



**NEPTUNE ANNOUNCES FY 2015 RESULT
(FOR THE YEAR ENDING 31 MARCH 2015)**

PERTH, Western Australia: Neptune Marine Services Limited (ASX: NMS, **Neptune** or the **Company**) has reported a profit from continuing operations before tax of \$4.17 million for the financial year ending 31 March 2015. The consolidated profit of Neptune for that period after income tax amounted to \$2.8 million. Revenue for the year was \$135.4 million.

Some key milestones achieved during the year include:

- 12 month contract extension with Monadelphous for the Diving division, which covers marine facilities and inspection works
- Award of framework agreement with Inpex, including an initial 40 month rig positioning and survey services contract
- Expansion of the Company's ROV fleet with the addition of two 150HP Triton ROVs, bringing the global fleet to 15
- Award of 18 month rig positioning and mooring services contract for Apache Energy, which will commence in FY 2016.
- Arrival of new-build Dryden Dive Support Vessel (DSV) into Australia and completion of four projects on the North West Shelf.

Neptune's CEO, Mr Robin King, said "we are pleased to have maintained a profitable performance, given the tightening of the oil and gas industry generally. We have a strong financial position with higher cash balances and very little interest bearing debt for the year ahead.

Encouragingly, we secured a number of contracts across our various businesses, some of which will provide revenue for the ensuing quarters. Tendering activity remains reasonably high as we enter the 2016 financial year and we will continue our focus on costs, improving profitably and the growth of the business."

- ENDS -

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Results for announcement to the market

			March 2015 \$'000	March 2014 \$'000
Financial Results				
Revenue from ordinary activities	<i>Down</i>	<i>0.37%</i>	135,415	135,920
Profit from ordinary activities after tax attributable to members	<i>Down</i>	<i>40.63%</i>	2,820	4,750
Net profit for the period attributable to members	<i>Down</i>	<i>40.63%</i>	2,820	4,750

Dividends	Amount per Ordinary Security	Franked amount per security
2015 dividend	Nil	Nil
2014 dividend	Nil	Nil

Record date for determining entitlements to the 2011 interim dividends	N/A
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Net Tangible Asset Backing	March 15	March 14
Net tangible asset backing per ordinary security	\$1.133	\$1.038

Other explanatory notes

In August 2014, Neptune undertook a 30:1 share consolidation (as approved by shareholders at the Company's Annual General Meeting on 30 July 2014). Broadly, this had the effect of reducing the total number of shares on issue to approximately 1/30th of the pre-consolidation amount. The Company had 1,849,505,508 shares on issue pre-consolidation and 61,651,610 shares post-consolidation (the post-consolidation balance is not exactly 1/30th due to rounding up of fractional entitlements when each shareholder's holding was divided by 30). Accordingly, net tangible asset backing per ordinary security for the year end period 31 March 2014 has been adjusted for the share consolidation for comparative purposes.

All other information required to be disclosed by Neptune Marine in the Appendix 4E is either not applicable or has been included in the attached financial report.



NEPTUNE MARINE SERVICES LIMITED AND CONTROLLED ENTITIES

ABN: 76 105 665 843

**Preliminary Final Report for the Year Ended
31 March 2015**

**NEPTUNE MARINE SERVICES LIMITED
AND CONTROLLED ENTITIES
PRELIMINARY FINAL REPORT (UNAUDITED)**

31 March 2015
ABN: 76 105 665 843

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CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2015

		Consolidated	
	Note	2015	2014
		\$000	\$000
Continuing operations			
Revenue	2(a)	135,415	135,920
Other revenue	2(a)	112	196
Total Revenue		135,527	136,116
Cost of sales and services rendered		(95,314)	(95,975)
Gross Profit		40,213	40,141
Other income	2(b)	13	373
Marketing expenses		(456)	(444)
Occupancy expenses		(4,697)	(4,034)
Corporate, shared services and board expenses		(4,898)	(5,556)
Business operating expenses		(24,823)	(23,225)
Technical expenses		(255)	(243)
Finance costs		(253)	(345)
Other expenses	3(a)	(671)	(448)
Profit from continuing operations before income tax		4,173	6,219
Income tax expense		(1,353)	(1,469)
Net profit for the period		2,820	4,750
Earnings Per Share			
Basic earnings per share (cents per share)	6	0.046	0.077
Diluted earnings per share (cents per share)	6	0.046	0.076

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2015

	Consolidated	
	2015	2014
	\$000	\$000
Net Profit for the period	2,820	4,750
Other Comprehensive income		
Items in other comprehensive income that may be recycled subsequently through profit and loss		
Foreign currency translation	4,097	4,410
Net loss on cash flow hedges	(73)	-
Other comprehensive income for the period	4,024	4,410
Total comprehensive profit for the period attributable to members of the parent	6,844	9,160

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2015

	Consolidated	
	31 March	31 March
Note	2015	2014
	\$000	\$000
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	17,594	11,955
Trade and other receivables	26,081	23,662
Inventories	802	1,028
Other current assets	11,670	12,079
TOTAL CURRENT ASSETS	56,147	48,724
NON-CURRENT ASSETS		
Trade and other receivables	374	2,643
Property, plant and equipment	7 33,140	29,085
Deferred tax assets	4,836	2,825
Intangible assets and goodwill	8 14,747	14,489
TOTAL NON-CURRENT ASSETS	53,097	49,042
TOTAL ASSETS	109,244	97,766
CURRENT LIABILITIES		
Trade and other payables	17,582	15,138
Current tax liability	3,396	975
Interest bearing loans and borrowings	239	434
Derivative financial instruments	115	-
Provisions	1,678	1,449
TOTAL CURRENT LIABILITIES	23,010	17,996
NON-CURRENT LIABILITIES		
Trade and other payables	135	-
Interest bearing loans and borrowings	87	123
Deferred tax liabilities	818	723
Provisions	585	462
TOTAL NON-CURRENT LIABILITIES	1,625	1,308
TOTAL LIABILITIES	24,635	19,304
NET ASSETS	84,609	78,462
EQUITY		
Contributed equity	9 273,540	273,804
Reserves	(13,919)	(17,510)
Accumulated losses	(175,012)	(177,832)
TOTAL EQUITY	84,609	78,462

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2015

	Ordinary Shares	Retained Earnings/ (Accumulated Losses)	Foreign Currency Translation Reserve	Employee Equity Benefits Reserve	Hedge Reserve	Total
	\$000	\$000	\$000	\$000	\$000	\$000
Consolidated Group						
Balance at 1 April 2013	273,804	(182,582)	(28,650)	6,267	170	69,009
Profit for the period	-	4,750	-	-	-	4,750
Other comprehensive income	-	-	4,410	-	-	4,410
Total comprehensive income for the year	-	4,750	4,410	-	-	9,160
Transactions with owners in their capacity as owners						
Cost of share based payments	-	-	-	523	-	523
Cash settlement of retention rights	-	-	-	(230)	-	(230)
Sub-total	-	4,750	4,410	293	-	9,453
Balance at 31 March 2014	273,804	(177,832)	(24,240)	6,560	170	78,462
Balance at 1 April 2014	273,804	(177,832)	(24,240)	6,560	170	78,462
Profit for the period	-	2,820	-	-	-	2,820
Other comprehensive income	-	-	4,097	-	(73)	4,024
Total comprehensive income for the year	-	2,820	4,097	-	(73)	6,844
Transactions with owners in their capacity as owners						
Share buyback during the period	(264)	-	-	-	-	(264)
Cost of share based payments	-	-	-	86	-	86
Cash Settlement of retention/performance rights	-	-	-	(519)	-	(519)
Sub-total	(264)	2,820	4,097	(433)	(73)	6,147
Balance at 31 March 2015	273,540	(175,012)	(20,143)	6,127	97	84,609

The above statement of changes in equity should be read in conjunction with accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2015

	Consolidated	
	31 March 2015 \$000	31 March 2014 \$000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	135,181	146,800
Interest received	112	196
Payments to suppliers and employees	(121,209)	(133,518)
Interest paid	(253)	(345)
Income tax (paid)	(1,510)	(1,057)
Net cash flows derived from operating activities	11(a) 12,321	12,076
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	-	59
Purchase of property, plant and equipment	(9,092)	(8,878)
Purchase of intangible assets	(99)	-
Net cash flows used in investing activities	(9,191)	(8,819)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	-	1,210
Repayment of borrowings	(248)	(951)
Payment for cancelled retention/performance rights	(562)	(230)
Share buyback	(264)	-
Receipt/(payment) of deposits for bank guarantee	2,247	(1,510)
Net cash flows (used in)/derived from financing activities	1,173	(1,481)
Net increase in cash and cash equivalents held	4,303	1,776
Cash and cash equivalents at beginning of financial year	11,955	9,741
Net foreign exchange difference	1,336	438
Cash and cash equivalents at end of financial year	17,594	11,955

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Note 1 Statement of Significant Accounting Policies

The preliminary final report has been prepared in accordance with the Australian Securities Exchange Listing Rules as set out in Appendix 4E and in accordance with the measurement and recognition (but not disclosure) requirements of the Australian Accounting Standards, *Corporations Act 2001* and other pronouncements of the Australian Accounting Standards.

As such, this Preliminary Final Report does not include all the notes of the type included in an annual financial report and accordingly, should be read in conjunction with the annual report for the year ended 31 March 2015 and with any public announcements made by Neptune Marine Services Limited during the reporting period in accordance with the disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous year.

New Standards, Interpretations and Amendments thereof, adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2015.

The Group did not early adopt any other standard, interpretation or amendment that has been issued but is not yet effective.

The Group did not adopt any new and or revised standards, amendments or interpretations from 1 April 2014 which had any effect on the financial position or performance of the Group.

Note 2 Revenue

		Consolidated Group	
		2015	2014
		\$000	\$000
a)	Revenue		
—	Rendering of services revenue from operating activities	135,415	135,920
—	Other revenue - interest received	112	196
	Total Revenue	<u>135,527</u>	<u>136,116</u>
b)	Other Income		
—	Rent/ other income	13	373
	Total Other Income	<u>13</u>	<u>373</u>

Note 3 Expenses**Consolidated Group****2015 2014****\$000 \$000**

a) Other Expenses

— Loss on sale of property, plant and equipment

553

284

— Other

118

164

Total Other Expenses

671

448

Note 4 Income Tax

The major components of income tax expense in the income statement for the half-year are:

Consolidated Group**2015 2014****\$000 \$000****Income taxes**

Current income tax expense

3,609

1,987

Adjustments in respect of current income tax or previous years

(16)

(183)

Deferred income tax benefit relating to origination and reversal of temporary differences

(2,240)

(335)

Income tax expense

1,353

1,469

Income tax recognised in other comprehensive income

-

-

Total income taxes from continuing operations

1,353

1,469

Note 5 Dividends

No dividends have been provided for or paid during either, financial period ending 31 March 2015 or prior period ending 31 March 2014.

Note 6 Earnings per Share

		Consolidated Group	
		2015	2014
(a)	Earnings used in calculating earnings per share		
For basic earnings per share		\$000	\$000
Net profit attributable to ordinary equity holder of the parent		<u>2,820</u>	<u>4,750</u>
For diluted earnings per share			
Net profit attributable to ordinary equity holders of parent		<u>2,820</u>	<u>4,750</u>
		No.	No.
		Thousands	Thousands
(b)	Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	61,627	61,652
	Dilutive effect of options	<u>133</u>	<u>1,113</u>
	Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS	<u>61,760</u>	<u>62,765 ¹</u>

In August 2014, Neptune undertook a 30:1 share consolidation (as approved by shareholders at the Company's Annual General Meeting on 30 July 2014). Broadly, this had the effect of reducing the total number of shares on issue to approximately 1/30th of the pre-consolidation amount. The Company had 1,849,505,508 shares on issue pre-consolidation and 61,651,610 shares post-consolidation (the post-consolidation balance is not exactly 1/30th due to rounding up of fractional entitlements when each shareholder's holding was divided by 30). Accordingly, earnings per share for the year end period 31 March 2014 has been adjusted for the share consolidation for comparative purposes.

¹ Earnings per share for the year period ending 31 March 2014 has been adjusted for the share consolidation for comparative purposes.

Note 7 Property, Plant and Equipment

Movements in carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial period

	Office Furniture, Equipment & Software \$000	Leasehold Improvements \$000	Plant and Equipment \$000	Leased Vehicle \$000	ROV's & Vessels \$000	Construction in Progress \$000	Total \$000
Consolidated Group:							
Balance at 1 April 2013	1,438	843	8,680	200	10,814	1,115	23,090
Additions	311	24	3,575	64	80	4,824	8,878
Disposals	(28)	(5)	(315)	-	-	-	(348)
Transfers	-	-	-	-	-	-	-
Depreciation expense	(339)	(186)	(1,866)	(40)	(1,527)	-	(3,958)
Foreign exchange	24	4	102	-	1,293	-	1,423
Balance at 31 March 2014	1,406	680	10,176	224	10,660	5,939	29,085
Cost	3,622	1,861	18,476	446	23,310	5,939	53,654
Accumulated depreciation & impairment	(2,216)	(1,181)	(8,300)	(222)	(12,650)	-	(24,569)
Net carrying amount	1,406	680	10,176	224	10,660	5,939	29,085
Balance at 1 April 2014	1,406	680	10,176	224	10,660	5,939	29,085
Additions	370	10	4,441	159	746	3,366	9,092
Disposals	(17)	-	(80)	(9)	(579)	(61)	(746)
Transfers	305	-	5,275	-	157	(5,737)	-
Transfer to intangible assets	-	-	(109)	-	-	-	(109)
Depreciation expense	(486)	(168)	(3,085)	(52)	(1,880)	-	(5,671)
Foreign exchange	14	5	72	-	1,370	28	1,489
Balance at 31 March 2015	1,592	527	16,690	322	10,474	3,535	33,140
Cost	4,245	1,880	27,837	547	25,595	3,535	63,639
Accumulated depreciation & impairment	(2,653)	(1,353)	(11,147)	(225)	(15,121)	-	(30,499)
Net carrying amount	1,592	527	16,690	322	10,474	3,535	33,140

Note 8 Intangible Assets and Goodwill

	Consolidated Group	
	2015 \$000	2014 \$000
Goodwill		
Balance at 1 April	12,938	12,159
Foreign exchange differences	317	779
Impairment	-	-
Balance at 31 March	<u>13,255</u>	<u>12,938</u>
Balance at 1 April	1,551	1,699
Additions	208	87
Amortisation	<u>(267)</u>	<u>(235)</u>
Balance at 31 March	<u>1,492</u>	<u>1,551</u>
Total Intangible Assets	<u><u>14,747</u></u>	<u><u>14,489</u></u>

Note 9 Issued Capital

	Consolidated Group	
	2015	2014
	\$000	\$000
61,441,291 (2014: 1,849,505,508) fully paid ordinary shares*	273,540	273,804

(a) Ordinary Shares	Consolidated Group	
	No.	\$000
At 1 April 2013	1,849,505,508	273,804
Movements during the current period	-	-
At 31 March 2014	1,849,505,508	273,804
At 1 April 2014	1,849,505,508	273,804
Share consolidation*	(1,787,853,898)	
Share buy-back during the current period	(210,319)	(264)
At 31 March 2015	61,441,291	273,540

*In August 2014, Neptune undertook a 30:1 share consolidation (as approved by shareholders at the Company's Annual General Meeting on 30 July 2014). Broadly, this had the effect of reducing the total number of shares on issue to approximately 1/30th of the pre-consolidation amount. The Company had 1,849,505,508 shares on issue pre-consolidation and 61,651,610 shares post-consolidation (the post-consolidation balance is not exactly 1/30th due to rounding up of the fractional entitlements when each shareholder's holdings was divided by 10).

Note 10 Operating Segments**Identification of Reportable Segments**

The Group has identified its operating segments based on the internal reports that are reviewed and used by Neptune's management team in assessing performance and in determining the allocation of resources. The operating segments are identified by management based on the nature of the services provided to customers. Discrete financial information about each of these operating businesses is reported to Neptune's management team on at least a monthly basis.

Types of Products and Services

The reportable segments are based on aggregated operating segments determined by the similarity of the products produced and sold and/or services provided, as these are the sources of the Group's major risks and have the most effect on the rates of return. Neptune Marine Services comprises the two distinct divisions: Offshore Services and Engineering Services. Globally, the company has operational bases in Australia, South East Asia and the United Kingdom. The services provided to customers are on an offshore and engineering basis and can combine services from multiple regions.

Offshore Services

The Offshore Services division provides the oil and gas, marine and associated industries with a range of specialised services, including: commercial diving, inspection, repair and maintenance support, difficult and confined area access via rope access, tension netting and modular platforms, remotely operated vehicles (ROVs), subsea pipeline/cable stabilisation and protection, hydro graphic surveying, positioning and geophysical support, and project management.

Engineering Services

The Engineering Services division provides the oil and gas, marine, renewable energy and associated industries with a range of specialised services, including: subsea and pipeline engineering, fabrication, assembly and testing, refurbishment, installation, maintenance, the patented NEPSYS® dry underwater welding technology, and project management.

Accounting Policies and Inter-Segment Transactions

The accounting policies used by the Group in reporting segments internally are the same as those contained in note 2 to the accounts and in the prior period, except as detailed below:

Inter-entity sales

Inter-entity sales are recognised based on an internally set transfer price. The price aims to reflect what the business operation could achieve if they sold their output and services to external parties at arm's length.

Corporate charges

Corporate charges comprise non-segmental expenses such as head office expenses and interest. Corporate charges are allocated to each business segment on a proportionate basis linked to segment revenue so as to determine a segmental result.

Note 10 Operating Segments (continued)

It is the Group's policy that if items of revenue and expense are not allocated to operating segments then any associated assets and liabilities are also not allocated to segments. This is to avoid asymmetrical allocations within segments which management believe would be inconsistent.

Unallocated items

The following items and associated assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- Finance costs
- Corporate, shared service and Board expenses
- Technical expenses
- Share-based payments
- Foreign exchange gain/ (loss)
- Deferred tax assets

The following table presents revenue and profit information for the reportable segments:

	Continuing Operations					
	Engineering		Offshore Services		Total	
	2015 \$000	2014 \$000	2015 \$000	2014 \$000	2015 \$000	2014 \$000
Revenue						
Sales to external customers	43,420	33,271	91,995	102,649	135,415	135,920
Intersegment sales	15,749	16,291	13,784	33,383	29,533	49,674
Other revenue	10	3	102	193	112	196
Total sales revenue	59,179	49,565	105,881	136,225	165,060	185,790
Internal sales elimination					(29,533)	(49,674)
Total revenue per the income statement					135,527	136,116

Note 10 Operating Segments (Continued)

	Continuing Operations					
	Engineering		Offshore Services		Total	
	2015 \$000	2014 \$000	2015 \$000	2014 \$000	2015 \$000	2014 \$000
Result						
Segment result before impairments, asset write downs and items below:	5,876	2,601	8,719	14,836	14,595	17,437
Impairment of Goodwill	-	-	-	-	-	-
Segment results after impairment and before items below:	5,876	2,601	8,719	14,836	14,595	17,437

Reconciliation of segment net profit before tax to net profit before tax

Finance costs	(253)	(345)
Unallocated Corporate, shared services and Board expenses	(9,285)	(9,976)
Share-based payments	(511)	(523)
Technical expenses	(255)	(243)
Foreign exchange loss	(118)	(131)
Net profit from continuing operations before tax per the income statement	4,173	6,219

	Continuing Operations					
	Engineering		Offshore Services		Total	
	2015 \$000	2014 \$000	2015 \$000	2014 \$000	2015 \$000	2014 \$000
Segment assets						
Segment operating assets	22,427	14,568	68,726	67,435	91,153	82,003
Goodwill	4,270	3,959	8,985	8,979	13,255	12,938
Segment assets	26,697	18,527	77,711	76,414	104,408	94,941

Reconciliation of segment assets to the statement of financial position

Deferred tax assets	4,836	2,825
Total assets from continuing operations per the statement of financial position	109,244	97,766

Entity Wide Information

Revenue from external customers by geographical locations is detailed below:

	Segment Revenues from External Customers		Carrying Amount of Total Assets	
	2015 \$000	2014 \$000	2015 \$000	2014 \$000
Australia - country of domicile	79,232	86,413	53,544	57,385
Asia and Middle East	9,922	17,609	14,702	15,053
United Kingdom	46,261	31,898	40,998	25,328
	135,415	135,920	109,244	97,766

Note 11

Cash Flow Information

		2015	2014
		\$000	\$000
(a)	Reconciliation of net profit after tax to net cash flows from operations		
	Profit after income tax	2,820	4,750
	Cash flows excluded from profit attributable to operating activities:		
	Non-cash flows in profit		
	Depreciation/ amortisation	5,938	4,193
	Loss on disposal of plant and equipment	553	284
	Share based payment expense	511	523
	Foreign exchange loss	119	131
	Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
	(Increase)/decrease in trade and term receivables	(1,122)	10,366
	Decrease/(Increase) in prepayments/other current assets	1,123	(66)
	Decrease/(Increase) in inventories	138	(1,866)
	Increase in deferred tax assets and liabilities	(1,970)	(336)
	Increase/(decrease) in trade payables and accruals	1,783	(7,177)
	Increase in income taxes payable	2,077	815
	Increase in provisions	351	459
	Cash flow from operations	<u>12,321</u>	<u>12,076</u>
(b)	Bank Facilities		
	Debtor finance facilities	-	8,000
	Amount utilised	-	-
	Unutilised facility	<u>-</u>	<u>8,000</u>
	ANZ Banking Facility	10,000	-
	Bank Guarantees on Issue	<u>2,803</u>	<u>-</u>
	Unutilised Facility	<u>7,197</u>	<u>-</u>

Note 12

Events after the Balance Sheet Date

There were no material subsequent events.

Note 13

Commitments

		Consolidated Group	
		2015	2014
		\$000	\$000
(a)	Finance Lease Commitments		
	Payable — minimum lease payments		
	— not later than 12 months	250	267
	— between 12 months and 5 years	<u>93</u>	<u>317</u>
	Minimum lease payments	343	584
	Less future finance charges	<u>(17)</u>	<u>(28)</u>
	Present value of minimum lease payments	<u>326</u>	<u>556</u>

Note 13 **Commitments (Continued)**

The finance leases relate to software and equipment financing. All finance leases will be settled within the next 5 years. The carrying value of finance leases and hire purchase contracts for various items of plant and machinery is \$276,000 (2014: \$301,554). There are no restrictions placed upon the lessee by entering into these leases.

(b) Operating Lease Commitments	Consolidated Group	
	2015	2014
	\$000	\$000
Non-cancellable operating leases contracted for but not capitalised in the financial statements		
Payable — minimum lease payments		
— not later than 12 months	3,485	2,422
— between 12 months and 5 years	6,860	1,269
— more than 5 years	4,774	-
Minimum lease payments	<u>15,119</u>	<u>3,691</u>

All operating leases of the Group relate to the leasing of premises. All leases are payable monthly. These leases have an average life of between one and five years. There are no restrictions placed upon the lessee by entering into these leases.

(c) Capital Expenditure Commitments

The Group had contractual obligations to purchase plant and equipment for \$3,038,000 at balance date (2014: \$800,000). Commitments are largely in relation to purpose built fit out of Welshpool Facility in Australia. This commitment is expected to be settled within 12 months of the balance sheet date. The 2014 commitment was settled during 2015.

Audit Report

The preliminary final report is based on financial statements which are in the process of being audited.