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2019 SUMMARY ANNUAL REPORT
FOR THE

MAINLAND FOUNDATION

Supporting Communities

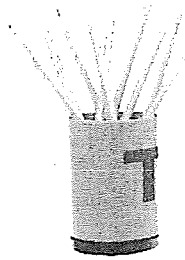
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Mainland Foundation Limited

Summary Annual Report

For the year ended 31 July 2019

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REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS

To the Readers of Mainland Foundation Limited.

Opinion

The summary financial statements, which comprise the summary statement of financial position as at July 31, 2019, and the summary statement of comprehensive revenue & expense, summary statement of undistributed funds/equity and summary cash flow statement for the year then ended, and related notes, are derived from the audited financial statements of Mainland Foundation Limited for the year ended 31 July 2019.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, on the basis described in Note 1 – Statement of Accounting Policies - Basis of preparation.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by tier 2 Not-for Profit PBE Accounting Standards – Reduced Disclosure Regime applied in the preparation of the audited financial statements of Mainland Foundation Limited. Reading the summary financial statements and the auditor's report thereon.

Auditors' Responsibilities and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 29 October 2019.

Directors' Responsibilities for the Summary Financial Statements

Directors are responsible on behalf of the entity for the preparation of the summary financial statements on the basis described in note 1.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standards on Auditing (New Zealand) (ISA (NZ) 810 (Revised), Engagement to Report on Summary Financial Statements.

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



**TERRY SPEKREIJSE & ASSOCIATES
CHRISTCHURCH
29 October 2019**

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Mainland Foundation Limited Directors' Report For the year ended 31 July 2019

The Directors present here the Summary Annual Report of the company incorporating the Summary Financial Statements and the audit report for the year ended 31st July 2019.

The Board of Directors authorised these Summary Financial Statements presented on pages 4 to 9 for issue on 29 October 2019.

For and on behalf of the Board of Directors

Director _____

Director _____

Director _____

Director Alan Parkerson

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Mainland Foundation Limited Summary Statement of Comprehensive Revenue and Expense - Trading For the year ended 31 July 2019

	<i>2019</i>	<i>2018</i>
	\$	\$
<u>EXCHANGE TRANSACTIONS</u>		
<u>REVENUE FROM EXCHANGE TRANSACTIONS</u>		
Gaming Machine Proceeds	10,520,813	10,841,897
Other Income	1,297	1,376
Total Revenue	<u>10,522,110</u>	<u>10,843,273</u>
<u>EXPENSES</u>		
Gaming Duty	2,419,787	2,493,636
Problem Gambling Levy	151,779	162,085
Venue Rentals	1,594,028	1,665,053
Licensing	170,940	171,783
DIA Electronic Monitoring Fees	134,411	141,084
Depreciation and other adjustments	762,048	879,494
Interest Paid and Financing Costs	12,426	24,641
Other expenses	915,806	945,495
Total Expenses	<u>6,161,225</u>	<u>6,483,271</u>
<u>SURPLUS BEFORE DISTRIBUTIONS</u>	<u>4,360,885</u>	<u>4,360,002</u>
<u>NON EXCHANGE TRANSACTIONS</u>		
Less Distributions	4,336,697	4,443,114
<u>NET SURPLUS / (DEFICIT) FOR THE YEAR</u>	<u>\$24,188</u>	<u>(\$83,112)</u>

NOTE: This Statement must be read with the Notes to the Summary Financial Statements and the Independent Auditor's Report.

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Mainland Foundation Limited Summary Statement of Changes in Undistributed Funds / Net Assets (Equity) For the year ended 31 July 2019

	<i>2019</i>	<i>2018</i>
	\$	\$
<u>UNDISTRIBUTED FUNDS / NET ASSETS AT START OF PERIOD</u>	1,346,780	1,429,892
<u>SURPLUS</u>		
Net Undistributed Surplus / (Deficit) for the year	24,188	(83,112)
<u>UNDISTRIBUTED FUNDS / NET ASSETS AT END OF PERIOD</u>	<u>\$1,370,968</u>	<u>\$1,346,780</u>

NOTE: This Statement must be read with the Notes to the Summary Financial Statements and the Independent Auditor's Report.

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Mainland Foundation Limited Summary Statement of Financial Position As at 31 July 2019

	2019	2018
	\$	\$
Current Assets	873,012	790,433
Non-Current Assets	1,192,098	1,355,132
Total Assets	<u>2,065,110</u>	<u>2,145,565</u>
Current Liabilities	694,142	798,785
Non-Current Liabilities	0	0
Total Liabilities	<u>694,142</u>	<u>798,785</u>
<u>NET ASSETS</u>	<u><u>\$1,370,968</u></u>	<u><u>\$1,346,780</u></u>
Represented by:		
<u>TOTAL EQUITY</u>	<u><u>\$1,370,968</u></u>	<u><u>\$1,346,780</u></u>

NOTE: This Statement must be read with the Notes to the Summary Financial Statements and the Independent Auditor's Report.

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Mainland Foundation Limited Summary Cash Flow Statement For the year ended 31 July 2019

	<i>2019</i>	<i>2018</i>
	\$	\$
Net Operating Cashflow	834,454	774,143
Net Investing Cashflow	(569,855)	(395,667)
Net Financing Cashflow	(139,399)	(352,000)
Net (Decrease)/Increase in Cash Held	<u>125,200</u>	<u>26,476</u>
Add cash at start of year	488,239	461,763
Cash at End of Year	<u><u>\$613,439</u></u>	<u><u>\$488,239</u></u>

NOTE: This Statement must be read with the Notes to the Summary Financial Statements and the Independent Auditor's Report.

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Mainland Foundation Limited Notes to the Summary Annual Report For the year ended 31 July 2019

1. STATEMENT OF ACCOUNTING POLICIES

The summary annual report presented here are for the entity Mainland Foundation Limited, a registered company under the Companies Act 1993.

Mainland Foundation Limited is a reporting entity under the Financial Reporting Act 2013. These summary financial statements have been extracted from the full financial statements and have been prepared in accordance with PBE FRS 43 Summary Financial Statements.

Mainland Foundation Limited is a not-for-profit public benefit entity (NFP PBE).

Date of authorisation –

The summary financial statements of Mainland Foundation Limited are for the year ended 31 July 2019. The summary and full financial statements were authorised for issue by the Board on 29 October 2019.

Basis of measurements –

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on an historical cost basis have been used, with the exception of certain items for which specific accounting policies have been identified.

The financial statements have been prepared on a going concern basis and accounting policies have been applied consistently throughout the period.

Functional and presentational currency –

The information is presented in New Zealand dollars which is the company's functional currency. All financial information presented in New Zealand dollars have been rounded to the nearest dollar.

The full financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP") and they comply with the Public Benefit Entity International Public Sector Accounting Standards ("PBE IPSAS") and other applicable financial reporting standards as appropriate that have been authorised for use by the External Reporting Board for Not-For-Profit entities. For the purposes of complying with NZ GAAP, the Company is a public benefit not-for-profit entity and is eligible to apply Tier 2 Not-For-Profit PBE IPSAS on the basis that it does not have public accountability and it is not defined as large. The Board of Directors has elected to report in accordance with Tier 2 Not-For-Profit PBE Accounting Standards applying all applicable Reduced Disclosure Regime Disclosure concessions. As these Summary Financial Statements are in a summary form, they do not and cannot be expected to provide as complete an understanding as provided by the full financial statements. The full financial statements of the Foundation are available from the registered office.

2. AUDIT

The full financial statements have been subject to audit with unmodified audit opinion issued. Please refer to Auditor's Report on the Summary Financial Statements.

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Mainland Foundation Limited Notes to the Summary Annual Report For the year ended 31 July 2019

3. NON-CURRENT ASSETS

Non-current assets are made up of the following:

	2019	2018
	\$	\$
Office Equipment	18,113	21,227
Plant & Equipment	1,173,985	1,333,905
	<u>1,192,098</u>	<u>1,355,132</u>

4. NON-CURRENT LIABILITIES

Non-current liabilities are made up of the BNZ CreditPlus facility. This facility was un-utilised at balance date. At balance date facility limit is \$451,922, interest rate 7.29% p.a. (2018: Facility limit \$789,759, interest rate 7.69% p.a.)

5. CAPITAL COMMITMENTS

Capital commitments at balance date was \$100,980. (2018:\$nil).

6. CONTINGENT LIABILITIES

At balance date there are no known contingent liabilities (2018:\$0). Mainland Foundation Limited has not granted any securities in respect of liabilities payable by any other party whatsoever.

7. EVENTS AFTER REPORTING DATE

The Board of Directors and management are not aware of any other matters or circumstances since the end of the reporting period that has not been otherwise dealt with in these financial statements that have significantly or may significantly affect the operations of the Mainland Foundation Limited. (2018: Nil)