BURGER FUEL GROUP LIMITED

ANNUAL REPORT 2021

WINNER WINNER // FRIED CHICKEN

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CHAIRMAN AND CHIEF EXECUTIVES' REVIEW

FOR THE YEAR ENDED 31 MARCH 2021

Burger Fuel Group Ltd Full Year Results for the 12 months ended 31st March 2021

Overview - FY21

The Directors of Burger Fuel Group Limited (BFG) present the audited results for the 12 months to 31 March 2021.

Net Profit after tax for the period was $712,985 representing a 41.1% increase on the previous year.

The results reflect costs associated with establishing our new brands (Winner Winner and Shake Out), exit costs for the USA settlement, the partial impairment of goodwill on the company owned BurgerFuel Takapuna and Henderson store and reduced revenue due to COVID-19. These and other operating costs were however largely offset with the Government wage subsidy received by the group as well as some rent relief provided by landlords.

Trading conditions in our largest market, New Zealand, were more favourable for the second half of the year.

As at 31 March 2021 the Group had no debt, and cash reserves of $7.1m.

BFG RESULTS FOR THE PERIOD 1 APRIL 2020 TO 31 March 2021

	31 March 2021 $000	31 March 2020 $000
Operating Revenue*	18,654	20,459
Interest Income IFRS 16 non-occupied leases	1,381	1,410
COVID-19 Government wage subsidy	934	-
Total Income	20,969	21,869
Operating Expenses**	(16,941)	(18,663)
Depreciation Expense IFRS 16 occupied leases	(699)	(630)
Interest Expense IFRS 16 non-occupied leases	(1,381)	(1,410)
Interest Expense IFRS 16 occupied leases	(481)	(443)
Transfer from foreign currency reserve on windup of subsidiary	(131)	-
Total Expenses	(19,633)	(21,146)
Net Profit (Loss) Before Tax	1,336	723
Net Profit (Loss) After Tax***	713	505

* Revenue includes: Operating revenue and interest income but excludes COVID-19 related Government grants.

** Expenses include: Operating expenses, depreciation, amortisation and interest expense but excludes the transfer from foreign currency reserve on windup of subsidiary.

*** The New Zealand entities had taxable income and were unable to utilise the foreign tax losses. The overseas entities had minimal tax.

BurgerFuel Group (unaudited) Total System Sales (all three brands) reduced by (12.5%) to $88.7m on the same period last year. The decrease in sales is mostly due to COVID-19 trading restrictions and the permanent closure of the USA and some Middle East stores including Iraq.

Group Operating Revenue decreased by 4.1% to $21.0m.

COVID-19 trading restrictions were significant in our New Zealand market, but greater in our Middle Eastern markets. The drop in revenue from the Middle East reflects an entire year of difficult conditions in both UAE and Saudi Arabia. The Group also incurred additional costs around the BFG sales process and the winding up of all business affairs in the USA.

As at 31 March 2021 there were 58 BurgerFuel® restaurants operating in NZ and 13 operating in the Middle East excluding third party "ghost" kitchens operating in the UAE. There are 3 Shake Out® and 4 Winner Winner® branded stores operating in NZ.

THE YEAR'S RESULTS AND GROUP OUTLOOK

New Zealand

Total systemwide sales across New Zealand (65 restaurants, all 3 brands) decreased by 4.3% on the previous year. This was mainly due to the COVID-19 trading restrictions and the associated store closures, with some offset from the opening of 4 new stores.

The COVID-19 Alert Level 4 lockdown resulted in FY21 having 27 less days of trade which impacted the Group's NZ sales by approx. (7.4%). For the balance of FY21 there were a further 106 days (15 weeks) of varying Alert Levels and associated trading restrictions. This was primarily focussed on our largest market, Auckland, but it is worth noting the CBDs and hospitality precincts of Wellington and Christchurch have also been heavily impacted by the significant social change of working from home as well as lack of tourists and students.

BurgerFuel New Zealand opened two new locations in FY21 and now has 58 locations throughout the country. Total sales for the year decreased by 7.3% which is largely due to COVID-19 disruptions and some offset by the opening of a new stores in Point Chevalier, Auckland, in May 2020 and the new store in Whangarei which opened in March 2021. Both new stores are performing well. We continue to focus on recruitment of potential new franchisees for the regional areas that we currently do not serve. BurgerFuel has maintained its policy of not using delivery aggregation services as the prohibitive costs are not sustainable for our franchisees. This may have moderated our sales during the 15 weeks of varying alert levels and operating restrictions. However, preventing the erosion of

BFG ANNUAL REPORT 2021 / ANNUAL REPORT OF THE DIRECTORS

CHAIRMAN AND CHIEF EXECUTIVES' REVIEW

FOR THE YEAR ENDED 31 MARCH 2021

Franchisee profits is central to sustaining a healthy business for all of our key stakeholders.

Shake Out total store sales increased by 25% in FY21. The Browns Bay location was permanently closed after the Level 4 lockdown, however a new location opened in Hamilton East keeping the total at three Shake Out locations in New Zealand. This new location was also the 7th restaurant for the Group (all brands) in the Waikato and the 1st region in New Zealand where all 3 of our brands are operating in close proximity. Results from the Waikato have been pleasing and have informed us on how future regions can be optimised for the Group.

Winner Winner total sales increased by 98%. This result reflects the opening of two new stores just before the financial year commenced, and a new store in Takapuna late in the FY21 financial year. Winner Winner has a larger mix of dine-in customers and the constantly changing Alert Levels had a larger impact on Winner Winner than our other two brands.

The new company owned store in Takapuna is only two tenancies away from our BurgerFuel location which has not suffered any noticeable cannibalisation, and this is further informing our future network plans. It is early days for this latest Winner Winner store with sales figures lower than expected.

For the entire financial year, the two new brands represented 6.5% of total NZ sales for the group.

The reality of establishing new brands is that it takes considerable time and financial investment. We believe both brands have a future in New Zealand, however resources in terms of cash and management will need to be significantly increased on FY21, if we are to build these brands in line with our vision. This investment is expected to affect cash and profitability through to FY23.

The Middle East

The Middle East continues to be a difficult market for BurgerFuel with each country experiencing major challenges. Total sales for the region have decreased 42% for the year.

At our mid-year update we reported that the UAE had decided to close some of its retail locations and operate via some ghost kitchens that provide home delivery services only. The UAE has exceeded 500,000 COVID-19 cases which has seen most of the population stay at home as much as possible and tourist numbers dry up. BurgerFuel UAE does provide home delivery and this has been the sales channel of choice for many months now. The UAE does have a very high rate of vaccination and we are hopeful that its eventual recovery as an international destination will improve the sales position. However, this remains uncertain at this stage.

BurgerFuel Saudi Arabia opened a new location at Faisaliyah in the city of Dammam and closed two lower performing stores, one in Riyadh and one in Dammam. Saudi Arabia has had in excess of 400,000 COVID-19 cases and trading conditions have been bleak for the entire year. Saudi Arabia's vaccination rate is a lot lower than neighbouring UAE, so we expect these difficult trading conditions to continue for some time yet.

Overall, revenue from the Middle East has significantly declined during the pandemic period and the region is not yet showing signs of bouncing back, but as a nation the UAE in particular is highly committed to recovery. That said, as always, we continue to caution the market in regard to the Middle Eastern region.

Summary & Outlook

The FY21 year brought with it many challenges which overall the Group managed to navigate well. The BurgerFuel brand in particular demonstrated a high level of resilience throughout the various lockdowns and levels imposed as a result of COVID-19. At present the hospitality market feels somewhat devitalised and therefore system development is measured and certainly slower than we would like. The ability to match long term, suitable franchisees to winning operating locations, remains challenging. We are however, pleased that our focus on the basics in FY21, allowed us to operate safely and open further locations in what was an challenging and unprecedented year.

BurgerFuel Group in conjunction with its advisors KPMG are still reviewing its options regarding a possible sale, merger, joint venture, international partnership, domestic partnership or alternative process. The Board will keep the market updated with any material developments should they occur throughout the ongoing strategic review process.

We would like to thank all shareholders, staff, franchisees, suppliers and of course our valued customers for their continued support

Best regards,

Peter Brook
Chairman

Josef Roberts
Group CEO

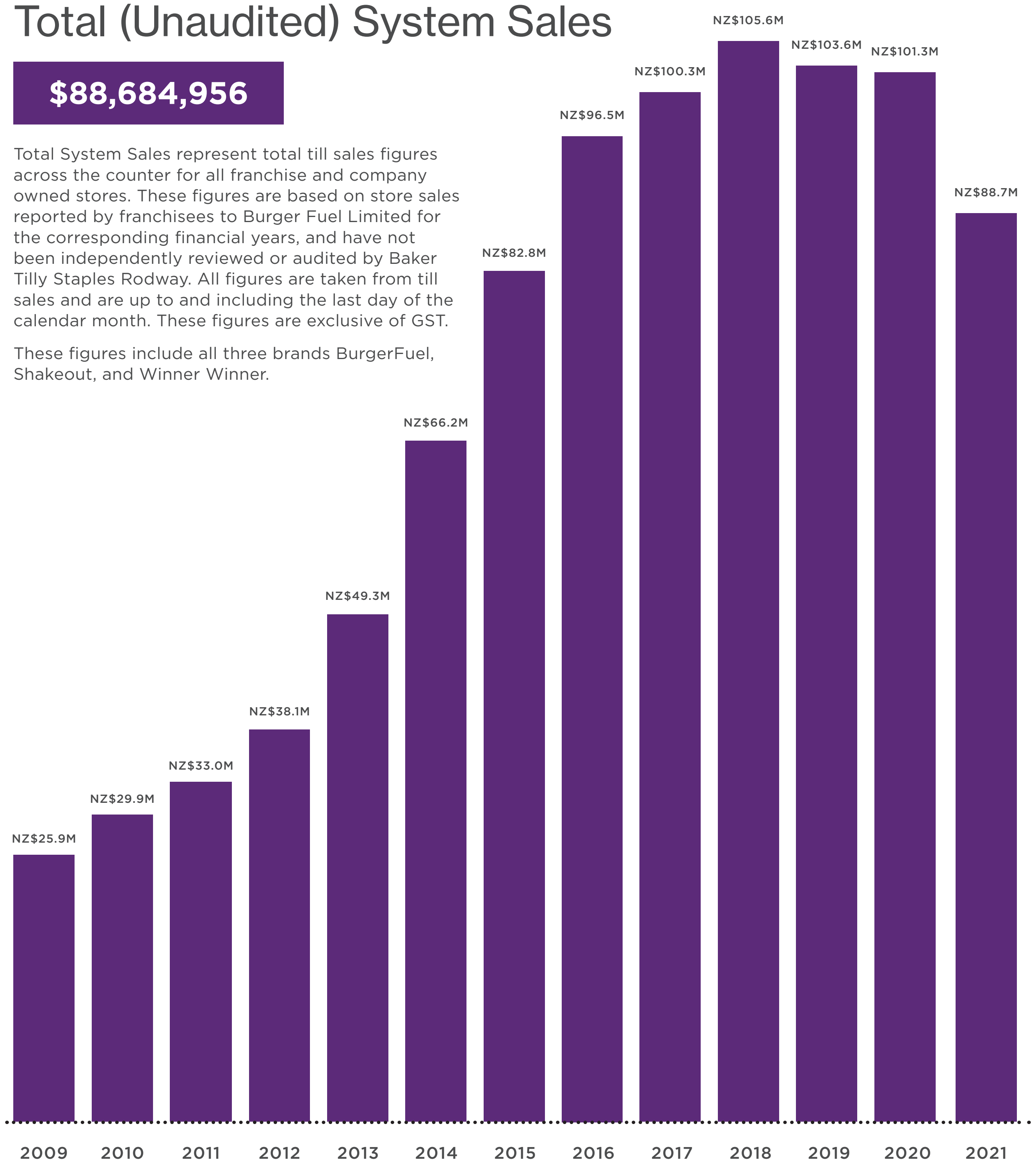
BURGERFUEL GROUP LIMITED FY20 TOTAL SYSTEM SALES

Total (Unaudited) System Sales

$88,684,956

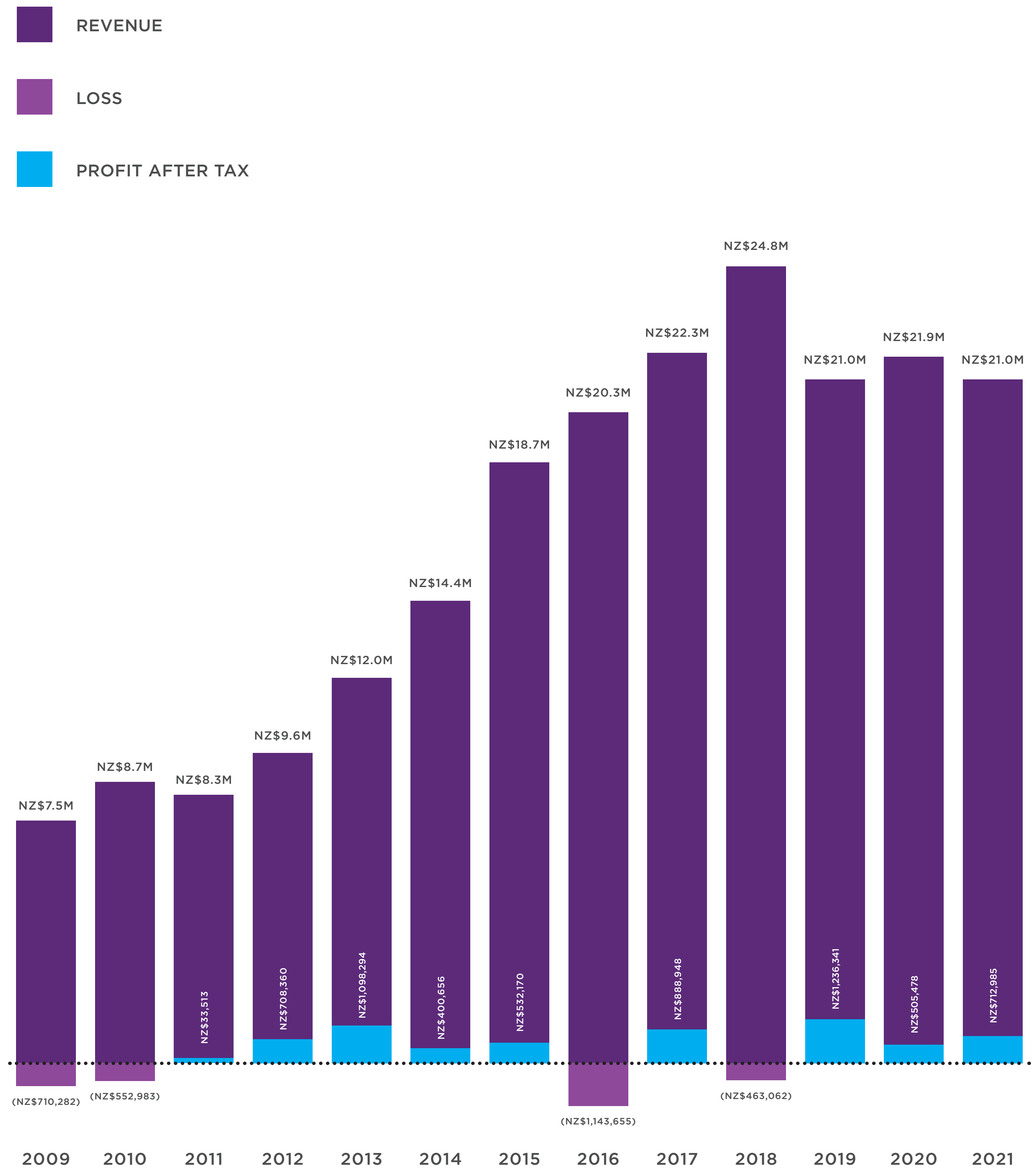
Total System Sales represent total till sales figures across the counter for all franchise and company owned stores. These figures are based on store sales reported by franchisees to Burger Fuel Limited for the corresponding financial years, and have not been independently reviewed or audited by Baker Tilly Staples Rodway. All figures are taken from till sales and are up to and including the last day of the calendar month. These figures are exclusive of GST.

These figures include all three brands BurgerFuel, Shakeout, and Winner Winner.



Financial years are from 1st April to 31st March. Total system sales represent total till sales figures across the counter for all franchise and company owned stores.

BURGERFUEL GROUP LIMITED FY20 REVENUE AND TRADING HISTORY



THE BFG BOARD

MARK PIET
CHIEF FINANCIAL OFFICER

Mark is the CFO & Company Secretary of BurgerFuel and has been with the company since 2008.

Mark is a chartered accountant & a member of Chartered Accountants Australia and New Zealand.

Prior to joining BurgerFuel, Mark worked for Deutsche Bank & The Economist in London.

ALAN DUNN
INDEPENDENT DIRECTOR
CHAIRMAN - BFG AUDIT COMMITTEE

Former CEO and Chairman of McDonald's NZ from 1993 to 2003. In 2004 Alan became Chicago based VP Operations, then Regional VP Nordics and Managing Director Sweden until retirement from McDonalds in 2007.

PETER BROOK
CHAIRMAN
MEMBER - BFG AUDIT COMMITTEE

Peter has 20 years experience in the investment banking industry, retiring in 2000 to pursue his own business and consultancy activities.

JOSEF ROBERTS
GROUP CEO

Josef is the Group CEO and is responsible for the overall direction and management of the business.

Former CEO and founder of Red Bull Australasia.

TYRONE FOLEY
CHIEF OPERATING OFFICER

Tyrone is the group COO and is responsible for the management of all departments at Head Office
and daily operations in all markets around the world.

Tyrone's previous management roles have been with McDonald's and BP.

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INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF BURGER FUEL GROUP LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Burger Fuel Group Limited and its subsidiaries ('the Group') on pages 17 to 62, which comprise the consolidated statement of financial position as at 31 March 2021, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 March 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards ('NZ IFRS') and International Financial Reporting Standards ('IFRS').

Our report is made solely to the Shareholders of the Group. Our audit work has been undertaken so that we might state to the Shareholders of the Group 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 Shareholders of the Group as a body, for our audit work, for our report or for the opinions we have formed.

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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 (Revised) International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ('IESBA Code'), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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, our firm carries out other assignments for Burger Fuel Group Limited and its subsidiaries in the area of taxation compliance services. The provision of these other services has not impaired our independence.

Emphasis of Matter – Increased level of inherent uncertainty in the significant accounting estimates and judgements applied by Management in the preparation of these financial statements, arising from the ongoing global pandemic of coronavirus disease 2019

We draw attention to notes 2 of the financial statements, which describe the impact of the ongoing global pandemic of the novel coronavirus disease 2019 ('COVID-19'), and Management's assessment of and responses to this pandemic on the Group. Since March 2020 the COVID-19 pandemic has lowered overall economic activity and confidence, resulting in significant volatility and instability in financial markets and economic uncertainty. Consequently, there has been an increase in the level of inherent uncertainty in the critical accounting estimates and judgements applied by Management in the preparation of these financial statements, described in notes 2 and 14 of the financial statements. As at the date of the signing of these financial statements, all reasonably known and available information with respect to the COVID-19 pandemic has been taken into consideration in the critical accounting estimates and judgements applied by Management, and all reasonably determinable adjustments have been made in preparing these financial statements. Our opinion is not modified in respect of this matter.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the key audit matter

NZ IFRS 16 Leases
As disclosed in Note 19 of the Group's consolidated financial statements, the Group has lease liabilities of \$31.4m, right-of-use assets of \$8.4m and lease receivable of \$22.5m
 	
Lease liabilities, right-of-use assets and lease receivables were significant to our audit due to the size of the assets and liabilities and the subjectivity, complexity and uncertainty inherent in the application of NZ IFRS 16 Leases and the assumptions required by Management for the calculations of the lease balances.
 	
These calculations require estimates regarding the lease term and the discount rate. As well, Management has exercised their judgement in determining the recoverability of the lease receivables for the sublease arrangements.
	Our audit procedures, among others, included:
	• Understanding and evaluating the Group's internal controls relevant to the accounting estimates used to determine the expected term of the Group's leases and applicable incremental borrowing rates.
	• Evaluating Management's process relating to the identification, recording, recognition and measurement of leases within the scope of NZ IFRS 16.
	• Evaluating Management's judgements made in applying allowable practical expedients against the requirements of NZ IFRS 16.
	• Assessing the completeness of identified lease contracts by checking that all leased facilities were included in the calculation.
	• For new leases:
	  • Agreeing key inputs in the lease calculation to the underlying lease agreements;
	  • Recalculating the lease liability, right-of-use asset and lease receivable based on the key inputs noted above and compared our recalculations to the balances recorded by the Group; and
	  • Checking the appropriateness of the classification of the lease liability and lease receivable between current and non-current based on the remaining term of the lease.
	• For a sample of existing leases, evaluating Management's calculations for the subsequent measurement of the leases, including lease modifications and rent revisions.

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Key Audit Matter	How our audit addressed the key audit matter
	• Evaluating Management's estimates regarding terms of the leases and Management's consideration of options to extend or terminate the leases (including considering the impact of the COVID-19 pandemic). • Evaluating Management's assessment of the incremental borrowing rates (IBR) applied to individual leases or portfolios of leases. • Evaluating the inputs and any underlying assumptions with a view to identifying Management bias. • Evaluating Management's assessment of any indicators of impairment for the right of use assets in accordance with NZ IAS 36 Impairment of Assets (including considering the impact of the COVID-19 pandemic). • Evaluating the recoverability of the lease receivable based on Management's assessment of impairment using the expected credit loss model in accordance with NZ IFRS 9 Financial Instruments (including considering the impact of the COVID-19 pandemic). • Evaluating the adequacy of disclosures (including the accounting policies and accounting estimates) related to leases.

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Key Audit Matter	How our audit addressed the key audit matter

Impairment assessment of Goodwill
As disclosed in Note 14 of the Group's consolidated financial statements, the Group has goodwill of $1,424,279 allocated to two cash-generating units ('CGUs')
• Henderson $586,427 and
• Takapuna $837,852.
Goodwill was significant to our audit due to the size of the assets and the subjectivity, complexity and uncertainty inherent in the measurement of the recoverable amount of these CGUs for the purpose of the required annual impairment test. The measurement of a CGU's recoverable amount includes the assessment and calculation of its 'value in-use' or its fair value less costs to sell.
Management has completed the annual impairment test under NZ IAS 36 Impairment of Assets for each of the two CGUs as at 31 March 2021.
This annual impairment test involves complex and subjective estimates and judgements by Management on the future performance of the CGUs, discount rates applied to the future cash flow forecasts and future market and economic conditions.
	Our audit procedures, among others, included:
	• Understanding and evaluating the Group's internal controls relevant to the accounting estimates used to determine the recoverable value of the Group's CGUs.
	• Evaluating Management's determination of the Group's CGUs based on our understanding of the nature of the Group's business and the economic environment in which they operate. We also analysed the internal reporting of the Group to assess how the CGUs are monitored and reported.
	• Challenging Management's assumptions and estimates used to determine the recoverable value of its indefinite life intangible assets, including those relating to forecasted revenue, cost, capital expenditure and discount rates, by adjusting for future events and corroborating the key market related assumptions to external data (including the consideration of the impact of the COVID-19 pandemic).
	• Procedures included:
	  • Evaluating the logic of the value-in-use and fair value less costs of disposal calculations supporting Management's annual impairment test and testing the mathematical accuracy of these calculations
	  • Evaluating Management's process regarding the preparation and review of forecasts;
	  • Comparing forecasts to Board approved forecasts;
	  • Evaluating the historical accuracy of the Group's forecasting to actual historical performance;
	  • Challenging and evaluating the forecast growth assumptions;
	  • Evaluating the inputs to the calculation of the discount rates applied;
	  • Engaging our own internal valuation experts to evaluate the reasonability of Management's discount rate;
	  • Evaluating the forecasts, inputs and any underlying assumptions with a view to identifying Management bias;
	  • Evaluating Management's sensitivity analysis for reasonably possible changes in key assumptions; and
	  • Performing our own sensitivity analyses for reasonably possible changes in key assumptions, the two main assumptions being: the discount rate and forecast growth assumptions.
	• Evaluating the adequacy of disclosures (including the accounting policies and accounting estimates) about goodwill, and the risks attached to it.

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Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 31 March 2021 (but does not include the consolidated financial statements and our auditor's report thereon).

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, 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.

Responsibilities of the Directors for the Consolidated Financial Statements

The Directors are responsible on behalf of the Group for the preparation and fair presentation of the consolidated financial statements in accordance with NZ IFRS and IFRS, and for such internal control as the Directors determine is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible on behalf of the Group for assessing the Group'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 Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- Conclude on the appropriateness of the use of the going concern basis of accounting by the Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent fairly the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Matters Relating to the Electronic Presentation of the Audited Consolidated Financial Statements

This audit report relates to the consolidated financial statements of Burger Fuel Group Limited and its subsidiaries for the year ended 31 March 2021 included on Burger Fuel Group Limited 's website. The Directors of Burger Fuel Group Limited are responsible for the maintenance and integrity of Burger Fuel Group Limited 's website. We have not been engaged to report on the integrity of Burger Fuel Group Limited 's website. We accept no responsibility for any changes that may have occurred to the consolidated financial statements since they were initially presented on the website.

The audit report refers only to the consolidated financial statements named above. It does not provide an opinion on any other information which may have been hyper linked to or from these consolidated financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited consolidated financial statements and related audit report dated 30 June 2021 to confirm the information included in the audited consolidated financial statements presented on this website.

Legislation in New Zealand governing the preparation and dissemination of consolidated financial statements may differ from legislation in other jurisdictions.

The engagement partner on the audit resulting in this independent auditor's report is N S de Frere.

Baker Tilly Staples Rodway

BAKER TILLY STAPLES RODWAY AUCKLAND
Auckland, New Zealand
30 June 2021

SHAKE OUT // CHICKEN NUGGIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021	2020
		$	$
Revenue	5	18,615,623	20,345,736
COVID-19 Government wage subsidy	5	934,020	-
Operating Expenses	6	(16,322,939)	(17,973,431)
Transfer from Foreign currency reserve on windup of subsidiary	6	(130,882)	-
Profit before Interest, Taxation, Depreciation and Amortisation		**3,095,822**	**2,372,305**
Depreciation on Property, Plant and Equipment	11	(477,008)	(545,765)
Depreciation on Right of Use Assets	19	(698,813)	(630,329)
Amortisation	14	(142,067)	(143,084)
		(1,317,888)	(1,319,178)
Profit before Interest and Taxation		**1,777,934**	**1,053,127**
Interest Income		38,816	113,223
Interest Income leases non-occupied	19	1,380,726	1,410,421
Interest Expense		(86)	(345)
Interest Expense leases occupied	19	(480,899)	(442,632)
Interest Expense leases non-occupied	19	(1,380,726)	(1,410,421)
		(442,169)	(329,754)
Profit before Taxation		**1,335,765**	**723,373**
Income Tax Expense	7	(622,780)	(217,895)
Net Profit attributable to shareholders		**712,985**	**505,478**
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Movement in Foreign Currency Translation Reserve	20	12,257	(117,216)
Total comprehensive income		**725,242**	**388,262**
Basic Earnings per Share (cents)	25	**1.37**	**0.94**
Diluted Earnings per Share (cents)	25	1.37	0.94

The attached notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 MARCH 2021

		2021	2020
Shareholders' equity	Note	$	$
Contributed equity	18	11,913,499	13,594,825
Accumulated losses		(1,267,035)	(1,980,020)
Foreign currency translation reserve	20	(298,160)	(441,299)
		10,348,304	**11,173,506**
Current assets			
Cash and cash equivalents	17	7,114,119	5,570,167
Trade and other receivables	9	2,076,126	3,189,334
Income tax receivable		-	184,326
Lease Receivable: non-occupied	19	1,553,671	1,518,310
Inventories	10	548,352	565,217
Loans	13	127,722	174,325
		11,419,990	**11,201,679**
Non-current assets			
Property, plant and equipment	11	2,609,570	2,462,017
Right of use asset - leases	19	8,375,067	7,828,007
Lease receivable non-occupied	19	20,947,424	21,238,840
Deferred tax asset	7	615,988	689,104
Loans	13	109,928	134,140
Intangible assets	14	2,043,642	2,421,445
		34,701,619	**34,773,553**
Total Assets		**46,121,609**	**45,975,232**
Current liabilities			
Trade and other payables	15	1,856,625	1,470,949
Contract Liability	15	283,965	412,620
Lease Liability	19	511,735	423,538
Lease Liability: non-occupied	19	1,553,671	1,518,310
Income tax payable		524,580	-
Provisions	16	438,163	436,456
		5,168,739	**4,261,873**

The attached notes form part of these financial statements

BFG ANNUAL REPORT 2021 / **CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 MARCH 2021

		2021	2020
Non-current liabilities	Note		
Contract Liability	15	1,245,448	1,625,998
Lease Liability	19	8,371,494	7,635,815
Lease Liability non-occupied	19	20,947,424	21,238,840
Provisions	16	40,200	39,200
		30,604,566	**30,539,853**
Total liabilities		**35,773,305**	**34,801,726**
Net assets		**10,348,304**	**11,173,506**
Net tangible assets per share ($ per share)	28	0.15	0.15

For and on behalf of the Board who approved these financial statements for issue on 24th June 2021.

Director   **Director**

The attached notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2021

2021	Note	Contributed Equity $	Foreign Currency Translation Reserve $	Accumulated losses $	Total Equity $
Balance as at 1 April 2020		13,594,825	(441,299)	(1,980,020)	**11,173,506**
Buy Back and cancellation of Ordinary Shares	18	(1,681,326)	-	-	**(1,681,326)**
Reclassification of FX translation reserve on windup of USA subsidiary		-	130,882	-	**130,882**
Movement in foreign currency translation reserve recognised in other comprehensive income		-	12,257	-	**12,257**
Net Profit for the year ended 31 March 2021		-	-	712,985	**712,985**
Total comprehensive income		-	12,257	712,985	**725,242**
Balance as at 31 March 2021		**11,913,499**	**(298,160)**	**(1,267,035)**	**10,348,304**

2020	Note	Contributed Equity $	Foreign Currency Translation Reserve $	Accumulated losses $	Total Equity $
Balance as at 31 March 2019		**13,864,066**	**(324,083)**	**(2,541,498)**	**10,998,485**
Impact of Changes in Accounting Policies		-	-	56,000	**56,000**
Balance as at 1 April 2019		13,864,066	(324,083)	(2,485,498)	**11,054,485**
Buy Back and cancellation of Ordinary Shares		(269,241)	-	-	**(269,241)**
Movement in foreign currency translation reserve recognised in other comprehensive income		-	(117,216)	-	**(117,216)**
Net Profit for the year ended 31 March 2020		-	-	505,478	**505,478**
Total comprehensive income		-	(117,216)	505,478	**388,262**
Balance as at 31 March 2020		**13,594,825**	**(441,299)**	**(1,980,020)**	**11,173,506**

The attached notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 $	2020 $
Cash flows from operating activities			
Receipts from customers		18,552,954	20,260,648
COVID-19 Government wage subsidy		445,133	488,887
Interest received		38,816	113,223
Goods and services tax		(79,859)	(5,547)
Payments to suppliers & employees		(15,587,996)	(18,555,148)
Interest		(86)	(345)
Interest on leases		(452,073)	(442,632)
Taxes		187,245	(527,380)
Net cash flows provided from operating activities	26	**3,104,134**	**1,331,706**
Cash flows from investing activities			
Repayments from suppliers & staff		70,816	12,436
Sale of property, plant and equipment		122,015	50,054
Acquisition of intangible assets	14	(7,264)	(21,507)
Advances to franchisee and staff		-	(150,000)
Acquisition of property, plant & equipment	11	(690,933)	(512,459)
Net cash flows applied to investing activities		**(505,366)**	**(621,476)**
Cash flows from financing activities			
Lease Liability		(397,744)	(398,984)
Share buyback & cancellation	4	(700,000)	(269,241)
Net cash flows applied to financing activities		**(1,097,744)**	**(668,225)**
Net movement in cash and cash equivalents		1,501,024	42,005
Exchange gains / (loss) on cash and cash equivalents		42,928	24,689
Opening cash and cash equivalents		5,570,167	5,503,473
Closing cash and cash equivalents	17	**7,114,119**	**5,570,167**

The attached notes form part of these financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1) Reporting entities and statutory base

Burger Fuel Group Limited ("BFG") is a Company registered under the Companies Act 1993 and is listed with the New Zealand Stock Exchange (NZX). The Company is a Financial Markets Conduct (FMC) reporting entity for the purposes of the Financial Markets Conduct Act 2013 and its financial statements comply with that Act.

The financial statements presented are those of Burger Fuel Group Limited (the 'Group'). A list of its wholly owned subsidiaries is listed in note 12 of the financial statements.

The Group operates as a franchisor of gourmet burger and chicken restaurants and is a for-profit oriented entity, incorporated and domiciled in New Zealand.

2) Basis of preparation

Statement of Compliance
The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP") and the requirements of the Companies Act 1993, the Financial Reporting Act 2013 and the Financial Markets Conduct Act 2013. They comply with the New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS"), and other applicable Financial Reporting Standards as appropriate for, for-profit oriented entities. For the purposes of complying with NZ GAAP, the Group is a Tier 1 for-profit entity as defined in the XRB's Accounting Standards Framework. These financial statements also comply with International Financial Reporting Standards ("IFRS").

These financial statements are presented in New Zealand dollars ($), which is the Company's functional currency and they have been rounded to the nearest dollar.

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

The financial statements were approved by the Board of Directors on the date set out on page 19 of the Annual Report.

Basis of Measurement
These financial statements have been prepared under the historical cost convention and on a going concern basis.

Use of Estimates and Judgements
The preparation of financial statements in conformity with NZ IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The principal areas of judgments in preparing these financial statements are set out below:

IFRS16 – Expected Lease Term
The Group has estimated the lease terms for the occupied and non-occupied leases will run to their final expiry, taking into account all optional exercise periods. This is based on the fact that the Group and franchisee spends a significant amount on the store fitout, thus it is in their best interest to extend the lease term for as long as possible while the asset is generating revenue.

Impairment of Receivables and Lease Receivables
The Group maintains an allowance for estimated losses expected to arise from customers being unable to make required payments. This allowance takes into account known commercial factors impacting specific customer accounts, as well as the overall profile of the Group's debtors' portfolio. In assessing the allowance, factors such as past collection history, the age of receivable balances, the level of activity in customer accounts, as well as general, macro-economic trends, are taken into account. The impairment of receivables is detailed in note 9 of the financial statements.

Accounting for Income Tax
Preparation of the annual financial statements requires management to make estimates as to, amongst other things, the amount of tax that will ultimately be payable, the availability of losses to be carried forward and the amount of foreign tax credits it will receive in each of the jurisdictions it operates in.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses (where applicable) only to the extent that it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Actual results may differ from these estimates as a result of reassessment by management or taxation authorities.

Refer to note 7 for additional information on accounting for income tax.

Impairment of Goodwill
The Group reviews goodwill for indicators of impairment at least on an annual basis. This requires an estimation of the fair value of the cash-generating units to which the Goodwill is allocated. Estimating the fair value amount requires management to make an estimate of the expected future cash flows from the cash-generating unit in the forecasted period and also to determine a suitable discount rate in order to calculate the present value of those cash flows. The Group's longer-term forecasts are subject to a higher level of uncertainty as it mostly depends on consumer spending, market conditions and level of competition. For additional information on the impairment test, reference is made to note 14.1 - Intangible Assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

2) Basis of preparation (Continued)

COVID-19
COVID-19 Alert Level 4 came into force at 11:59pm Wednesday 25 March 2020; New Zealand moved to Alert Level 3 at 11:59pm on Monday 27 April 2020 and Alert Level 2 at 11.59pm Wednesday 13 May 2020.

The NZ BurgerFuel, Winner Winner & Shake Out stores were completely closed during Alert Level 4, thus the Group generated no royalty, advertising or sales income during this period. The NZ stores reopened in Alert Level 3 with limited services, providing click and collect, kerbside pickup and delivery services in some stores.
Alert Level 2 allowed dine in service but had social distancing restrictions and at Alert Level 1 the stores are operating as normal. During 2020 & 2021 there were additional COVID- 19 lockdowns, but the stores could still operate.

To date most of the stores are trading better than first thought with only the CBD stores taking longer to recover from the lockdown period. Management puts this down to the delays with office workers returning to the CBDs.

Whilst the Group and franchised stores lost revenue during the lockdown, the Government wage subsidy and various rent reductions assisted with cashflow thus there was no impact on the Group's receivables at year end.

The reduced revenue in FY21 due to COVID-19 did impact the impairment of goodwill calculation for the Henderson and Takapuna stores. The revised sales estimates resulted in a goodwill impairment of $215,000 across both entities.

There was no impact on the tax calculations due to COVID-19.

3) Specific accounting policies

The following is a summary of specific accounting policies adopted by the Group in the preparation of the financial statements that materially affect the measurement of financial performance, cash flows and the financial position.

a) Adoption of new &revised standards and interpretations
Except for the early adoption of COVID19 Rent Concessions (Amendment to NZ IFRS 16), no new standards and amendments and interpretations to existing standards came into effect during the current accounting period beginning on 1 April 2020 that materially impacted the Group's financial statements and require retrospective adjustment.

b)Basis of Consolidation

Subsidiaries
Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and gains or losses on transactions between Group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

c) Revenue Recognition

Revenue arises mainly from the sale of food and beverage products from our fast-casual stores that the Group owns directly and from franchise and royalty arrangements that it has in place with franchise holders both in New Zealand and offshore.

To determine whether to recognise revenue, the Group follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when or as its performance obligation(s) are satisfied.

Revenue is recognised either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers.

The transaction price for a contract excludes any amounts collected on behalf of third parties.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

3) Specific accounting policies (Continued)

Government grants
Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Sale of goods
The Group is in the business of providing fast-casual food solutions to its customers and franchisees. Revenue from contracts with customers is recognised when control of the goods is transferred to the customer or franchisee at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has concluded that it is the principal in its revenue arrangements, because it controls the goods or services before transferring them to the customer.

Management has determined the performance obligation to deliver the food & proprietary products is completed when control of goods passes to customer. Revenue is recognised at this time.

Franchise fees
The Group recognises revenue derived from its franchise operations in New Zealand, USA and the Middle East on a straight-line basis over a period of time that the franchise agreement is in place, which is generally 10 years. This is the period of time over which the performance obligation, the use of the intellectual property, is satisfied. Payment is received upfront upon signing the franchise contract.

The transaction price includes a variable price consideration for the possible transfer of franchise rights. This is unknown until and if the transaction is completed. Given the high uncertainty of this transfer, the transaction price for franchise contract is not adjusted for these transferred franchise rights until the Group is notified of the sale.

Royalties from Franchises and Master Licencing Arrangements (MLAs)
The Group recognises revenue derived from its Franchises and MLAs over time, based on sales that are reported back to the Group on a monthly basis for sales that occurred in that month. Payment is received on a monthly basis.

The performance obligation, to provide access to the brand intellectual property, is satisfied over time. Royalty revenue is recognised as the underlying sales take place, in accordance with sales-based royalties.

Training fees
The Group recognises revenue from training over time as each 12-week training course is provided to the new operators of franchises. Payment is received upfront when the new operator signs a franchise agreement

Advertising revenue
The Group recognises advertising revenue derived from its Franchises and MLAs over time, based on sales that are reported back to the Group on a monthly basis for sales that occurred in that month. Payment is received on a monthly basis.

The performance obligation, to provide access to the brand intellectual property and advertising services, is satisfied over time. Advertising revenue is recognised as the underlying sales take place, in accordance with sales-based royalties.

Property management fees
The Group recognises revenue from property management services on a straight-line basis over 12 months. This reflects the period of time over which the Group provides property management services to each franchise.

Other revenue
Other revenue includes incentives, bonuses and rebates received by the Group from its suppliers in relation to volume of goods and services that have been purchased by franchise holders. Rebate revenue is recognised when the sale of the underlying asset is completed. Other revenues are recognised when reliable estimates of the amounts due to the Group are deemed to be highly probable.

Significant financing components
Using the practical expedient in NZ IFRS 15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

3) Specific accounting policies (Continued)

d) Accounts Receivable

Trade receivables and contract assets
The Group makes use of a simplified approach in accounting for trade receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses.

The Group assesses the impairment of all its trade receivables on a specific as well as a collective basis in order to determine the allowance for credit losses. The Group recognizes lifetime expected credit losses for the amount expected to result from default events over the expected life of the financial asset.

Management has assessed the information available and concluded that no provision for expected credit losses was identified.

e) Inventories

Inventories are stated at the lower of cost and net realisable value after due consideration for excess and obsolete items. Cost is based on the first in, first out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing condition and location. Net realisable value is the estimated selling price in the ordinary course of business, less estimated selling expenses.

f) Financial Instruments

Recognition and derecognition
Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial assets expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with NZ IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

All revenue and expenses relating to financial assets are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within impairment gains (losses) of financial assets in profit or loss.

Subsequent measurement of financial assets
After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and other receivables are classified at amortised cost as the Group intends to hold them and collect contractual cash flows.

Impairment of financial assets
The Group recognises a loss allowance for expected credit losses (ECL) on investments in financial assets that are measured at amortised cost and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group recognises lifetime ECL for trade receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward looking information as described above.

Loans Receivable and Lease Receivable at amortised cost
The Group records loans receivable for loans to suppliers and employees as well as a lease receivable for leases where the Group is a lessor. The Group records these at amortised cost using the effective interest method and assesses these receivables for impairment under the expected credit loss model,

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

3) Specific accounting policies (Continued)

using 12 months expected losses. This is appropriate as management have assessed each counterparty as having a low risk of default and a strong capacity to meet their contractual cash flow obligations in the near term.

Financial Liabilities
These amounts represent unsecured liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. Other financial liabilities are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. The Group's other financial liabilities are trade and other payables, and these are usually paid within 30 days.

g) Share Capital

Ordinary Shares
Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity.

h) Property, Plant and Equipment

Recognition and Measurement
Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent Costs
The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit and loss as incurred.

Property, plant and equipment are stated at cost less accumulated depreciation. The following depreciation rates have been used:

Motor Vehicles	24% - 40% diminishing value
Leasehold Improvements	10% - 40% diminishing value
Information Technology	20% - 75% diminishing value
Furniture & Fittings	10% - 67% diminishing value
Kitchen Equipment	8% - 67% diminishing value
Office Equipment	8% - 67% diminishing value

Where an asset is disposed of, the gain or loss recognised in the Statement of Comprehensive Income is calculated as the difference between the sale price and the carrying amount of the asset.

i) Leased Assets

As a lessee
At the commencement date of a lease (other than leases of 12 months or less and leases of low value assets), the Group recognises a right of use asset, representing its right to use the underlying asset and a lease liability, representing its obligation to make lease payments to the lessor.

Initial measurement
- Initial measurement of the right of use ('ROU') assets (occupied leases) includes the initial present value of the lease liability, the initial direct costs, prepayments made to lessor, less any lease incentives received from the lessor and restoration, removal and dismantling costs. These amounts are discounted using the interest rate implicit in the lease, or, if the interest rate implicit in the lease cannot be readily determined, the Group's incremental borrowing rate;
- Initial measurement of the lease liability (occupied) reflects the present value of lease payments over the term of the lease, including reasonably certain renewals. The lease payments are discounted using the interest rate implicit in the lease, or, if the interest rate implicit in the lease cannot be readily determined, Group's incremental borrowing rate.

Subsequent measurement
- ROU asset: Carried at cost less impairment and depreciation, The ROU assets are depreciated on a straight-line basis.
- Lease liability: Accrete the liability based on the effective interest method, using a discount rate determined at lease commencement (as long as a reassessment and a change in the discount rate have not occurred) and reduce the liability by payments made.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

3) Specific accounting policies (Continued)

As a lessor
When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a lease transfers substantially all of the risks and rewards incidental to the right-of-use asset, it is treated as a finance lease.

The Initial measurement of the present value of the lease liability is offset with a lease receivable, representing its right to receive lease payments from a sublessee

Initial measurement

- Initial measurement of the lease receivable (non-occupied leases) includes the initial present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or, if the interest rate implicit in the sublease cannot be readily determined, the discount rate used for the head lease (adjusted for any initial direct costs associated with the sublease); and
- Initial measurement of the lease liability (non-occupied) reflects the present value of lease payments over the term of the lease, including reasonably certain renewals. The lease payments are discounted using the interest rate implicit in the lease, or, if the interest rate implicit in the lease cannot be readily determined, Group's incremental borrowing rate.

Subsequent measurement:

- Lease receivable: Accrete the receivable based on the effective interest method, using a discount rate determined at lease commencement (as long as a reassessment and a change in the discount rate have not occurred) and reduce the receivable by payments made; and
- Lease liability: Accrete the liability based on the effective interest method, using a discount rate determined at lease commencement (as long as a reassessment and a change in the discount rate have not occurred) and reduce the liability by payments made.

Variable lease payments, such as percentage rent based on turnover, not included in the measurement of lease liabilities are recognised as an expense when incurred.

Leases of 12-months or less and leases of low value assets
Lease payments made in relation to leases of 12-months or less and leases of low value assets (for which a right of use asset and a lease liability has not been recognised) are recognised as an expense on a straight-line basis over the term of the lease.

j) Intangible Assets

The Group's intangible assets have finite useful lives with the exception of Goodwill and are stated at cost less accumulated amortisation. The intangible assets are amortised in the Statement of Comprehensive Income on a straight line basis over the period during which benefits are expected to be derived, which is up to 10 years. Where there has been an impairment in the value, the balance has been written off in the Statement of Comprehensive Income.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the intangible asset to which it relates. All other expenditure is recognised in the Statement of Comprehensive Income when incurred.

As part of a business combination, an acquirer may acquire a right that it had previously granted to the acquiree to use one or more of the acquirer's recognised or unrecognised assets. An example of such rights include a right to use the acquirer's trade name under a franchise agreement. A reacquired right is an identifiable intangible asset that the acquirer recognises separately from goodwill. Reacquired rights are initially valued at the present value of the expected future cash flows, and subsequently amortised on a straight-line basis over its useful life, being the remaining contractual period without considering contractual extension possibilities, but not exceeding 10 years.

k) Employee Benefits

Short-term Benefits
Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A provision is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

The Group pays contributions to the Kiwisaver superannuation plans. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as an

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

3) Specific accounting policies (Continued)

employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

l) Taxation

Income tax expense comprises current and deferred tax. Current and deferred tax are recognised as an expense or income in the profit or loss, except when they relate to items that are recognised outside profit or loss (whether in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for the initial recognition of assets or liabilities that affect neither accounting nor taxable profit. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amounts of assets and liabilities, using tax rates enacted or substantively enacted at the balance date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

m) Goods and Services Tax (GST) & Value Added Tax (VAT)

The Statements of Comprehensive Income and Cash Flows has been prepared so that all components are stated exclusive of GST and VAT. All items in the Statement of Financial Position are stated net of GST and VAT, with the exception of receivables and payables, which include GST and VAT invoiced. The operations of the Group comprise both exempt and non-exempt supplies for GST and VAT purposes.

n) Foreign Currency

Foreign Currency Transactions

Transactions in foreign currencies are translated into the functional currencies of the entities within the Group at exchange rates at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period. Foreign currency differences arising on retranslation are recognised in the profit or loss.

Foreign Operations

The assets and liabilities of foreign operations are translated to New Zealand dollars at exchange rates at the reporting date. The revenue and expenses of foreign operations are translated to New Zealand dollars at the average exchange rates for the period where this rate approximates the rate at the date of the transaction.

Foreign currency differences are recognised in the Foreign Currency Translation Reserve (FCTR). When a foreign operation is disposed of, in part or in full, the relevant amount in the FCTR is transferred to the Statement of Comprehensive Income.

o) Statement of Cash Flows

Cash and cash equivalents comprise cash at bank and call deposits. Investing activities comprise the purchase and sale of fixed assets, acquisition of a subsidiary and intangible assets along with any funding made available or repaid from franchisees. Financing activities comprise any changes in equity and debt and the payment of dividends (if any). Operating activities include all transactions and other events that are not investing or financing activities.

p) Earnings and Net Tangible Assets Per Share

The Group presents basic and diluted Earnings Per Share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of shares outstanding during the year. Diluted EPS is calculated by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which includes share options granted to employees.

The Group also presents Net Tangible Assets Per Share for its ordinary shares and it is calculated by dividing the net tangible assets of the Group by the number of shares outstanding at the end of the year.

q) Segment Reporting

Operating segments have been identified based on the

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

3) Specific accounting policies (Continued)

information provided to the chief operating decision maker; being the Board of Directors.

The Group operates in four operating segments – these consist of the following geographical locations, New Zealand, Australia, United States of America and the Middle East.

There have been no changes from prior years in the measurement methods used to determine reported segment profit or loss.

r) Goodwill

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognised. Goodwill is carried at cost less accumulated impairment losses. Refer to Note 14.1 for a description of impairment testing procedures.

s) Impairment Testing of Goodwill, Other Intangible Assets and Non-financial Assets

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which management monitors goodwill.

Cash-generating units to which goodwill has been allocated (determined by the Group's management as equivalent to its operating segments) are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount, which is the higher of fair value less costs to sell and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows.

The data used for impairment testing procedures are directly linked to the Group's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect management's assessment of respective risk profiles, such as market and asset-specific risks factors.

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the Statement of Comprehensive Income.

Impairment losses for cash-generating units reduce first the carrying amount of any Goodwill allocated to that cash-generating unit. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of Goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment charge is reversed if the cash-generating unit's recoverable amount exceeds its carrying amount.

4) BurgerFuel USA

Due to COVID-19 in the USA and in resolution of all outstanding issues that have arisen between Christopher Mason (and his associated entities) and BFG as to obligations and amounts outstanding or owing under earlier arrangements, entered into in 2018, the following transaction occurred in November 2020.

1. To settle an outstanding debt owing in relation to BurgerFuel USA, BFG acquired from the Mason Family Trust 1,538,461 fully paid ordinary BFG shares for no cash payment (but attributing a nominal value of NZ$0.39 cents per share, at an agreed settlement amount of NZ$600,000).
2. BFG acquired from the Mason Family Trust 1,794,871 fully paid ordinary BFG shares for consideration of NZ$0.39 cents per share for a total cash payment of NZ$700,000.
3. The store in Indianapolis closed permanently and Christopher Mason ceased being the BurgerFuel USA Master Licensee and he relinquished all rights to operate BurgerFuel in the USA

As previously disclosed to the market, Mason Roberts Holdings Limited (MRHL) (a bare trustee company) was the registered holder of a total of 39,962,644 fully

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FOR THE YEAR ENDED 31 MARCH 2021

4) BurgerFuel USA

paid ordinary BFG shares. This included 6,586,309 fully paid ordinary BFG shares beneficially owned by Christopher Simon Mason and Christopher John Mills as trustees of the "Mason Family Trust", 3,333,332 of those shares were acquired by BFG under the terms of the settlement described above.

The shares acquired by the Company in connection with the settlement were immediately cancelled, reducing the total number of BFG shares on issue from 53,670,195 to 50,336,863.

5) Revenue

	2021	2020
	$	$
Sale of Goods	7,775,995	8,413,491
Franchising Fees	298,004	375,854
Training Fees	30,000	110,000
Royalties	4,821,681	5,684,225
Advertising Fees	3,341,022	3,725,168
Property Management Fees	57,000	53,000
Gain on Sale of Fixed Assets	82,510	11,250
Foreign Exchange Gains / (Losses)	29,725	142,892
Other Income	1,794,950	1,829,856
Rent Relief on Non-Occupied Leases	384,736	-
COVID-19 Government wage subsidy	934,020	-
	19,549,643	**20,345,736**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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6) Expenses

	2021	2020
	$	$
Operating expenses include:		
Cost of Sales	3,125,746	3,271,330
Rental and Operating Lease Costs	119	-
Loss on Disposal of Property, Plant and Equipment	25,921	7,327
Directors' Fees (refer Note 24)	120,000	120,000
Wages and Salaries	4,343,558	4,771,395
Contributions to a defined contribution plan	142,416	153,545
Key management personnel costs: (refer Note 24)		
- Salary and other short-term benefits	2,003,316	2,216,816
Auditors' remuneration – Audit Services – Baker Tilly Staples Rodway:		
- Audit of Financial Statements	92,271	104,950
- Tax and other compliance services	27,140	21,475
Other Operating Expenses	2,303,813	3,056,826
Rent Relief on Non-Occupied Leases	384,736	-
Provision for Doubtful Debts (refer Note 9)	-	-
Write-off of loan – Shake Out Browns Bay, Auckland	-	133,333
Write-off of obsolete kitchen Equipment & stock (refer Note 10)	17,934	89,862
Transfer from Foreign currency reserve on windup of subsidiary	130,882	-
Advertising Expenditure	3,520,969	4,026,572
Impairment of Goodwill	215,000	-
	16,453,821	**17,973,431**

The above key management personnel costs include remuneration of the Group Chief Executive and the members of the executive team.

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FOR THE YEAR ENDED 31 MARCH 2021

7) Income tax

	2021	2020
	$	$
Taxation expense is represented by:		
Current Tax	549,664	191,040
Deferred Tax	73,116	26,855
	622,780	**217,895**
Profit / (Loss) before income tax expense	1,335,765	723,373
Timing differences & non-deductible expenses:		
Extraordinary costs	1,735,648	-
50% entertainment	25,688	48,102
Non-deductible expenditure	499,489	224,779
Depreciation & Amortisation	18,332	20,103
IFRS 15 Deferred revenue	(444,204)	(41,429)
IFRS 16 Leases	276,818	231,346
Accruals	(7,763)	(122,902)
Prepayments	2,338	3,701
Make good provision	1,000	1,150
Holiday pay not paid out within 63 days	(47,139)	(30,735)
Provision for Doubtful Debts	-	(218,291)
Other	(61,330)	85,152
	1,998,877	**200,976**
Taxable Profit / (Loss)	3,334,642	924,349
Non-taxable Middle East & US Entities Income	(1,283,771)	(6,053)
Tax Losses utilised	(157,303)	(402,740)
Net Taxable Profit	1,893,568	515,556
Taxation at the company's effective tax rate	530,199	144,356
Deferred tax movement P&L	73,116	26,855
Under Provision of Prior Period	19,465	46,684
Total income tax expense per statement of comprehensive income	**622,780**	**217,895**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

7) Income tax (Continued)

	2021	2020
Reconciliation of deferred tax asset:	$	$
Deferred tax on temporary differences		
Opening balance	689,104	715,959
Over provision of prior period	-	12,105
Provision for employee benefits	(13,199)	(8,354)
Provisions for make good	280	322
Allowance for impaired assets	-	(61,121)
Depreciation & amortisation	5,359	4,767
Accruals	(19,343)	(28,787)
Deferred revenue	(124,377)	(11,600)
Impact of IFRS16	77,509	64,777
Prepayments	655	1,036
	615,988	**689,104**
Opening Balance	**689,104**	**715,959**
Charged to profit or loss	(73,116)	(38,960)
Over provision of prior period	-	12,105
Closing Balance	**615,988**	**689,104**

The Group has $1,888,853 of unrecognised losses to be carried forward (2020: $3,630,030). The potential benefit of these losses is $566,656 (2020: $938,891) which has not been recognised in the financial statements. The losses carried forward relate to the Australian operations and are therefore in Australian dollars.

The Group has recognised a deferred tax asset of $615,988 (2020: $689,104) with respect to other temporary differences. This has been recognised as it is probable that future taxable profit will be available to allow the asset to be utilised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

8) Imputation credits

	2021	2020
	$	$
Opening balance	1,893,978	1,463,244
Add		
Provisional tax paid	-	413,315
Terminal tax paid	59,113	-
Resident withholding tax	9,347	17,419
	68,460	430,734
Deduct		
Income tax refund received	(243,017)	-
	-	-
Closing balance	**1,719,421**	**1,893,978**

9) Trade and other receivables

	2021	2020
	$	$
Trade receivables	1,935,741	2,158,980
Allowance for impaired assets	-	-
	1,935,741	2,158,980
Trade receivables - USA licence	-	261,000
Trade receivables - USA store sale	-	609,000
Prepayments	121,742	112,472
Sundry receivables	18,643	47,882
	2,076,126	**3,189,334**

Receivables denominated in currencies other than the presentation currency are Australian Dollars, US Dollars and UAE Dirhams and they comprise 26.9% of the trade receivables (2020: 57.9%). The total receivables impaired for the 2021 financial year are Nil (2020: Nil).

The Burger Fuel USA licence agreement was sold to the founding director Christopher Mason for NZD$261,000. This transaction occurred on the 5th March 2018. At the same time Christopher Mason also purchased the equity of the Group's US subsidiary company BF Indiana Two LLC for NZD$609,000. In November 2020, these outstanding balances as well as a management fee of USD$211,000 was settled with a buyback and cancellation of 1,538,461 BFG shares. As at 31 March 2021 there are no outstanding balances payable by Christopher Mason for more information on this transaction please see Note 4.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

9) Trade and other receivables (Continued)

Impairment provision movement:

	2021	2020
	$	$
Opening Balance	-	(218,291)
Provision Utilised	-	218,291
Provision Reversed	-	-
Additional Provisions	-	-
Closing Balance	-	-

10) Inventories

	2021	2020
	$	$
Ingredients	193,983	123,791
Finished Goods	354,369	441,426
Total Inventory	**548,352**	**565,217**

Finished goods includes signage, kitchen equipment & proprietary products (BurgerFuel sauces & dry goods). During the year ended 31 March 2021, $17,934 of obsolete kitchen equipment and packaging was written off. (2020: $89,862).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

11) Property, plant & equipment

2021	Motor vehicles	Office equipment	Furniture & fittings	IT	Kitchen Equipment	Leasehold Improve-ments	Total
	$	$	$	$	$	$	$
Cost							
Balance 1 April 2020	706,126	77,730	1,061,217	1,105,334	1,024,178	2,015,686	5,990,271
Additions	32,651	746	145,948	76,205	184,138	251,245	690,933
Disposals	(281,259)	(1,127)	(39,101)	(86,551)	(19,512)	-	(427,550)
Cost at 31 March 2021	**457,518**	**77,349**	**1,168,064**	**1,094,988**	**1,188,804**	**2,266,931**	**6,253,654**
Depreciation and impairment losses							
Balance 1 April 2020	595,878	54,499	686,329	872,906	409,346	909,296	3,528,254
Disposals	(249,707)	(768)	(31,928)	(69,887)	(9,834)	-	(362,124)
Depreciation for the year	29,367	3,632	88,781	121,825	111,011	122,392	477,008
Foreign exchange impact	878	-	-	68	-	-	946
Balance 31 March 2021	**376,416**	**57,363**	**743,182**	**924,912**	**510,523**	**1,031,688**	**3,644,084**
Net Book Value							
Balance 1 April 2020	110,248	23,231	374,888	232,428	614,832	1,106,390	2,462,017
Depreciation for the year	(29,367)	(3,632)	(88,781)	(121,825)	(111,011)	(122,392)	(477,008)
Additions	32,651	746	145,948	76,205	184,138	251,245	690,933
Disposals	(31,552)	(359)	(7,173)	(16,664)	(9,678)	-	(65,426)
Foreign exchange impact	(878)	-	-	(68)	-	-	(946)
Net Book Value at 31 March 2021	**81,102**	**19,986**	**424,882**	**170,076**	**678,281**	**1,235,243**	**2,609,570**

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FOR THE YEAR ENDED 31 MARCH 2021

11) Property, plant & equipment (Continued)

2020	Motor vehicles	Office equipment	Furniture & fittings	IT	Kitchen Equipment	Leasehold Improve-ments	Total
	$	$	$	$	$	$	$
Cost							
Balance 1 April 2019	959,156	109,100	1,318,449	1,449,437	862,026	1,949,987	6,648,155
Write-off of fully depreciated assets	(217,887)	(30,039)	(283,017)	(433,347)	(85,643)	(10,650)	(1,060,583)
Additions	-	-	31,861	109,783	294,466	76,349	512,459
Disposals	(35,143)	(1,331)	(6,076)	(20,539)	(46,671)	-	(109,760)
Cost at 31 March 2020	**706,126**	**77,730**	**1,061,217**	**1,105,334**	**1,024,178**	**2,015,686**	**5,990,271**
Depreciation and impairment losses							
Balance 1 April 2019	805,395	81,123	850,065	1,159,303	408,166	805,401	4,109,453
Write-off of fully depreciated assets	(223,268)	(30,059)	(265,643)	(443,607)	(80,397)	(17,609)	(1,060,583)
Disposals	(32,965)	(1,230)	(3,269)	(16,553)	(11,378)	-	(65,395)
Depreciation for the year	47,584	4,665	105,176	173,881	92,955	121,504	545,765
Foreign exchange impact	(868)	-	-	(118)	-	-	(986)
Balance 31 March 2020	**595,878**	**54,499**	**686,329**	**872,906**	**409,346**	**909,296**	**3,528,254**
Net Book Value							
Balance 1 April 2019	153,761	27,977	468,384	290,134	453,860	1,144,586	2,538,702
Write-off of fully depreciated assets	5,381	20	(17,374)	10,260	(5,246)	6,959	-
Depreciation for the year	(47,584)	(4,665)	(105,176)	(173,881)	(92,955)	(121,504)	(545,765)
Additions	-	-	31,861	109,783	294,466	76,349	512,459
Disposals	(2,178)	(101)	(2,807)	(3,986)	(35,293)	-	(44,365)
Foreign exchange impact	868	-	-	118	-	-	986
Net Book Value at 31 March 2020	**110,248**	**23,231**	**374,888**	**232,428**	**614,832**	**1,106,390**	**2,462,017**

The gain on sale recorded in the Statement of Comprehensive Income was $82,510 (2020: $11,250), relating to the sale of nine motor vehicles.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

12) Investment in subsidiaries

The Parent Company's investment in the subsidiaries comprises shares at cost.
All subsidiaries have a 31 March balance date.

Subsidiary Companies	Country of Incorporation	Interest Held 2021	Interest Held 2020
BF Lease Company Limited	New Zealand	100%	100%
BF Lease Company No 1 Limited	New Zealand	100%	100%
BF Lease Company No 2 Limited	New Zealand	100%	100%
BF Lease Company No 3 Limited	New Zealand	100%	100%
BF Lease Company No 4 Limited	New Zealand	100%	100%
BF Lease Company No 5 Limited	New Zealand	100%	100%
BF Lease Company No 6 Limited	New Zealand	100%	100%
BF Lease Company No 7 Limited	New Zealand	100%	100%
BF Lease Company No 8 Limited	New Zealand	100%	100%
BF Lease Company No 9 Limited	New Zealand	100%	100%
BF Lease Company No 10 Limited	New Zealand	100%	100%
BF Lease Company No 11 Limited	New Zealand	100%	100%
BF Lease Company No 12 Limited	New Zealand	100%	100%
BF Lease Company No 13 Limited	New Zealand	100%	100%
BF Lease Company No 14 Limited	New Zealand	100%	100%
BF Lease Company No 15 Limited	New Zealand	100%	100%
BF Lease Company No 16 Limited	New Zealand	100%	100%
BF Lease Company No 17 Limited	New Zealand	100%	100%
BF Lease Company No 18 Limited	New Zealand	100%	100%
BF Lease Company No 19 Limited	New Zealand	100%	100%
BF Lease Company No 20 Limited	New Zealand	100%	100%
BF Lease Company No 21 Limited	New Zealand	100%	100%
BF Lease Company No 22 Limited	New Zealand	100%	100%
BF Lease Company No 23 Limited	New Zealand	100%	100%
BF Lease Company No 24 Limited	New Zealand	100%	100%
BF Lease Company No 25 Limited	New Zealand	100%	100%
BF Lease Company No 26 Limited	New Zealand	100%	100%
BF Lease Company No 27 Limited	New Zealand	100%	100%
BF Lease Company No 28 Limited	New Zealand	100%	100%
BF Lease Company No 29 Limited	New Zealand	100%	100%
BF Lease Company No 30 Limited	New Zealand	100%	100%
BF Lease Company No 31 Limited	New Zealand	100%	100%
BF Lease Company No 32 Limited	New Zealand	100%	100%
BF Lease Company No 33 Limited	New Zealand	100%	100%

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FOR THE YEAR ENDED 31 MARCH 2021

Subsidiary Companies	Country of Incorporation	Interest Held 2020	Interest Held 2019
BF Lease Company No 34 Limited	New Zealand	100%	100%
BF Lease Company No 35 Limited	New Zealand	100%	100%
BF Lease Company No 36 Limited	New Zealand	100%	100%
BF Lease Company No 37 Limited	New Zealand	100%	100%
BF Lease Company No 38 Limited	New Zealand	100%	100%
BF Lease Company No 39 Limited	New Zealand	100%	100%
BF Lease Company No 40 Limited	New Zealand	100%	100%
BF Lease Company No 41 Limited	New Zealand	100%	100%
BF Lease Company No 42 Limited	New Zealand	100%	100%
BF Lease Company No 43 Limited	New Zealand	100%	100%
BF Lease Company No 44 Limited	New Zealand	100%	100%
BF Lease Company No 45 Limited	New Zealand	100%	100%
BF Lease Company No 46 Limited	New Zealand	100%	100%
BF Lease Company No 47 Limited	New Zealand	100%	100%
BF Lease Company No 48 Limited	New Zealand	100%	100%
Burger Fuel Group Lease Limited *(formally BF Lease Company No 49 Limited)*	New Zealand	100%	100%
Burger Fuel Worldwide Limited *(formally BF Lease Company No 50 Limited)*	New Zealand	100%	100%
Burger Fuel (Dubai) NZ Limited	New Zealand	100%	100%
Burger Fuel (ME) DMCC	Dubai	100%	100%
Burger Fuel International Limited	New Zealand	100%	100%
Burger Fuel (Australia) Pty Limited	New Zealand	100%	100%
Burger Fuel (Australia) No2 Pty Limited	New Zealand	100%	100%
Burger Fuel International Management Limited	New Zealand	100%	100%
Burger Fuel Limited	New Zealand	100%	100%
BurgerFuel Henderson Limited	New Zealand	100%	100%
Burger Fuel Takapuna Limited	New Zealand	100%	100%
Winner Winner Limited	New Zealand	100%	100%
Shake Out Limited	New Zealand	100%	100%
Concept Brands Limited	New Zealand	100%	100%
Shake Out Newmarket Limited	New Zealand	100%	100%
Shake Out Container Limited	New Zealand	100%	100%
Burger Fuel Pty Limited	Australia	100%	100%
Burger Fuel Australia Pty Limited	Australia	100%	100%
Burger Fuel (USA) Inc. (Dissolved 31.03.21)	United States of America	-	100%
Burger Fuel (USA) Management Inc. (Dissolved 31.03.21)	United States of America	-	100%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

12) Investment in subsidiaries (Continued)

The principal activities of the subsidiaries are:

Burger Fuel Limited – Franchise systems – gourmet burger restaurants.

Burger Fuel International Limited – Holds patents, trademarks and licences and holds the international Master Franchise Agreements.

Burger Fuel International Management Limited – Owns the BurgerFuel Australia operation and holds the international Master Franchise Agreements.

Burger Fuel (Australia) Pty Limited – Non trading.

Burger Fuel (Australia) No2 Pty Limited – Non trading.

Burger Fuel Australia Pty Limited – Non trading.

Burger Fuel Pty Limited – Administration.

Burger Fuel (ME) DMCC – Dubai based trading company.

Burger Fuel (Dubai) NZ Limited – Holding company of the subsidiary in Dubai.

BurgerFuel Henderson Limited – New Zealand based company trading as restaurant.

Burger Fuel Takapuna Limited – New Zealand based company trading as restaurant.

Burger Fuel (USA) Inc. – Non trading. (Dissolved 31.03.21)

Burger Fuel (USA) Management Inc. – USA Management Company. (Dissolved 31.03.21)

Winner Winner Limited – New Zealand based company trading as restaurant.

Shake Out Limited – New Zealand based company trading as restaurant.

Concept Brands Limited - Franchise systems – Shake Out and Winner Winner brands.

Shake Out Newmarket Limited – Non trading.

Shake Out Container Limited – New Zealand based company trading as mobile restaurant.

All other companies are head lease holders for store premises in New Zealand.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

13) Loans

	2021	2020
	$	$
Loans to Third Parties		
Advance to Supplier	128,000	157,606
Advance to Franchisee	109,650	150,000
Advances to staff	-	859
	237,650	308,465
Total Loans	**237,650**	**308,465**

Advances to suppliers and staff

The advance to a supplier is to assist ilabb Limited with the stock holding of the BurgerFuel uniforms.

The loan is interest bearing at 3% (2020: 3%), secured over the uniform inventory and is repayable on demand.

The advance to a franchisee is to assist with developing the new Shake Out brand. The loan is interest bearing at 5.7% (2020: 5.7%). The advances to staff have been repaid in FY21.

These advances have been assessed by management and there is no impairment or expected credit losses.

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14) Intangible assets

2021	Key Money	Brand Assets	Goodwill	Reacquired Rights	Domain Name	Patent	Trade Marks	Total
	$	$	$	$	$	$	$	$
Cost								
Balance 1 April 2020	22,500	221,333	1,639,279	250,760	-	17,896	768,861	**2,920,629**
Disposals/adjustment *	-	-	-	-	-	-	-	**-**
Acquisitions	-	-	-	-	-	-	7,264	**7,264**
Balance at 31 March 2021	22,500	221,333	1,639,279	250,760	-	17,896	776,125	**2,927,893**
Amortisation								
Balance 1 April 2020	22,500	35,697	-	83,586	-	9,167	348,234	**499,184**
Adjustment *	-	28,000	-	-	-	-	-	**28,000**
Impairment **	-	-	215,000	-	-	-	-	**215,000**
Current year amortisation	-	19,141	-	27,862	-	1,458	93,606	**142,067**
Balance 31 March 2021	22,500	82,838	215,000	111,448	-	10,625	441,840	**884,251**
Net Book Value								
Balance 1 April 2020	-	185,636	1,639,279	167,174	-	8,729	420,627	**2,421,445**
Adjustment *	-	(28,000)	-	-	-	-	-	**(28,000)**
Impairment **	-	-	(215,000)	-	-	-	-	**(215,000)**
Additions	-	-	-	-	-	-	7,264	**7,264**
Amortisation	-	(19,141)	-	(27,862)	-	(1,458)	(93,606)	**(142,067)**
Net Book Value at 31 March 2021	**-**	**138,495**	**1,424,279**	**139,312**	**-**	**7,271**	**334,285**	**2,043,642**

*Adjustment to the tax component of Winner Winner Brand asset 2021: $28,000 (2020: Nil)
*Impairment of goodwill on the Takapuna and Henderson Burger Fuel stores 2021: $215,000 (2020: Nil)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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14) Intangible assets (Continued)

2020	Key Money	Brand Assets	Goodwill	Reacquired Rights	Domain Name	Patent	Trade Marks	Total
	$	$	$	$	$	$	$	$
Cost								
Balance 1 April 2019	90,000	221,333	1,639,279	250,760	75,713	36,586	1,008,315	**3,321,986**
Disposals/adjustment *	(67,500)	-	-	-	(75,713)	(19,223)	(260,428)	**(422,864)**
Acquisitions	-	-	-	-	-	533	20,974	**21,507**
Balance at 31 March 2020	22,500	221,333	1,639,279	250,760	-	17,896	768,861	**2,920,629**
Amortisation								
Balance 1 April 2019	89,612	16,556	-	55,724	74,750	26,983	513,573	**777,198**
Disposals/adjustment *	(67,500)	-	-	-	(74,750)	(20,777)	(258,071)	**(421,098)**
Current year amortisation	388	19,141	-	27,862	-	2,961	92,732	**143,084**
Balance 31 March 2020	22,500	35,697	-	83,586	-	9,167	348,234	**499,184**
Net Book Value								
Balance 1 April 2019	388	204,777	1,639,279	195,036	963	9,603	494,742	**2,544,788**
Disposals/adjustment *	-	-	-	-	(963)	1,554	(2,357)	**(1,766)**
Additions	-	-	-	-	-	533	20,974	**21,507**
Amortisation	(388)	(19,141)	-	(27,862)	-	(2,961)	(92,732)	**(143,084)**
Net Book Value at 31 March 2020	**-**	**185,636**	**1,639,279**	**167,174**	**-**	**8,729**	**420,627**	**2,421,445**

The reacquired rights will be amortised over the life of the franchise agreement at the time of purchase being 9.5 years.

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14.1) Impairment testing

Impairment

The goodwill of the Takapuna and Henderson stores have been tested for impairment. Based on the impairment testing results, a $215,000 impairment loss on Goodwill is recorded in the 2021 financial year (2020: Nil). In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an interest rate to discount to present values. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

For the purpose of annual impairment testing, goodwill is allocated to the following cash-generating units, which are the units expected to benefit from the synergies of the business combinations in which the Goodwill arises.

	2021	2020
	$	$
New Zealand Retail – Henderson Store	701,427	701,427
Impairment of Henderson Goodwill	(115,000)	-
New Zealand Retail – Takapuna Store	937,852	937,852
Impairment of Takapuna Goodwill	(100,000)	-
Goodwill allocation at 31 March	1,424,279	1,639,279

The recoverable amounts of the cash-generating units were determined based on value-in-use calculations, covering a detailed forecast period, followed by an extrapolation of expected cash flows for the units' remaining useful lives using the growth rates determined by management.

Management assessed the impact of reduced economic activity and lower revenues due to the COVID-19 pandemic on the valuation of the Group's financial and non-financial assets (i.e. impairment assessment of cash generating units). As a result of the ongoing COVID-19 pandemic, the Group's impairment assessments as at reporting date took into account the temporary cessation of operations, expected decline in demand and profitability.

The Group has prepared revised cash flow forecasts for the purposes of the Group's annual impairment testing of goodwill and brand. This assessment has confirmed the carrying value of goodwill and brand assets as at 31 March 2021

The present value of the expected cash flows of each segment is determined by applying a suitable discount rate.

	Growth Rates		Discount Rates	
	2021	2020	2021	2020
New Zealand Retail – Henderson Store	2.0%	2.0%	13%	11%
New Zealand Retail – Takapuna Store	2.0%	2.0%	13%	11%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

14.2) Growth rates

The growth rates reflect the long-term average growth rates for the product line and industry of the segments (all publicly available). The Group is expecting the FY22 growth rates to be 4% over a COVID-19 normalised FY21 result, for the Henderson and Takapuna stores'.

14.3) Discount rates

The discount rates reflect appropriate adjustments relating to market risk and specific risk factors of each unit.

14.4) Cash flow assumptions

Management's key assumptions include uncertain profit margins due to the COVID-19 pandemic. The Group had reduced royalty and sales income in March and April 2020 due to store closures in Alert level 4 (refer note 2). While revenue was down in FY21, reduced overheads and government assistance through the wage subsidy partially offset this lost revenue.

The forecasts assume that New Zealand will remain at Alert Level 1 or lower and no further restrictions are placed on the business operations during the forecast period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

15) Trade and other payables and contract liabilities

	2021	2020
	$	$
Trade payables	1,649,380	639,103
COVID-19 Wage subsidy received	-	488,887
Payroll liabilities	56,195	34,647
GST payable	111,728	191,586
Accrued expenses	39,322	116,726
	1,856,625	**1,470,949**

Payables denominated in currencies other than the presentation currency comprise 0.0% of the trade payables (2020: 0.5%).

Contract Liability	**Franchise Fees**	**MLA**	**Total**
Opening Balance April 2019	1,212,550	802,496	2,015,046
Franchise fees booked to Balance Sheet in FY20	235,000	-	235,000
Revenue recognised - Franchise fees	(216,808)	(59,620)	(276,428)
Historic royalties invoiced	65,000	-	65,000
Balance 31 March 2020	**1,295,742**	**742,876**	**2,038,618**
Franchise fees booked to Balance Sheet in FY21	49,000	-	49,000
Revenue recognised - Franchise fees	(212,742)	(280,463)	(493,205)
Historic royalties invoiced	(65,000)	-	(65,000)
Balance 31 March 2021	**1,067,000**	**462,413**	**1,529,413**

The contract liability represents the remaining balance of franchise and MLA fees spread over the life of the agreement which is typically 10 & 20 years in length, respectively. The MLA for the USA was cancelled in November 2020.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

16) Provisions

	2021	2020
	$	$
Store Closure Provision		
Opening balance	39,200	38,050
Provisions made during the year	1,000	1,150
Provisions used during the year	-	-
	40,200	**39,200**
Holiday Pay Provision		
Opening balance	436,456	414,631
Provisions made during the year	355,450	440,586
Provisions used during the year	(353,743)	(418,761)
	438,163	**436,456**
Total Provisions	**478,363**	**475,656**

Store Closure Provision

This is the make good provision that is set aside to cover the costs of returning premises that are occupied by BurgerFuel back to their original condition, after taking into account the normal wear and tear of these premises.

Holiday Pay Provision

This is the allocation of the 8% annual leave entitlement that each full-time and part-time employee is entitled to as part of their employment, which is accrued throughout the year.

17) Cash and cash equivalents

	2021	2020
	$	$
Cash at bank	1,417,131	3,373,400
Cash on deposit	5,696,988	2,196,767
	7,114,119	**5,570,167**

At balance date there is $76,608 (2020: $20,000) in restricted cash for bonds issued to the NZX and a lease guarantee bond. Refer note 22 for further information.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

18) Contributed equity

	Number of Shares		Share Capital	
	2021	2020	2021	2020
			$	$
Opening ordinary shares on issue	53,670,195	54,383,142	13,594,825	13,864,066
Share buyback and cancellation	(3,333,332)	(712,947)	(1,681,326)	(269,241)
Authorised & issued ordinary shares on issue at 31 March	**50,336,863**	**53,670,195**	**11,913,499**	**13,594,825**

Burger Fuel Group Limited was listed on the New Zealand Alternative Stock Exchange (NZAX) on the 27 July 2007. The Group migrated to the main board (NZX) on the 1st July 2019. The Company has 50,336,863 (2020: 53,670,195) authorised and fully paid ordinary shares on issue. All shares have equal voting rights and share equally in dividends and any surplus on winding up. The shares have no par value.

No Dividends were paid in the 2021 financial year (2020: NIL).

3,333,332 BFG Shares were purchased (and cancelled) from Mason Roberts Holding Limited, solely from the portion of the Company's shares that are held for (and beneficially owned by) the Mason Family Trust, during the FY21 financial year. This was settled on 11 November 2020 and formed part of a settlement as disclosed on the NZX on the 23rd October 2020.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

19) Right of use assets, lease receivable and lease liabilities

In addition to the head office company owned stores & warehouse leases (Occupied leases), the Group at 31 March 2021 holds the head leases on 54 franchised Burger Fuel stores in New Zealand (Non-occupied leases). These have been sublet to the franchisees on the same terms and conditions as the head leases. These are considered finance leases and the net investment in the lease is recorded as a receivable. Expected credit losses have been reviewed and no impairments noted.

2020

	Non-Occupied	Vehicle Leases	Occupied	Total
Right of Use Assets				
Opening balance – as reported	-	-	-	-
Adoption of NZ IFRS 16	-	-	7,095,558	7,095,558
Remeasurements of ROU assets	-	-	1,362,778	1,362,778
Depreciation	-	-	(630,329)	(630,329)
Right of use Asset as at 31 March 2020	**-**	**-**	**7,828,007**	**7,828,007**

2021

	Non-Occupied	Vehicle Leases	Occupied	Total
Right of Use Assets				
Opening balance	-	-	7,828,007	7,828,007
Remeasurements of ROU assets	-	243,934	1,001,939	1,245,873
Depreciation	-	(21,774)	(677,039)	(698,813)
Right of use Asset as at 31 March 2021	**-**	**222,160**	**8,152,907**	**8,375,067**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

19) Right of use assets, lease receivable and lease liabilities (Continued)

2020

	Non-Occupied	Vehicle Leases	Occupied	Total
Lease Receivable				
Opening balance	-	-	-	-
Adoption of NZ IFRS 16	23,301,571	-	-	23,301,571
Remeasurements of existing lease receivables	899,276	-	-	899,276
Interest income	1,410,421	-	-	1,410,421
Rent payments	(2,854,118)	-	-	(2,854,118)
Lease Receivable as at 31 March 2020	**22,757,150**	**-**	**-**	**22,757,150**

2021

	Non-Occupied	Vehicle Leases	Occupied	Total
Lease Receivable				
Opening balance	22,757,150	-	-	22,757,150
Remeasurements of existing lease receivables	1,243,585	-	-	1,243,585
Interest income	1,380,726	-	-	1,380,726
Rent payments	(2,495,630)	-	-	(2,495,630)
Rent Relief COVID-19	(384,736)	-	-	(384,736)
Lease Receivable as at 31 March 2021	**22,501,095**	**-**	**-**	**22,501,095**

2020

	Non-Occupied	Vehicle Leases	Occupied	Total
Lease Liability				
Opening balance	-	-	-	-
Adoption of NZ IFRS 16	(23,301,571)	-	(7,095,558)	(30,397,129)
Remeasurements of existing lease liabilities	(899,276)	-	(1,362,778)	(2,262,054)
Interest	(1,410,421)	-	(442,632)	(1,853,053)
Rent payments	2,854,118	-	841,615	3,695,733
Lease Liability as at 31 March 2020	**(22,757,150)**	**-**	**(8,059,353)**	**(30,816,503)**

2021

	Non-Occupied	Vehicle Leases	Occupied	Total
Lease Liability				
Opening balance	(22,757,150)	-	(8,059,353)	(30,816,503)
Remeasurements of existing lease liabilities	(1,243,585)	(243,934)	(1,001,938)	(2,489,457)
Interest	(1,380,726)	(4,205)	(476,694)	(1,861,625)
Rent payments	2,495,630	21,588	828,229	3,345,447
Rent Relief COVID-19	384,736	-	53,078	437,814
Lease Liability as at 31 March 2021	**(22,501,095)**	**(226,551)**	**(8,656,678)**	**(31,384,324)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

19) Right of use assets, lease receivable and lease liabilities (Continued)

Maturity analysis – undiscounted

	Non-Occupied	Vehicle Leases	Occupied	Total
Less than one year	2,875,989	67,344	927,375	3,870,708
Between one and five years	11,407,113	180,444	3,840,852	15,428,409
More than five years	17,468,969	-	7,393,743	24,862,712
Lease Liability as at 31 March 2021	**31,752,071**	**247,788**	**12,161,970**	**44,161,829**

The cash impact of the occupied leases (rent) and Motor vehicle lease payments in 2021 is $902,895 (2020: $841,615). This increase is mainly due to moving our fleet vehicles to a lease model, rent increases on existing sites and also includes the rent relief provided on the occupied leases due to the COVID-19 lockdown in April and August 2020.

The total impact to the Statement of Consolidated Statement of Comprehensive Income with the introduction of IFSR16 is $329,895 (2020: $231,346)

The group has 4 stores that have variable lease payments based on sales turnover that are not included in the measurement for lease liability above. This was Nil in 2021 (2020: $7,257).

The reduced turnover due to COVID-19 impacted the turnover rent calculations.

Contractual Lease Commitments
The lease liability under IFRS 16 takes the lease term to its expiry as it is Management's intention to use the asset's to date of final expiry. The actual legal commitment as per the legal obligations of the lease is $6,485,484 (2020: $9,130,493). This reduction in lease obligation is due to renewal terms in the lease agreement and limited liability clauses.

	Non-Occupied	Vehicle Leases	Occupied	Total
Limited Liability No Discount FY20				
Less than one year	2,690,381	-	831,695	3,522,076
Between one and five years	2,256,339	-	2,917,295	5,173,634
More than five years	171,659	-	263,124	434,783
31 March 2020	**5,118,379**	**-**	**4,012,114**	**9,130,493**
Limited Liability No Discount FY21				
Less than one year	2,491,407	57,644	702,849	3,251,900
Between one and five years	1,765,766	168,907	1,199,741	3,134,414
More than five years	24,545	-	74,625	99,170
31 March 2021	**4,281,718**	**226,551**	**1,977,215**	**6,485,484**

The Group holds the head lease over 59 of 65 sites in NZ. The lease on the franchised sites are then licensed to its franchisees under the same terms and conditions. At balance date, the current annual rent expense of leases under this arrangement including occupied leases, was $3,783,261 (2020: $3,695,734).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

20) Foreign currency translation reserve

Nature and Purpose of Reserves:

Foreign Currency Translation Reserve

Translation differences arising on the translation of the results of subsidiaries with functional currencies other than New Zealand dollars are recognised directly in the Foreign Currency Translation Reserve. The cumulative amounts are released to profit or loss upon disposal of these subsidiaries.

In FY21 on the windup of the USA subsidiaries, the Group realised and reclassified the FX translation reserve of $130,882 (2020: Nil) to the Statement of Comprehensive Income.

21) Financial instruments and risk management

Financial risk management objectives

Management provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk), credit risk, liquidity risk and cash flow interest rate risk.

The Management reports quarterly to the Group's audit committee, who monitors risk and policies implemented to mitigate risk exposures.

Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. Market risk exposures are analysed by sensitivity analysis. There has not been significant change to BurgerFuel's exposure to market risks or the manner in which it manages and measures the risk.

Foreign currency risk management

The Group's foreign exchange risk is limited to its US Dollar, Australian Dollar & UAE Dirham bank accounts and the trading of its Australian, US & United Arab Emirates subsidiaries. It maintains amounts in these foreign bank accounts and transfers funds when foreign exchange rates are favourable.

Foreign currency sensitivity analysis

The following table details the Group's sensitivity to a 10% increase and decrease in the NZ$ against the Australian, UAE & USA currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at year end for a 10% change in foreign currency rates.

The sensitivity analysis includes external loans as well as loans to foreign operations within the Group. A positive number below indicates an increase in profit.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

21) Financial instruments and risk management (Continued)

GROUP

	10% Strengthening		10% Weakening	
	2021	2020	2021	2020
	$000	$000	$000	$000
Profit / (Loss) before tax	44	132	(48)	(145)
Equity	31	95	(31)	(95)

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates at the balance date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the balance date was outstanding for the whole year. A 100-basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If the interest rates on cash and cash equivalents had been 100 basis points higher and all other variables were held constant, the Group's operating result for the year ended 31 March 2021 would have been $71,141 higher (2020: $55,702 higher).

Interest rate risk

The Group has cash flow interest rate risk from financial instruments that attract interest. Interest rate risk is the risk that the value of the Group's assets and liabilities will fluctuate due to changes in market interest rates. The Group is exposed to interest rate risk primarily through its cash balances and advances.

The Group manages its interest rate risk by maintaining minimal variable rate cash balances. Excess cash resources are placed into fixed rate term deposits where appropriate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

21) Financial instruments and risk management (Continued)

Interest rate risk profile

2021	Weighted average effective interest rate %	Greater than 1 year	Less than 1 year	Non - interest bearing	Total
		$	$	$	$
Financial Assets					
Cash and cash equivalent	0.16%	-	7,114,119	-	**7,114,119**
Advance to Supplier	3.00%	109,650	-	-	**109,650**
Advance to Franchisee	5.70%	110,669	17,331	-	**128,000**
Trade and other receivables	-	-	-	1,954,384	**1,954,384**
Lease Receivable -non occupied	6.30%	20,947,424	1,553,671	-	**22,501,095**
		21,167,743	**8,685,121**	**1,954,384**	**31,807,248**
Financial Liabilities					
Trade payables	-	-	-	1,856,625	**1,856,625**
Lease Liability - Occupied	5.90%	8,202,588	454,090	-	**8,656,678**
Lease Liability - Vehicles	4.95%	168,907	57,644	-	**226,551**
Lease Liability - Non -occupied	6.30%	20,947,424	1,553,671	-	**22,501,095**
		29,318,919	**2,065,405**	**1,856,625**	**33,240,949**

2020	Weighted average effective interest rate %	Greater than 1 year	Less than 1 year	Non - interest bearing	Total
		$	$	$	$
Financial Assets					
Cash and cash equivalent	0.61%	-	5,570,167	-	**5,570,167**
Advance to Supplier	3.00%	157,606	-	-	**157,606**
Advance to Franchisee	5.70%	134,140	15,860	-	**150,000**
Advances to Staff	-	-	-	859	**859**
Trade and other receivables	3.75%	-	1,195,393	1,881,469	**3,076,862**
Lease Receivable -non occupied	6.30%	21,238,840	1,518,310	-	**22,757,150**
		21,530,586	**8,299,730**	**1,882,328**	**31,712,644**
Financial Liabilities					
Trade payables	-	-	-	982,062	**982,062**
Lease Liability - Occupied	5.90%	7,635,815	423,538	-	**8,059,353**
Lease Liability - Non -occupied	6.30%	21,238,840	1,518,310	-	**22,757,150**
		28,874,655	**1,941,848**	**982,062**	**31,798,565**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

21) Financial instruments and risk management (Continued)

Credit risk

Credit risk is the risk that the counter party to a transaction with the Group will fail to discharge its obligations, causing the Group to incur a financial loss. The Group has adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. The credit ratings of its counterparties are continuously monitored by management and the aggregate value of transactions concluded is spread amongst approved counterparties.

Financial instruments that potentially subject the Group to concentrations of credit risk consist principally of cash, trade debtors, loans and advances.

The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the Group's maximum exposure to credit risk without taking account of the value of any collateral obtained. The maximum credit risk exposures are:

	Group	
	2021	**2020**
	$	$
Cash and bank balances	7,114,119	5,570,167
Loans, advances and receivables	2,192,034	3,385,327

Maximum exposures are net of any recognised provisions, and at balance date no loans or advances are considered to be impaired (2020: $Nil). No trade receivables are impaired in FY21 with no further amounts past due (2020: Nil).

Cash

The Group's major concentration of credit risk relates to cash deposits with ASB Limited in New Zealand and CBA Bank Limited in Australia.

Receivables

The Group has a credit policy, which is used to manage its exposure to credit risk. As part of this policy, limits on exposures have been set, lending is subject to defined criteria and loans are monitored on a regular basis. The trade receivable are payable on the 10th of the following month and loans are subject to a loan agreement which stipulates monthly repayments or payable on demand. No security is held.

Capital management

The Group's capital includes share capital, reserves and retained earnings as shown in the Statements of Financial Position. The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders, and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the required capital structure the Group may issue new shares, sell assets to reduce debt and/or adjust amounts paid to investors.

The Group is not subject to any externally imposed capital requirements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

21) Financial instruments and risk management (Continued)

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds at short notice to meet commitments associated with financial instruments. The Group maintains sufficient funds to meet the commitments based on historical and forecasted cash flow requirements. The exposure is being reviewed on an ongoing basis from daily procedures to monthly reporting.

Ultimate responsibility for liquidity risk management rests with the board of directors, which has built an appropriate liquidity risk management framework for the management of short, medium and long-term funding and liquidity management requirements. Liquidity risk is managed by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. All payables are due within 6 months of balance date (2020: 6 months).

The Group expects to meet its obligations from operating cash flows and proceeds of maturing financial assets.

22) Commitments

Capital Commitments

At 31 March 2021, the Group has no contractual commitments (2020: Nil).

Indemnity / Guarantees

BurgerFuel has deposits in place to cover certain commitments the banks have provided:

	2021	2020
	Total future minimum payments	**Total future minimum payments**
	$	$
NZX Bond	20,000	20,000
Lease guarantee bond	56,608	-
	76,608	**20,000**

23) Contingencies

The Group has no contingencies at balance date (2020: Nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

24) Related party transactions

Transactions with Related Parties

During the year the following related party transactions took place:

Group	Relationship	Nature of transaction	2021 $	2020 $
SIAM Ventures Limited	KMP	Consultancy Expenses Paid	277,922	-
Neo Corporate Trustees Limited	KMP	Consultancy Expenses Paid	389,090	667,012
Peter Brook	Director	Directors Fees	70,000	70,000
Trumpeter Consulting Limited	Director	Directors Fees	50,000	50,000
Neo Corporate Trustees Limited	KMP	Head Office Rental	499,093	493,938
Trumpeter Consulting Limited	Director	Consultancy Expenses Paid	18,000	17,304

The Burger Fuel Group Limited Chief Executive Officer is the sole director of SIAM Ventures Limited and Neo Corporate Trustees Limited. The head office rental is the premises at 66 Surrey Crescent, Grey Lynn, Auckland and the SIAM Ventures Limited consultancy fee relates to the remuneration of the CEO. The above remuneration excludes reimbursements of costs incurred on behalf of the Group.

Key Management Compensation

Key management personnel (KMP) compensation costs include remuneration of the Group Chief Executive, Directors and the members of the executive team. The compensation paid or payable to key management for employee services is shown above.

	2021	2020
	$	$
Salaries and other short-term employee benefits	2,003,316	2,216,816
KiwiSaver Employer Contribution	40,089	46,494
	2,043,405	**2,263,310**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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25) Earnings per share

The basic earnings per share are calculated by dividing the profit attributed to owners of the Group by the weighted average number of ordinary shares in issue during the year.

	2021	2020
	$	$
Surplus / (Deficit) attributable to the owners of the Group	712,985	505,478
Weighted average number of ordinary shares on issue	52,008,095	53,724,737
Basic earnings / (loss) per share (cents)	1.37	0.94
Diluted earnings /(loss) per share (cents)	1.37	0.94

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. There is no difference between the basic and diluted number of shares on issue.

26) Reconciliation of net surplus / (deficit) after taxation to net cash flows provided from operating activities

	2021	2020
	$	$
Net surplus after tax	712,985	505,478
Add: Non-cash items		
Amortisation	142,067	143,084
Depreciation	477,008	545,765
Depreciation on ROU asset	698,813	630,329
Deferred tax asset	101,116	26,855
Transfer from Foreign currency reserve on windup of subsidiary	130,882	-
Loss on disposal of property, plant and equipment	25,921	7,327
Unrealised exchange loss / (gain)	(29,725)	(142,892)
IFRS 16 Adjustment to retained earnings	-	56,000
Impairment of Goodwill	215,000	-
Cancellation of shares USA settlement (Note 4)	(981,327)	-
Lease Liability component of rent relief	(24,253)	-
	755,502	**1,266,468**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

26) Reconciliation of net surplus / (deficit) after taxation to net cash flows provided from operating activities (Continued)

	2021	2020
Add: Items classified as investing or financing activities		
Gain on sale of assets	(82,510)	(11,250)
Add: Working capital movements		
(Increase) / decrease in trade and other receivables	1,113,208	50,191
(Increase) / decrease in inventories	16,865	56,401
(Decrease) / increase in taxation payable	708,906	(336,339)
Increase / (decrease) in accounts payable and accruals, provisions and contract liability	(120,822)	(199,243)
	1,718,157	(428,990)
Net cash flows provided from operating activities	**3,104,134**	**1,331,706**

27) Segment reporting

Operating Segments

The Group operates in four operating segments; these operating segments have been divided into the following geographical regions, New Zealand, Australia, USA and the Middle East. All the segment's operations are made up of franchising fees, royalties and sales to franchisees. The segments are in the business of Franchise Systems - Gourmet Burger Restaurants. New Zealand's segment result is also due to the amortisation of intangible assets.

The amounts provided to the Board with respect to total liabilities are measured in a manner consistent with that of the financial statements. These liabilities are allocated based on the operations of the segment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

27) Segment reporting (Continued)

2021	New Zealand	Australia	Middle East	USA	Consolidated
	$	$	$	$	$
Revenue					
Sales	7,728,400	-	47,595	-	**7,775,995**
Royalties	4,662,874	-	158,807	-	**4,821,681**
Franchising fees	242,742	-	55,262	-	**298,004**
Training fees	30,000	-	-	-	**30,000**
Property management fees	57,000	-	-	-	**57,000**
Advertising fees	3,340,587	-	435	-	**3,341,022**
Foreign exchange gain	97,739	46,075	-	(114,089)	**29,725**
Sundry income	1,841,177	21	8,563	27,699	**1,877,460**
Rent Relief on Non-Occupied Leases	384,736	-	-	-	**384,736**
Interest received	38,050	766	-	-	**38,816**
Interest Leases	1,380,726	-	-	-	**1,380,726**
COVID-19 Government wage subsidy	934,020	-	-	-	**934,020**
Total Revenue	**20,738,051**	**46,862**	**270,662**	**(86,390)**	**20,969,185**
Interest Expense	153	(59)	-	(8)	**86**
Interest Expense Leases Occupied	480,899	-	-	-	**480,899**
Interest Expense Leases non occupied	1,380,726	-	-	-	**1,380,726**
Depreciation	474,279	-	2,729	-	**477,008**
Depreciation Leases	698,813	-	-	-	**698,813**
Amortisation	142,067	-	-	-	**142,067**
Segment Result before Income Tax	1,532,323	33,468	7,240	(237,266)	**1,335,765**
Income Tax Expense	622,780	-	-	-	**622,780**
Segment Assets	45,754,882	149,232	217,495	-	**46,121,609**
Segment Liabilities	35,649,636	24,859	98,810	-	**35,773,305**

Acquisition of Property, Plant & Equipment & Intangible Assets.

Other	698,197	-	-	-	**698,197**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

27) Segment reporting (Continued)

2020	New Zealand	Australia	Middle East	USA	Consolidated
	$	$	$	$	$
Revenue					
Sales	8,324,238	-	89,253	-	**8,413,491**
Royalties	4,876,942	-	791,785	15,498	**5,684,225**
Franchising fees	316,234	-	46,543	13,077	**375,854**
Training fees	110,000	-	-	-	**110,000**
Property management fees	53,000	-	-	-	**53,000**
Advertising fees	3,581,227	-	143,941	-	**3,725,168**
Foreign exchange gain	(74,525)	(17,095)	(11,485)	245,997	**142,892**
Sundry income	1,694,215	1,937	65,243	79,711	**1,841,106**
Interest received	67,076	1,009	834	44,304	**113,223**
Interest Leases	1,410,421	-	-	-	**1,410,421**
Total Revenue	**20,358,828**	**(14,149)**	**1,126,114**	**398,587**	**21,869,380**
Interest Expense	214	40	-	91	**345**
Interest Expense Leases Occupied	442,632	-	-	-	**442,632**
Interest Expense Leases non occupied	1,410,421	-	-	-	**1,410,421**
Depreciation	542,143	-	3,622	-	**545,765**
Depreciation Leases	630,329	-	-	-	**630,329**
Amortisation	143,084	-	-	-	**143,084**
Segment Result before Income Tax	(190,877)	24,351	588,948	300,951	**723,373**
Income Tax Expense	219,190	-	-	(1,295)	**217,895**
Segment Assets	44,383,022	542,381	97,178	952,651	**45,975,232**
Segment Liabilities	34,698,950	10,611	92,165	-	**34,801,726**

Acquisition of Property, Plant & Equipment & Intangible Assets.

Other	533,996	-	-	-	**533,996**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

28) Net tangible asset per share

The net tangible asset per share is calculated by dividing the net tangible assets of the Group by the total number of ordinary shares in issue during the year.

	2021	2020
	$	$
Assets	15,245,447	15,390,075
Current lease receivable non-occupied – IFRS16	1,553,671	1,518,310
Right of use assets – Leases	8,152,907	7,828,007
Right of use assets – vehicles	222,160	-
Non-current lease receivable non-occupied – IFRS16	20,947,424	21,238,840
Total Assets	46,121,609	45,975,232
Liabilities	(4,388,981)	(3,985,223)
Lease Liabilities	(8,656,678)	(8,059,353)
Lease Liabilities – vehicles	(226,551)	-
Lease Liabilities – non-occupied	(22,501,095)	(22,757,150)
Total Liabilities	(35,773,305)	(34,801,726)
Net Assets	10,348,304	11,173,506
Less Intangible Assets	(2,769,558)	(3,110,549)
Net Tangible Assets	**7,578,746**	**8,062,957**
Total ordinary shares on issue	50,336,863	53,670,195
Net Tangible Assets per share ($ per Share)	0.15	0.15

29) Subsequent Events

At the date of signing the Annual report and financial statements there has been no subsequent events.

SHAREHOLDER INFORMATION

FOR THE YEAR ENDED 31 MARCH 2021

Remuneration of Directors	2021 12 Months	2020 12 Months
	$	$
Peter Brook	70,000	70,000
Josef Roberts	667,012	667,012
Alan Dunn	50,000	50,000

Remuneration of Employees (Excluding Executive Directors)	2021 12 Months Number of Employees	2020 12 Months Number of Employees
$100,000-$110,000	3	5
$110,000-$120,000	2	-
$120,000-$130,000	1	3
$130,000-$140,000	2	-
$140,000-$150,000	-	1
$150,000-$160,000	1	1
$160,000-$170,000	1	-
$200,000-$210,000	1	1
$250,000-$260,000	1	1
$290,000-$300,000	1	1

Statement of Directors and Officers Interests

Directors and Officers held the following equity securities in the Company:

	Beneficially held at 31/03/21	Non-beneficially held at 31/03/21	Beneficially held at 31/03/20	Non-beneficially held at 31/03/20
Peter Brook	336,596	-	336,596	-
Josef Roberts	33,376,335	-	33,376,335	-
Alan Dunn	324,656	-	324,656	-
Tyrone Foley (Officer)	14,874	-	14,874	-
Mark Piet (Officer)	21,667	-	21,667	-

There were no share transactions with the Directors and Officers during the year.

SHAREHOLDER INFORMATION

FOR THE YEAR ENDED 31 MARCH 2021

Substantial Security Holders

The following information is given pursuant to section 293 of the Financial Markets Conduct Act 2013. As at 31 March 2021, details of the Substantial Security Holders in the company and their relevant interests in the company's shares are as follows:

Substantial Security Holder	Number of Voting Securities	%
Mason Roberts Holdings Limited	33,376,335	66.31%
E & P Foundation Trustee Limited	2,747,138	5.46%
Mason Trustee Limited & Christopher Simon Mason & Christopher Ronald John Mills	2,593,029	5.15%

The total number of voting securities of the Company on issue at 31 March 2021 was 50,336,863 fully paid ordinary shares.

Twenty Largest Security Holders as at 31 March 2021

Shareholder	Number of Shares	%
MASON ROBERTS HOLDINGS LIMITED	33,376,335	66.3%
E & P FOUNDATION TRUSTEE LIMITED	2,747,138	5.5%
MASON TRUSTEE LIMITED & CHRISTOPHER SIMON MASON & CHRISTOPHER RONALD JOHN MILLS	2,593,029	5.2%
FORSYTH BARR CUSTODIANS LIMITED	1,376,200	2.7%
CUSTODIAL SERVICES LIMITED	931,000	1.8%
NEW ZEALAND DEPOSITORY NOMINEE LIMITED	719,802	1.4%
ASB NOMINEES LIMITED	380,000	0.8%
JBWERE (NZ) NOMINEES LIMITED	369,296	0.7%
PETER CLYNTON BROOK	336,596	0.7%
TRUMPETER TRUSTEES (2007) LIMITED	324,656	0.6%
BRIAN KELLY LIMITED	250,000	0.5%
LAPHROAIG TRUSTEE COMPANY (NZ) LIMITED	219,422	0.4%
STERLING NOMINEES LIMITED	150,292	0.3%
PLATEAU GROUP LIMITED	150,000	0.3%
ALASTAIR ROSS ARMSTRONG	115,936	0.2%
BRAD WILLIAM MCFARLANE	105,038	0.2%
FORSYTH BARR CUSTODIANS LIMITED	77,850	0.2%
MATTHEW JAMES PRINGLE	75,000	0.1%
ROBERT WALLACE MONTGOMERY DOWLER & ROSEMARY ELIZABETH DOWLER	75,000	0.1%
INVESTMENT CUSTODIAL SERVICES LIMITED	65,500	0.1%
	44,438,090	**88.1%**

SHAREHOLDER INFORMATION

FOR THE YEAR ENDED 31 MARCH 2021

Domicile of Security Holdings

Location	Holders	Units	Units %
New Zealand	2,283	49,994,290	99.3%
Australia	83	181,465	0.4%
Austria	1	2,000	0.0%
Canada	5	7,058	0.0%
China	1	2,000	0.0%
France	1	2,000	0.0%
Hong Kong	2	6,000	0.0%
Ireland	1	1,600	0.0%
Norway	1	1,000	0.0%
Reunion	1	1,000	0.0%
Singapore	1	3,500	0.0%
South Africa	1	1,000	0.0%
Switzerland	1	300	0.0%
Taiwan	1	1,000	0.0%
USA	16	44,333	0.1%
United Arab Emirates	4	49,017	0.1%
United Kingdom	13	39,300	0.1%
	2,416	**50,336,863**	**100.0%**

Spread of Security Holders

Shareholding Size	Number of Holders	Total Shares Held	%
1 - 499	198	58,474	0.1%
500 - 999	159	104,555	0.2%
1,000 - 1,999	1,302	1,431,682	2.8%
2,000 - 4,999	477	1,198,174	2.4%
5,000 - 9,999	134	768,847	1.5%
10,000 - 49,999	123	2,183,003	4.3%
50,000 - 99,999	7	447,388	0.9%
100,000 - 499,999	10	2,401,236	4.8%
500,000 - 999,999	2	1,650,802	3.3%
1,000,000 Over	4	40,092,702	79.7%
	2,416	**50,336,863**	**100.0%**

CORPORATE GOVERNANCE

FOR THE YEAR ENDED 31 MARCH 2021

The Board of Directors is responsible for the corporate governance of the Group. "Corporate Governance" involves the direction and control of the business by the Directors and the accountability of Directors to shareholders and other stakeholders for the performance of the Group and compliance with applicable laws and standards.

Role of the Board

The Board is elected by the Shareholders of the Company. A Director must not hold office (without re-election) past the third annual meeting following the Directors appointment or 3 years, whichever is longer. The Directors to retire are those who wish to retire, or those who have been longest in office since last being elected.

The Board of Directors is responsible for the overall direction of Burger Fuel Group Limited's business and affairs on behalf of all shareholders. The Board's key role is to ensure that corporate management is continuously and effectively striving for above-average performance, taking account of risk.

The Board:

- Establishes the objectives of Burger Fuel Group Limited;
- Approves major strategies for achieving these objectives;
- Oversees risk management and compliance;
- Sets in place the policy framework within which BurgerFuel operates; and
- Monitors management performance against this background.

The Board has delegated the day-to-day leadership and management of the Group to the Group Chief Executive Officer and the Chief Operating Officer.

The Board monitors financial results and compares them to annual plans and forecasts / budgets on a regular basis, and on a quarterly basis reviews the Group's performance against its strategic planning objectives.

Board size and Composition

The size and composition of the Board is determined by the Company's constitution. As at 31 March 2021, there were three Directors, a Chief Operating Officer, and a Chief Financial Officer / Company Secretary. The Chairman of the Board and the Chairman of the Audit Committee are non-executive and independent of the role of the Chief Executive Officer, Chief Financial Officer and Chief Operating Officer.

Directors and Officers diversity

NZX listed issuers are required to report quantitative data on the gender breakdown of Directors and Officers at the financial year end. The policy behind the rule is to provide information to allow investors to maintain an informed view of diversity as a factor relevant to an Issuer's expected performance.

	2021		2020	
	Male	Female	Male	Female
Directors	3	-	3	-
Executive / Leadership Team	6	1	7	2

Audit Committee

(i) Risk Management

The Audit Committee is required to establish a framework of internal control mechanisms to ensure proper management of the Group's affairs and that key business and financial risks are identified and controls and procedures are in place to effectively manage those risks. The Audit Committee is accountable to the Board for the recommendation of the external auditors, directing and monitoring the audit function and reviewing the adequacy and quality of the annual audit process.

(ii) Additional Assurance

The Committee provides the Board with additional assurance regarding the accuracy of financial information for inclusion in the Group's annual report, including the financial statements. The Committee is also responsible for ensuring that Burger Fuel Group Limited has an effective internal control framework. These controls include the safeguarding of assets, maintaining proper accounting records, complying with legislation, including resource management and health and safety issues, ensuring the reliability of financial information and assessing and overviewing business risk. The Committee also deals with governmental and New Zealand Stock Exchange requirements.

(iii) Share Trading Policy

The Company has adopted a formal Securities Trading Policy ("Policy") to address insider trading requirements.

The Policy is modelled on the Listed Companies Association Securities Trading Policy and Guidelines and is administered by the Audit Committee and restricts share trading in a number of ways.

(iv) Insurance and Indemnification

Burger Fuel Group Limited provides indemnity insurance cover to directors, officers and employees of the Group except where there is conduct involving a wilful breach of duty, improper use of inside information or criminality.

CORPORATE GOVERNANCE

FOR THE YEAR ENDED 31 MARCH 2021

Directors & Officers Board & Audit Committee Attendance Record

Directors	Board Meetings	Audit Committee Meetings
Peter Brook (Chair)	6	4
Josef Roberts	6	4
Alan Dunn	6	4
Officers		
Tyrone Foley (Chief Operating Officer)	6	4
Mark Piet (Chief Financial Officer / Company Secretary)	6	4

Constitution

A full copy of the Company's constitution is available on the Company's website (www.burgerfuel.com).

Board Remuneration

Directors are entitled to Directors' fees, reasonable travelling, accommodation and other expenses incurred in the course of performing duties or exercising powers as Directors.

Peter Brook, the Chairman, receives an annual fee of $70,000 and Alan Dunn the independent, non-executive Director receives an annual fee of $50,000. The Company Secretary attends to all company secretarial and corporate governance matters.

Conflict of Interest

The Board has guidelines dealing with the disclosure of interests by Directors and the participation and voting at Board meetings where any such interests are discussed. The Group maintains an interests register in which particulars of certain transactions and matters involving Directors must be recorded.

COMPANY DIRECTORY

FOR THE YEAR ENDED 31 MARCH 2021

Registered Office
Grant Thornton New Zealand Limited
152 Fanshawe Street
Auckland 1011

Company Number
1947191

Date of Incorporation
14 June 2007

Directors
Peter Brook - Chairman (Independent)
Alan Dunn (Independent)
Josef Roberts (Executive)

Board Executives
Tyrone Foley
(Chief Operating Officer)

Mark Piet
(Chief Financial Officer / Company Secretary)

Business Headquarters
66 Surrey Crescent
Grey Lynn
Auckland 1021

Auditor
Baker Tilly Staples Rodway
Level 9, Tower Centre
45 Queen Street
Auckland 1010

Accountant
Grant Thornton New Zealand Limited
Level 4
152 Fanshawe Street
Auckland 1011

Bridgepoint Group Accounting Pty Ltd
Suite 301, 8 West Street,
North Sydney
NSW 2060
Australia

Citrin Cooperman
529 Fifth Avenue
New York, NY 10017
USA

KPMG
18 Viaduct Harbour Avenue,
Auckland 1140

Bankers
ASB Bank Limited
CBA Bank Limited (Australia)
Emirates NBD (UAE)
Bank of America Merrill Lynch (USA)

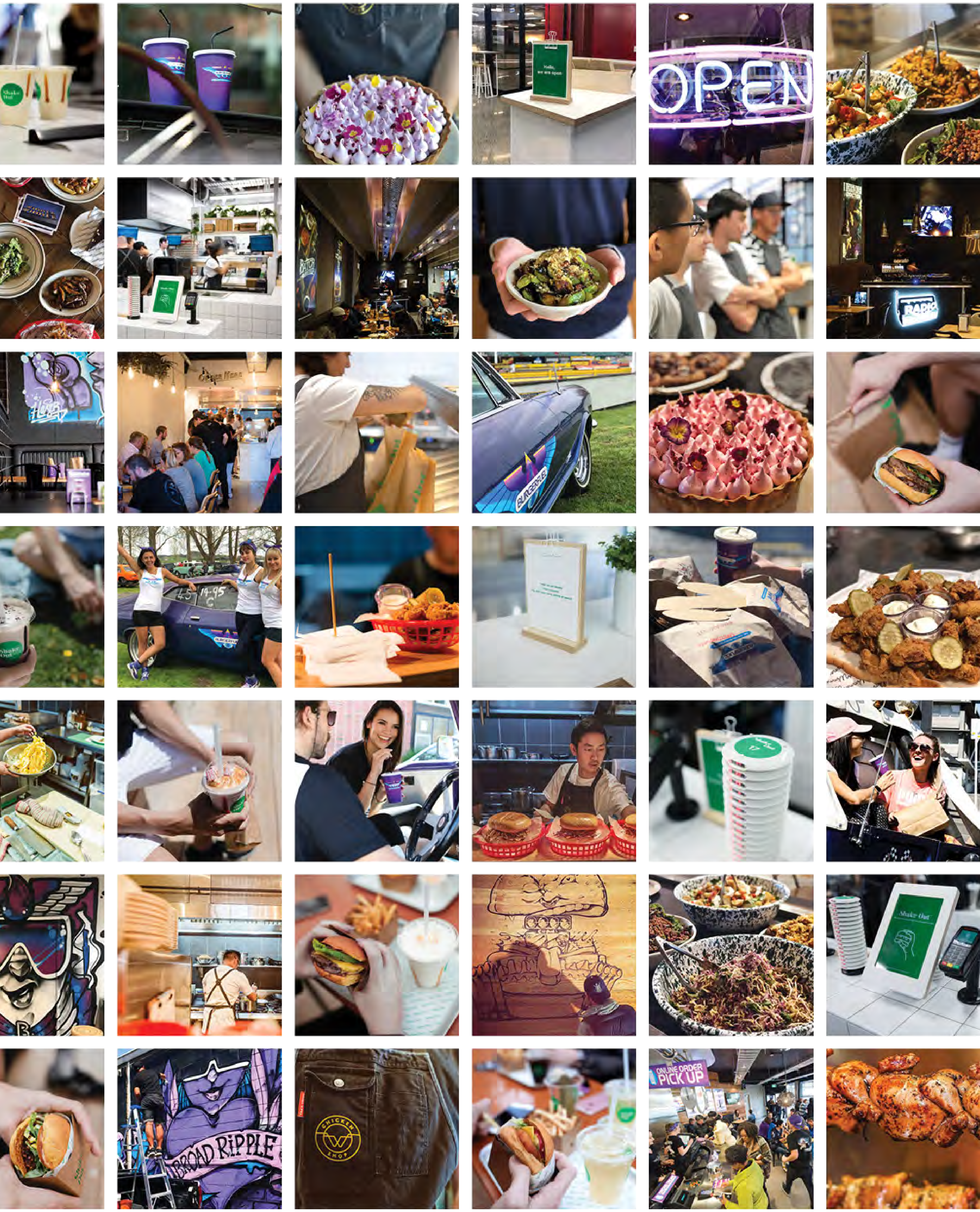
Solicitors
Dentons Kensington Swan, 18 Viaduct Harbour Avenue, Auckland 1011.

Buddle Findlay, PwC Tower, 188 Quay Street, PO Box 1433, Auckland 1140.

Wiggin and Dana LLP, Two Liberty Place, 50 S. 16th Street, Suite 2925, PA, 19102, USA.

Corporate Counsel Limited Solicitors, P.O Box 37-322, Parnell, Auckland 1151.

SHAKE OUT // TOFFEE CHOC SHAKE



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