
Storage of Equipment		2,297	553
Subscriptions		25,944	10,726
Telephone & Tolls		3,426	1,888
Travel and Accommodation		2,500	5,620
Venue Payment		845,220	987,689
Training		6,605	1,284
Total Expenses		3,542,232	3,633,937
 Surplus for the period before grant distributions		 2,047,265	 2,567,728

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 (continued) FOR THE YEAR ENDED 30 JUNE 2022



	Note	2022	2021
Grant Distributions			
Grant Distributions		2,062,927	1,560,404
Less Grants Returned		(128,162)	(101,214)
Total Grants For The Year		1,934,765	1,459,190
Net Surplus for the Year		112,500	1,108,537
Other Comprehensive Revenue and Expense		-	-
Total Comprehensive Revenue and Expense for the year available for distribution		112,500	1,108,537

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 2022



	Note	Share Capital	Accumulated comprehensive revenue and expense	Total Equity
		\$	\$	\$
Balance at 1 July 2021		-	1,286,940	1,286,940
Total comprehensive revenue and expense for the year				
Surplus for the year		-	112,500	112,500
Total comprehensive revenue and expense for the year		-	112,500	112,500
Transactions with owners		-	-	-
Balance at 30 June 2022	8	-	1,399,440	1,399,440
Balance at 1 July 2020		-	178,402	178,402
Total comprehensive revenue and expense for the year				
Surplus for the year		-	1,108,537	1,108,537
Total comprehensive revenue and expense for the year		-	1,108,537	1,108,537
Transactions with owners		-	-	-
Balance at 30 June 2021	8	-	1,286,940	1,286,940

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 2022



	Note	2022 \$	2021 \$
Current assets			
Cash and cash equivalents	3	1,196,335	866,187
Trade and other receivables	4	147,051	162,808
Prepayments		39,730	35,500
Total current assets		1,383,116	1,064,495
Non-current assets			
Plant and equipment	7	1,247,683	1,530,431
Total non-current assets		1,247,683	1,530,431
Total Assets		2,630,799	2,594,926
Current liabilities			
Trade and other payables	5	581,234	234,499
GST payable		166,710	127,084
Borrowings	6	326,347	570,912
Total current liabilities		1,074,291	932,495
Non-current liabilities			
Borrowings	6	157,068	375,488
Total non-current liabilities		157,068	375,488
Total Liabilities		1,231,359	1,307,983
Total net assets		1,399,440	1,286,940

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 (continued) AS AT 30 JUNE 2022



	Note	2022 \$	2021 \$
Net Assets			
Accumulated comprehensive revenue and expense		1,399,440	1,286,940
Total net assets / equity	8	1,399,440	1,286,940


For and on behalf of the Company:



Director

29/09/2022

Date



Director

29/09/2022

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 2022



	Note	2022 \$	2021 \$
Cash flows from operating activities			
<i>Cash was received from:</i>			
Gaming machine proceeds		5,519,887	6,195,613
Net GST received		39,624	77,526
		<u>5,559,511</u>	<u>6,273,139</u>
<i>Cash was applied to:</i>			
Payments to suppliers		(2,507,533)	(3,321,547)
Grants to the community		(1,934,765)	(1,479,190)
Interest paid		(50,631)	(62,183)
		<u>(4,492,929)</u>	<u>(4,862,920)</u>
Net cash flows from operating activities		<u>1,066,582</u>	<u>1,410,219</u>
 Cash flows from investing activities			
<i>Cash was received from:</i>			
Proceeds from sale of property plant and equipment		300,537	188,002
		<u>300,537</u>	<u>188,002</u>
<i>Cash was applied to:</i>			
Purchase of property, plant and equipment		(573,986)	(914,590)
		<u>(573,986)</u>	<u>(914,590)</u>
Net cash flow to investing activities		<u>(273,449)</u>	<u>(726,588)</u>
 Cash flows from financing activities			
Cash was received from:			
Proceeds from draw down of loans		149,034	516,941
		<u>149,034</u>	<u>516,941</u>
Cash was applied to:			
Repayment of Borrowings		(612,019)	(553,271)
		<u>(612,019)</u>	<u>(553,271)</u>
Net cash flow to financing activities		<u>(462,985)</u>	<u>(36,330)</u>
 Net increase in cash and cash equivalents		<u>330,148</u>	<u>647,300</u>
 Cash and cash equivalents at the beginning of the period		866,187	218,886
Cash and cash equivalents at the end of the period	3	<u>1,196,335</u>	<u>866,187</u>

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 2022



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). The objective of the Company is not to make returns for the shareholders and mainly exists to distribute net proceeds to the community as per the requirements of the Gambling ACT.

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 Not-for-Profit 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. The financial statements for the Company are for the year ended 30 June 2022, and were approved by the Board as stated in page 8.

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

The financial statements are presented in New Zealand Dollars (\$), which is the functional and presentation currency 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.

MILESTONE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022



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 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 between the amounts wagered and amounts won by gaming patrons.

Grant distribution

Grants are accounted for at the time the Board has approved them. 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. Grant refunds are identified by the recipient's accountability report which is due 3 months after payment and is recorded as a contra expense.

MILESTONE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022



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 surplus or deficit 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, DV	6.0% to 40.0%
Furniture & fittings	SL	13.5% to 36.0%

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 derecognised 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-bearing 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

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 determine 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.

MILESTONE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022



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 expenses.

Net proceeds 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 proceeds from class 4 gambling must be distributed during the financial year and any remainder of net proceeds within 3 months after the end of each of its financial years. In addition, the Company is expected to generate net proceeds equal to 40% of its GST exclusive gross receipts in each financial year.

For the current financial year the Company has generated net proceeds from class 4 gambling equal to 35.15% of its GST exclusive gross receipts (2021: 41.57%). All net proceeds 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.

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.

MILESTONE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022



3. Cash and cash equivalents

	2022	2021
	\$	\$
BNZ bank accounts	1,160,621	866,187
ASB bank accounts	35,714	-
Total	1,196,335	866,187

There is no overdraft facility on the bank account. Bank balances are on call and the interest received on bank balances at 0.10% (2021: 0.10%).

4. Trade and other receivables

	2022	2021
	\$	\$
Trade receivables (from exchange transactions)	147,051	142,808
Grants refund receivable	-	20,000
Total	147,051	162,808

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 (2021: Nil). Impairment losses are recognised in surplus or deficit.

5. Trade and other payables

	2022	2021
	\$	\$
Trade payables	284,594	234,499
Grants approved but not paid	296,640	-
Total	581,234	234,499

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

MILESTONE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022



6. Borrowings	Effective Interest Rate %	Year of Maturity	2022	2021
			\$	\$
Current portion of borrowing				
BNZ Term Loan 005	4.20%	2022	-	3,932
BNZ Term Loan 006	4.76%	2022	-	104,929
BNZ Term Loan 007	4.90%	2022	-	30,151
BNZ Term Loan 008	4.97%	2022	-	61,095
BNZ Term Loan 009	4.32%	2023	39,730	124,374
BNZ Term Loan 010	4.19%	2023	60,964	79,668
BNZ Term Loan 011	5.42%	2024	48,770	45,941
BNZ Term Loan 012	5.67%	2024	128,061	120,822
BNZ Term Loan 013	5.68%	2025	48,822	-
			326,347	570,912
Term portion of borrowing				
BNZ Term Loan 009	4.32%	2023	-	39,362
BNZ Term Loan 010	4.19%	2023	-	60,491
BNZ Term Loan 011	5.42%	2024	8,472	56,941
BNZ Term Loan 012	5.67%	2024	91,097	218,693
BNZ Term Loan 013	5.68%	2025	57,499	-
			157,068	375,488
Total			483,415	946,401
Lender information				
BNZ			483,415	946,401
Total			483,415	946,401

Finance is secured over all present and after acquired gaming machines and equipment 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

	Gaming Machines	Ancillary Equipment	Furniture and Fittings	Total
Cost				
Balance as at 1 July 2021	1,603,709	803,707	185,711	2,593,127
Additions	416,180	144,020	13,785	573,985
Disposals	(166,385)	(111,871)	(13,817)	(292,073)
Balance as at 30 June 2022	1,853,504	835,856	185,679	2,875,039
Accumulated depreciation and impairment				
Balance as at 1 July 2021	689,985	294,081	78,630	1,062,696
Depreciation	373,240	212,356	55,968	641,564
Disposals	(50,821)	(21,903)	(4,180)	(76,904)
Balance as at 30 June 2022	1,012,404	484,534	130,418	1,627,356
Net book value				
As at 30 June 2020	804,874	372,385	93,224	1,270,483
As at 30 June 2021	913,724	509,626	107,081	1,530,431
As at 30 June 2022	841,100	351,322	55,261	1,247,683

MILESTONE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022



8. Equity

	Accumulated Revenue	Share Capital	Total Equity
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
Surplus for the year	112,500	-	112,500
Balance at 30 June 2022	1,399,440	-	1,399,440

Share Capital	Number of Shares		2022	2021
	2022	2021	\$	\$
Shares				
Balance 1 July	100	100	-	-
Balance at 30 June	100	100	-	-

As at 30 June 2022, share capital comprised 100 shares (2021: 100). All issued shares are unpaid and have no par value.

9. Commitments

As at reporting date there were \$296,640 grants approved but not disbursed. (2021: Nil)

There is a capital commitment for new machines totalling \$544,560 (2021: \$379,034).

10. Contingent liabilities

At reporting date there are no known contingent liabilities for which the Company may be liable. (2021: Nil)

11. Related party transactions

Key management personnel are the members of the 3 directors.

The Members of the governing body are paid bi-annual honoraria. The honoraria paid to the Chairperson was \$46,750 and the remaining members received \$58,750 during the year totalling \$105,500. (2021: \$94,250)

Dawn Management provides day to day operational services to Milestone from accounting, compliance, grants to venue management. Expenses incurred by Dawn Management during the year totalled \$216,331 (2021 :\$170,738)

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.

During the year the Company gave grants to the number or organisations which were related to the close family members of the Directors. Details are below:

Related Party Grants Provided to:	Total Approved by Board	Total Refunded by Board	Net Amount
Chinese Women Association of New Zealand Inc	17,823	-	17,823
Federation of NZ Cheongsam Association Inc	18,629	18,629	-
New Zealand Jiangmen-Wuyi Youth Association	18,375	-	18,375
Total	54,827	18,629	36,198

Rent of office space paid during the year to Leon Li was \$2,200 (2021: 3,600).

Fuel reimbursement paid during the year to Frank Wu was \$2,500 (2021: \$5,620).

The Directors are covered by Directors Liability Insurance.

MILESTONE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022



12. Events subsequent to reporting date

In September 2022, new machines will be purchased totalling \$544,560 which will be financed by an BNZ 3-year term loan of the same amount.

13. Capital risk management

The Company manages its 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 accumulated revenue and expense disclosed in the statement of changes in net assets / equity.

The secured bank loans are subject to providing annual audited financials within 180 days of its financial year. In addition, the Company cannot obtain finance from another financier to fund PPE without prior approval from BNZ and retaining operator's license. The Company complied with these covenants.

The Directors review the capital structure on a 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 2022	\$	\$	\$
Trade and other receivables	147,051	-	147,051
Cash and cash equivalents	1,196,335	-	1,196,335
	1,343,386	-	1,343,386
Interest bearing loans and borrowings	-	483,415	483,415
Trade and other payables	-	581,234	581,234
	-	1,064,649	1,064,649
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	-	946,401	946,401
Trade and other payables	-	234,499	234,499
	-	1,180,900	1,180,900

MILESTONE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022



15. Going Concern

The financial statements have been prepared using the going concern 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.

18. DIA LENIENCY DUE TO NEGATIVE IMPACT OF COVID19

The Company only achieved 35.15% operating profitability in FY2022 which is just shy of the 40% minimum standard as set out by paragraph 10(1) of the Gambling (Class 4 Net Proceeds) Regulations 2004. As at 22 March 2022, DIA announced they will be lenient towards companies who did not meet the 40% minimum operating profit standard by requiring the Company to send an application of how the COVID-19 pandemic impacted the business and how costs have been mitigated.

The Company is confident the application will be accepted as it was directly impacted by COVID-19, including in March 2022 during the Omicron outbreak.