Ross Group Holdings Limited
Consolidated Financial Statements
for the year ended 26 April 2015

Contents

Directors' Report

The Board of Directors have pleasure in presenting the annual report of Ross Group Holdings Limited, incorporating the consolidated financial statements and the auditors' report, for the year ended 26 April 2015.

With the unanimous agreement of all shareholders, the Company has taken advantage of the reporting concessions available to it under section 211(3) of the Companies Act 1993.

The Board of Directors of Ross Group Holdings Limited authorised these financial statements presented on pages 5 to 33 for issue on 2 September 2015.

For and on behalf of the Board.

Director

Director

pwc

Independent Auditors' Report
to the shareholders of Ross Group Holdings Limited

Report on the Financial Statements
We have audited the financial statements of Ross Group Holdings Limited ("the Company") on pages 5 to 33, which comprise the balance sheet as at 26 April 2015, statements of comprehensive income, statements of cash flows and the statements of changes in equity for the period then ended, and the notes to the financial statements that include a summary of significant accounting policies and other explanatory information for both the Company and the Group. The Group comprises the Company and its entities it controlled at 26 April 2015 or from time to time during the financial year.

Directors' Responsibility for the Financial Statements
The Directors are responsible for the preparation of these financial statements in accordance with generally accepted accounting practice in New Zealand and that give a true and fair view of the matters to which they relate and for such internal controls as the Directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand) and International Standards on Auditing. These standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider the internal controls relevant to the Company's preparation and fair presentation of the financial statements 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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

We are independent of the Group. Our firm carries out other services for Ross Group Holdings Limited or any of its subsidiaries in the areas of tax advisory and compliance services and other advisory services. The provision of these other services has not impaired our independence as auditors of the Company and the Group.

Opinion

In our opinion, the financial statements on pages 5 to 33 present fairly, in all material respects, the financial position of the Group as at 26 April 2015, and its financial performance and cash flows for the period then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards Reduce Disclosure Regime.

Restriction on Use of our Report

This report is made solely to the Company's shareholders, as a body, in accordance with the Companies Act 1993. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders, as a body, for our audit work, for this report or for the opinions we have formed.

PricewaterhouseCoopers

Chartered Accountants
2 September 2015

Auckland

Ross Group Holdings Limited
Consolidated Income Statement
For the year ended 26 April 2015

	Notes	2015 $'000	2014 $'000
Revenue	4	562,650	517,189
Cost of sales		(429,645)	(405,640)
Gross profit		133,005	111,549
Other income	5	4,762	16,007
Expenses	6		
Distribution		(47,866)	(48,010)
Administration		(35,763)	(28,873)
Other		(8,317)	(7,144)
Finance costs		(35,038)	(35,243)
Profit before income tax		10,783	8,286
Income tax (expense) / benefit	7	(2,051)	5,795
Profit for the year		8,732	14,081

	2015 $'000	2014 $'000
Profit for the year	8,732	14,081
Other comprehensive income:		
Items that will be subsequently reversed to profit and loss		
Cash flow hedges, net of tax	3,431	4,035
Other comprehensive income for the year, net of tax	3,431	4,035
Total comprehensive income for the year	12,163	18,116

	Notes	2015 $'000	2014 $'000
Assets			
Current assets			
Cash and cash equivalents	9	11,964	2,040
Trade and other receivables	10	77,279	74,143
Inventories	11	56,023	64,486
Derivative financial instruments	13	3,749	1,330
Biological assets	14	30,327	30,819
Total current assets		179,342	172,818
Non-current assets			
Other non-current assets	15	1,995	1,793
Property, plant and equipment	12	139,575	135,552
Intangible assets	16	337,386	341,547
Total non-current assets		478,956	478,892
Total assets		658,298	651,710
Liabilities			
Current liabilities			
Current tax liabilities		2,521	13
Derivative financial instruments	13	13	1,755
Trade and other payables	18	76,912	83,336
Provisions and other current liabilities	21	-	1,186
Total current liabilities		79,446	86,290
Non-current liabilities			
Deferred tax liabilities	19	20,616	19,862
Derivative financial instruments	13	1,293	1,533
Interest bearing liabilities	20	268,476	267,721
Total non-current liabilities		290,385	289,116
Total liabilities		369,831	375,406
Net assets		288,467	276,304
Equity			
Issued capital	22	265,337	265,337
Reserves	23(a)	1,855	(1,576)
Retained earnings		21,275	12,543
Total equity		288,467	276,304

	Notes	Issued capital $'000	Hedge reserve $'000	Retained earnings $'000	Total equity $'000
Balance at 28 April 2013		265,608	(5,611)	(1,538)	258,459
Profit for the year		-	-	14,081	14,081
Other comprehensive income for the year, net of tax		-	4,035	-	4,035
Comprehensive income	23	-	4,035	14,081	18,116
Shares repurchased and cancelled during the year	22	(271)	-	-	(271)
		(271)	-	-	(271)
Balance at 27 April 2014		265,337	(1,576)	12,543	276,304

	Notes	Issued capital $'000	Hedge reserve $'000	Retained earnings $'000	Total equity $'000
Balance at 27 April 2014		265,337	(1,576)	12,543	276,304
Profit for the year		-	-	8,732	8,732
Other comprehensive income for the year, net of tax		-	3,431	-	3,431
Comprehensive income	23	-	3,431	8,732	12,163
Shares repurchased and cancelled during the year	22	-	-	-	-
		-	-	-	-
Balance at 26 April 2015		265,337	1,855	21,275	288,467

	Notes	2015 $'000	2014 $'000
Cash flows from operating activities			
Receipts from customers		556,755	512,339
Net GST collected		(1,037)	(30)
Net income tax (paid) / received		(24)	(4,219)
Payments to suppliers		(378,496)	(350,191)
Payments to employees		(115,823)	(112,656)
Other operating expenses		(3,794)	(3,580)
Interest (paid)/received		(22,454)	(27,152)
Net cash inflow from operating activities	27	35,127	14,511
Cash flows from investing activities			
Payments for property, plant and equipment		(16,639)	(18,222)
Payments for intangibles		(541)	(2,822)
Proceeds from sale of property, plant and equipment		3,181	110,139
Decrease in other non current liabilities		-	(182)
Purchase of other non current assets and other		(816)	(915)
Net cash outflow from investing activities		(14,815)	87,998
Cash flows from financing activities			
Repurchase of shares		-	(271)
Repayment of principal on borrowings		(10,388)	(103,593)
Net cash outflow from financing activities		(10,388)	(103,864)
Net increase / (decrease) in cash and cash equivalents		9,924	(1,355)
Cash and cash equivalents at the beginning of the financial year		2,040	3,395
Cash and cash equivalents at end of year	9	11,964	2,040

1 General information

Ross Group Holdings Limited (the Company) and its subsidiaries (together the Group) is an investment holding company and its subsidiary is a fully integrated poultry producer, involved in the breeding, hatching, processing, marketing and distribution of poultry products. The address of its registered office is C/- Minter Ellison Rudd Watts, Level 20, Lumley Centre, 88 Shortland Street, Auckland, 1010.

These consolidated financial statements are for the year ended 26 April 2015. The financial statements have been approved for issue by the directors on 2 September 2015.

2 Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below.

(a) Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with New Zealand generally accepted accounting practice (NZ GAAP). They comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) and other applicable New Zealand Financial Reporting Standards, as appropriate for profit-oriented entities. For the purposes of complying with NZ GAAP, the group is eligible to apply Tier 2 For-profit Accounting Standards (New Zealand equivalents to International Financial Reporting Standards - Reduced Disclosure Regime ('NZ IFRS RDR')) on the basis that is does not have public accountability and is not a large for-profit public sector entity. The group has elected to report in accordance with NZ IFRS RDR and has applied disclosure concessions.

Statutory base

Ross Group Holdings Limited is a limited liability company which is domiciled and incorporated in New Zealand. It is registered under the Companies Act 1993.

The financial statements have been prepared in accordance with the requirements of the Financial Reporting Act 2013 and the Companies Act 1993.

The financial statements have been rounded to the nearest one thousand dollars.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets and liabilities as identified in specific accounting policies below.

Critical accounting estimates

The preparation of financial statements in conformity with NZ IFRS RDR requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

Changes in accounting polices and adoption of new and amended standards

There have been no material changes in accounting policies or new standards adopted during the year.

2 Significant accounting policies (continued)

(a) Statement of compliance and basis of preparation (continued)

(b) Principles of consolidation

Subsidiaries

Subsidiaries are all entities (including structured 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.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary are the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. Acquisition costs are expensed as incurred.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the statement of comprehensive income.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Net asset acquisitions

The excess of the cost of acquisition over the fair value of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the identifiable net assets acquired, the difference is recognised directly in the income statement.

2 Significant accounting policies (continued)

(c) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The consolidated financial statements are presented in New Zealand dollars, which is the Group's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

(d) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods, net of Goods and Services Tax, rebates and discounts. Revenue is recognised as follows:

(i) Sale of goods and biological assets

Revenue from the sale of goods and biological assets is recognised in the income statement when the significant risks and rewards have been transferred to the buyers. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or associated costs.

(ii) Interest income

Interest income is recognised using the effective interest method.

(e) Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2 Significant accounting policies (continued)

(f) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

(g) Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the carrying amount and the amount the Group expects to collect. The movement in the provision during the period is recognised in 'Other expenses' in the income statement.

Subsequent recoveries of amounts previously written off are credited against 'Other expenses' in the income statement.

(h) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and production overheads necessary to bring the inventories into their present location and condition. Cost is determined on a first in, first out basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Biological assets are transferred to inventory at fair value less estimated costs to sell at the date of harvest.

(i) Biological assets

Biological assets include live broiler chicken and turkey birds, breeding stock and hatching eggs. These are measured at fair value less estimated point of sales costs at reporting dates. Fair value is determined based on market prices or where market prices are not available, fair value is estimated based on market prices of the output produced, by reference to sector benchmarks. Changes to fair value are recognised in cost of sales in the income statement. Biological assets are transferred to inventory at fair value less estimated costs to sell at the date of harvest.

Assets in this category are classified as current assets if the expected life of the asset is less than 12 months.

(j) Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either; (1) hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge); or (2) hedges of highly probable forecast transactions (cash flow hedges).

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative financial instruments used for hedging purposes are disclosed in Note 13. Movements in the cash flow hedging reserve in shareholders' equity are shown in Note 23.

2 Significant accounting policies (continued)

(j) Derivatives (continued)

(i) Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

(ii) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in equity in the hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the income statement.

Amounts accumulated in equity are recycled in the income statement in the periods when the hedged item will affect the income statement (for instance when the forecast purchase or sale that is hedged takes place). However, when the forecast transaction that is hedged results in the recognition of a non-financial asset (for example, inventory) or a non-financial liability, the gains and losses previously deferred in equity are transferred from equity and included in the measurement of the initial cost or carrying amount of the asset or liability.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

(iii) Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in the income statement.

(k) Fair value estimation

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Company is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

(l) Financial assets

The Group classifies its assets in the following categories: at fair value through profit or loss, loans and receivables, and available-for-sale financial assets. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current if expected to be settled within 12 months; otherwise, they are classified as non current.

2 Significant accounting policies (continued)

(l) Financial assets (continued)

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The group's loans and receivables comprise 'trade and other receivables' and 'cash and cash equivalents' in the balance sheet.

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transactions costs for all financial assets not carried at fair value through the profit or loss. Financial assets carried at fair value through the profit or loss are initially recognised at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within other expenses or other income in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the income statement as part of other income when the group's right to receive payments is established.

Offsetting financial instruments

Financial instruments and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liability simultaneously.

Impairment of financial assets

Assets carried at amortised cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicates that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated income statement.

2 Significant accounting policies (continued)

(m) Property, plant and equipment
All property, plant and equipment are stated at historical cost less depreciation and impairment where applicable. Historical cost includes expenditure that is directly attributable to the acquisition of the items and may include the cost of materials, direct labour, and any other costs directly attributable to bringing the assets to a working condition for their intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Land is not depreciated. Depreciation of property, plant and equipment is charged on a straight-line basis so as to write off the cost of the assets over their expected useful life. The following estimated lives have been used:

* Buildings	40 years
* Plant and equipment	3 - 30 years
* Motor vehicles	3 - 6 years

Capital work in progress is not depreciated until commissioned.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). The residual lives are reviewed at each year end for appropriateness.

Assets are reclassified to held for sale if management determines that at balance date a sale is highly probable.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

(n) Intangible assets
(i) Goodwill
Goodwill represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired.

Goodwill on acquisitions of businesses is included in intangible assets. Goodwill is not amortised but is tested for impairment annually or immediately if events or changes in circumstances indicate that there might be an impairment and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Goodwill is allocated to cash-generating units for the purpose of impairment testing. Any impairment is recognised immediately as an expense and is not subsequently reversed.

(ii) Brands

Separately acquired trademarks and licences are shown at historical cost. Trademarks and licences acquired in a business combination are recognised at fair value at the acquisition date. Trademarks are not amortised. Instead trademarks are tested for impairment annually, or immediately if events or changes in circumstances indicate that there might be impairment, and are carried at cost less accumulated impairment losses. Trademarks have an indefinite useful life due to the unique nature of the brand in the New Zealand market. Gains and losses on the disposal of an entity or business unit include the trademark relating to the entity or business unit sold. Trademarks are allocated to cash-generating units for the purpose of impairment testing.

(iii) Customer relationships
Customer relationships acquired in a business combination are recognised at fair value at the acquisition date. The Customer relationships have a finite useful life, assessed as 25 years, and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight line method over the expected life of the customer relationship.

2 Significant accounting policies (continued)

(n) Intangible assets (continued)

(iv) Other intangibles
Other intangibles are payments made in the course of business that are capitalised over the term of the agreement to which they relate. This ranges from 5 to 7 years. These costs are amortised over this same term.

(v) Computer software
Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring the specific software to use. These costs are amortised over their estimated useful lives (three to five years).

Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Group, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

(o) Goods and Services Tax (GST)

The income statement and the cashflow statement have been prepared so that all components are stated exclusive of GST. All items in the balance sheet are stated net of GST, with the exception of receivables and payables, which include GST invoiced.

(p) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

(q) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

(r) Employee benefits

Liabilities for wages and salaries, including non-monetary benefits and annual leave to be settled within 12 months of the reporting date are recognised in 'other payables' in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. The Group's net obligation in respect of long service leave is the present value of the amount of future benefit that employees have earned in return for their service in the current and prior periods.

2 Significant accounting policies (continued)

(s) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date. Borrowing costs are recognised as expenses in the period in which they are incurred, except where they are included in the costs of qualifying assets. Borrowing costs include interest on related company borrowing.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

(t) Research and development costs

Research and development expenditure is expensed as incurred.

(u) Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

The Group leases certain property, plant and equipment which are classified as operating leases as the lessor has retained substantially all the risks and rewards of ownership.

(v) Sale and leaseback

When a sale and leaseback results in a finance lease, any gain on the sale is deferred and recognised as income over the lease term. Any loss on the sale is immediately recognised as an impairment loss when the sale occurs. If the leaseback is classified as an operating lease, then any gain is recognised immediately if the sale and leaseback terms are demonstrably at fair value. Otherwise, the sale and leaseback are accounted for as follows:

If the sale price is below fair value then the gain or loss is recognised immediately other than to the extent that a loss is compensated for by future rentals at a below-market price, then the loss is deferred and amortised over the period that the asset is expected to be used.
If the sale price is above fair value, then any gain is deferred and amortised over the useful life of the asset.
If the fair value of the asset is less than the carrying amount of the asset at the date of the transaction, then that difference is recognised immediately as a loss on the sale.

(w) Cashflow

Cash and cash equivalents are considered to be cash on hand, bank current accounts, cash on deposit and bank overdrafts. Cash flows are shown exclusive of Goods and Services Tax (GST). Operating activities are the principal revenue-producing activities of the entity and other activities that are not investing or financing activities. Investing activities are the acquisition and disposal of long-term assets and other investments not included in cash equivalents. Financing activities are activities that result in changes in the size and composition of the contributed equity and borrowings of the entity.

(x) Issued capital

Ordinary shares are classified as equity.

3 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Impairment testing of goodwill and trademarks
Note 16 provides information about the impairment testing of goodwill and trademarks.

Biological assets
Judgements have been made in relation to the Group's biological assets as disclosed in Note 2(i) and 14.

4 Revenue

	2015	2014
	$'000	$'000
Sale of goods and biological assets	562,650	517,189
	562,650	517,189

5 Other income

	2015	2014
	$'000	$'000
Gain on disposal of property, plant and equipment	4,649	15,900
Other interest income	113	107
	4,762	16,007

6 Expenses

	2015 $'000	2014 $'000
Profit / (loss) before income tax includes the following specific expenses:		
Depreciation		
Buildings	1,291	1,428
Plant and equipment	12,710	11,136
Motor vehicles	83	89
Total depreciation	14,084	12,653
Amortisation		
Other intangibles	445	346
Software	1,981	2,878
Customer relationships	2,276	2,276
Total amortisation	4,702	5,500
Total depreciation and amortisation	18,786	18,153
Other operating expenses		
Debts written off / recovered	352	1,353
Changes in provision for doubtful debts	1,759	2,480
	2,111	3,833
Interest and finance charges paid/payable	35,038	35,243
Lease payments	25,498	21,748
Employee benefits		
Wages and salaries	116,139	113,468
Other significant items		
Provisions for plant closures and relocations	1,431	731
Impairment / (reversal of impairment) of property, plant and equipment	-	(2,523)
	1,431	(1,792)

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7 Income tax

	2015 $'000	2014 $'000
(a) Income tax expense/(benefit)		
Current tax		
Current tax on profits for the year	2,134	18
Under (over) provided in prior years	397	(99)
Total current tax	2,531	(81)
Deferred tax		
Origination and reversal of temporary differences	(516)	(5,983)
Under (over) provided in prior years	36	269
Total deferred tax benefit	(480)	(5,714)
Income tax expense / (benefit)	2,051	(5,795)

(b) Numerical reconciliation of income tax to prima facie tax payable

	2015 $'000	2014 $'000
Profit/(loss) from continuing operations before income tax expense / (benefit)	10,783	8,286
Tax calculated at domestic tax rate applicable to profits at 28%	3,019	2,320
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Non-taxable (gain) on the sale of property, plant and equipment	(1,744)	(8,230)
Non deductible expenses	256	73
Revaluation of fair value of biological assets	87	(128)
Under / (over) provided in prior years	433	170
Income tax expense / (benefit)	2,051	(5,795)

8 Financial instruments by category

Assets as per balance sheet	Derivatives used for hedging $'000	Loans and receivables $'000
At 26 April 2015		
Derivative financial instruments	3,749	-
Trade and other receivables	-	72,617
Cash and cash equivalents	-	11,964
	3,749	84,581
At 27 April 2014		
Derivative financial instruments	1,330	-
Trade and other receivables	-	71,014
Cash and cash equivalents	-	2,040
	1,330	73,054

Liabilities as per balance sheet	Derivatives used for hedging $'000	Measured at amortised cost $'000
At 26 April 2015		
Derivative financial instruments	1,306	-
Trade and other payables	-	63,630
Interest bearing liabilities	-	272,404
	1,306	336,034
At 27 April 2014		
Derivative financial instruments	3,289	-
Trade and other payables	-	70,369
Interest bearing liabilities	-	275,236
	3,289	345,605

9 Cash and cash equivalents

	2015 $'000	2014 $'000
Cash at bank and in hand	11,964	2,040
	11,964	2,040

Fair value

The carrying amount for cash and cash equivalents equals the fair value.

10 Trade and other receivables

	2015 $'000	2014 $'000
Trade receivables	76,826	73,217
Other debtors	621	868
Provision for doubtful receivables	(4,830)	(3,071)
Prepayments and other	4,662	3,129
	77,279	74,143

Included within prepayments are $2,769,000 (2014: $2,086,000) of spare parts.

Bad and doubtful trade receivables

The Group has recognised an expense of $2,111,000 (2014: $3,832,000) in respect of bad and doubtful trade receivables during the year ended 26 April 2015. The expense has been included in 'Other expenses' in the income statement.

11 Inventories

	2015 $'000	2014 $'000
Raw materials	16,929	24,813
Finished goods	39,094	39,673
	56,023	64,486

The cost of inventories recognised as an expense and included in 'cost of sales' amounted to $427,567,000 (2014: $402,034,000).

The cost of inventories written down to net realisable value recognised as an expense amounted to $28,000 (2014: $1,923,000). The reversal of the cost of inventories previously written down to net realisable value amounted to $nil (2014: 1,220,000). The write down and reversal are recognised in 'other expenses'.

The increase in inventories due to recognising the input from biological assets at fair value less estimated costs to sell is $101,000 (2014: $1,362,004) and has been recognised in 'cost of sales' in the income statement.

Raw materials of $1,559,000 (2014: $14,251,000) have been pledged as security for trade payables. The remaining inventory is secured under bank borrowings.

12 Property, plant and equipment

	Capital work in progress $'000	Freehold land $'000	Buildings $'000	Plant and equipment $'000	Motor vehicles $'000	Total $'000
At 27 April 2014						
Cost	8,929	8,810	23,459	125,691	520	167,409
Accumulated depreciation	-	-	(2,909)	(28,687)	(261)	(31,857)
Net book amount	8,929	8,810	20,550	97,004	259	135,552
Year ending 26 April 2015						
Opening net book amount	8,929	8,810	20,550	97,004	259	135,552
Additions	21,675	-	-	-	-	21,675
Transfer of work in progress	(19,845)	545	6,866	12,411	23	-
Disposals	-	(320)	(2,754)	(493)	(1)	(3,568)
Depreciation charge	-	-	(1,291)	(12,710)	(83)	(14,084)
Reclassifications	-	-	1,065	(1,065)	-	-
Closing net book amount	10,759	9,035	24,436	95,147	198	139,575
At 26 April 2015						
Cost	10,759	9,035	26,951	137,428	522	184,695
Accumulated depreciation	-	-	(2,515)	(42,281)	(324)	(45,120)
Net book amount	10,759	9,035	24,436	95,147	198	139,575

Security
Security is held by Westpac (as agent) over all assets held by the Group.

13 Derivative financial instruments

	2015 $'000	2014 $'000
Current assets		
Forward foreign exchange contracts - cash flow hedges	3,749	1,330
Total current derivative financial instrument assets	3,749	1,330
Total derivative financial instrument assets	3,749	1,330
Current liabilities		
Forward foreign exchange contracts - cash flow hedges	13	1,755
Total current derivative financial instrument liabilities	13	1,755
Non-current liabilities		
Interest rate swaps - cash flow hedges	1,293	1,533
Total non-current derivative financial instrument liabilities	1,293	1,533
Total derivative financial instrument liabilities	1,306	3,288
Net derivative financial instruments	2,443	(1,958)

Instruments used by the Group

The Group is party to derivative financial instruments in the normal course of business in order to hedge exposure to fluctuations in interest and foreign exchange rates in accordance with the Group's financial risk management policies.

(i) Interest rate swap contracts

Bank loans of the Group currently bear an average variable interest rate of 7.7% (2014: 6.8%). It is policy and also a banking facility requirement to protect part of the loans from exposure to increasing interest rates. Accordingly, the Group has entered into interest rate swap contracts under which it pays a portion of its interest at fixed rates.

Swaps currently in place cover approximately 63% (2014: 70%) of the senior debt facilities outstanding and are timed to expire as each loan repayment falls due. The average fixed interest rate during the year was 4.6% (2014: 4.6%).

The contracts require settlement of net interest receivable or payable quarterly. The settlement dates coincide with the dates on which interest is payable on the underlying debt. The contracts are settled on a net basis.

The gain or loss from re-measuring the hedging instruments at fair value is deferred in the hedging reserve.

13 Derivative financial instruments (continued)

(ii) Forward exchange contracts - cash flow hedges

The Group operations are primarily domestic but also involve international purchases and exports. In order to protect against exchange rate movements, the Group has entered into forward exchange contracts to purchase United States, Australian dollars and Euros and to sell Australian dollars.

These contracts are hedging highly probable forecasted purchases and sales for future financial years. The contracts are timed to mature when payments for major purchases including grain shipments are scheduled to be made and when sales receipts are expected to be received.

The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised in equity reserves.

During the period ended 26 April 2015, all hedges were fully effective.

14 Biological assets

	2015 $'000	2014 $'000
Carrying value at 26 April 2015		
Poultry	30,327	30,819
	30,327	30,819
Opening carrying value 29 April 2014	30,819	28,864
Gain / (loss) arising from changes in fair value less estimated point of sale costs	12,873	15,352
Increase due to purchases	249,800	231,899
Decreases attributable to sales	(20,951)	(17,671)
Decreases due to harvest	(242,215)	(227,625)
Carrying value at 26 April 2015	30,327	30,819

The biological assets are classified as current on the face of the balance sheet.

The biological assets have been valued in accordance with the accounting policy described in Note 2(i).

15 Other non-current assets

	2015 $'000	2014 $'000
Other receivables	100	-
Other non current assets	1,895	1,793
	1,995	1,793

16 Intangible assets

	Other intangible assets $'000	Goodwill $'000	Customer Relationships	Trademarks $'000	Computer software $'000	Total $'000
At 27 April 2014						
Cost	1,384	254,578	56,900	33,500	7,736	354,098
Accumulated amortisation	(1,006)	-	(6,828)	-	(4,717)	(12,551)
Net book amount	378	254,578	50,072	33,500	3,019	341,547
Period ending 26 April 2015						
Opening net book amount	378	254,578	50,072	33,500	3,019	341,547
Additions	520	-	-	-	21	541
Amortisation charge	(445)	-	(2,276)	-	(1,981)	(4,702)
Closing net book amount	453	254,578	47,796	33,500	1,059	337,386
At 26 April 2015						
Cost	1,904	254,578	56,900	33,500	7,756	354,638
Accumulated amortisation	(1,451)	-	(9,104)	-	(6,697)	(17,252)
Net book amount	453	254,578	47,796	33,500	1,059	337,386

(a) Amortisations

Amortisation expense of $4,702,000 (2014: $5,500,000) has been included in other expenses in the income statement.

(b) Impairment tests for goodwill and trademarks

Management have undertaken an impairment review and have concluded that the goodwill and trademarks are not impaired based on the current and future expected trading performance of the Group.

The recoverable amounts of goodwill and trademarks have been determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial projections approved by management covering a five year period. Cash flows beyond the five period are extrapolated using estimated growth rates of 3%.

The key assumptions used for the value-in-use calculations are as follows:

	2015	2014
Terminal growth rate	3%	3%
Discount rate	9.1%	9.3%

Management believe that any reasonable change in the key assumptions used in the calculation would not cause the carrying amount of goodwill or trademarks to exceed recoverable amounts.

17 Investment in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 2(b).

Name of the entity	Country of incorporation	Class of shares	Equity Holding 2015	Equity Holding 2014
Ross Group Enterprises Limited	New Zealand	Ordinary	100%	100%
Tegel Foods Limited	New Zealand	Ordinary	100%	100%
Tegel International Services Limited	New Zealand	Ordinary	100%	100%
NZ Poultry Enterprises Limited	New Zealand	Ordinary	Amalgamated	100%
NZ Poultry Finance Limited	New Zealand	Ordinary	Amalgamated	100%
NZ Poultry Holdings Limited	New Zealand	Ordinary	Amalgamated	100%

Amalgamation

On 23 November 2014 NZ Poultry Holdings Limited, NZ Poultry Finance Limited, NZ Poultry Enterprises Limited and Ross Group Enterprises Limited amalgamated to become Ross Group Enterprises Limited.

The amalgamation has no financial or presentation impact on these consolidated financial statements as the amalgamated companies were all wholly owned subsidiaries of Ross Group Holdings Limited.

18 Trade and other payables

	2015 $'000	2014 $'000
Trade payables	50,650	62,519
Amounts due to related parties	125	235
Accruals and other payables	12,855	7,615
Employee benefits	13,282	12,967
	76,912	83,336

Due to the nature of the trade and other payables their carrying value is assumed to approximate their fair value.

19 Deferred tax liabilities

	2015 $'000	2014 $'000
The balance comprises temporary differences attributable to:		
Provisions	(1,944)	(2,382)
Property, plant and equipment	8,493	9,472
Losses expected to be used in the next twelve months	-	(698)
Cashflow hedge reserve	684	(550)
Customer relationships	13,383	14,020
Net deferred tax liabilities	20,616	19,862

	2015 $'000	2014 $'000
Movements in deferred tax:		
Opening balance	19,862	23,958
Charged / (credited) to the income statement		
Provisions	438	(626)
Property, plant and equipment	(979)	(3,752)
Customer relationships	(637)	(637)
Losses available against profits for the next twelve months	698	(698)
Charged / (credited) directly to equity		
Cashflow hedge reserve	1,234	1,617
Closing balance	20,616	19,862

20 Non-current interest bearing liabilities

	2015 $'000	2014 $'000
Secured		
Bank borrowings	204,469	214,857
Mezzanine debt facility	67,935	60,379
Loan arrangement fee	(3,928)	(7,515)
Total secured non-current interest bearing borrowings	268,476	267,721
Total non-current interest bearing liabilities	268,476	267,721

The loans of the group incur interest at rates from 7.5% to 15% (2014 6.3% to 15%). Bank borrowings are repayable in 1 year and the mezzanine debt facility is repayable in 2 years. The loans are secured over the assets of the Group. The loan arrangement fee is being amortised over the terms of the loans.

Financing arrangements

	2015 $'000	2014 $'000
Bank loan facilities		
Working capital facilities	20,000	20,000
Unused at balance date	20,000	10,500

The working capital facility is linked in with the senior debt facility (within Bank borrowings above) which expires in 1 year.

21 Provisions and other liabilities

	2015	2014
	$'000	$'000
Current		
Provisions for plant closures and relocations	-	1,186
	-	1,186

The provision for plant closures and relocations used during the year ended 26 April 2015 amounted to $1,186,000 (2014: $2,802,000).

22 Issued capital

	Number on issue		Value	
	2015	2014	2015	2014
(a) Share capital	'000	'000	$'000	$'000
Ordinary shares	11,442	11,442	11,184	11,184
Redeemable Shares	253,895	253,895	254,153	254,153
	265,337	265,337	265,337	265,337

(b) Ordinary shares

As at 26 April 2015, ordinary shares comprised 11,442,309 (2014: 11,442,399) authorised issued and fully paid shares in Ross Group Holdings Limited. Each share carries one voting right.

On 16 May 2011 Ross Group Holdings issued 1,000 shares (M class) to senior members of the Group's management team for $1 per share, which was paid by the senior management. It is an equity settled share based payment scheme. Upon a share sale, listing or trade sale of the Ross Group (an exit event), the M class shares may be entitled to a higher proportion of rights and distributions based on specified performance return criteria for the investors in the Group. Rights attached to M class shares lapse if an employee leaves employment of the Group. The fair value of M Class shares is considered immaterial.

(c) Redeemable shares

As at 26 April 2015, redeemable shares comprised 253,894,494 (2014: 253,894,494) authorised issued and fully paid shares in Ross Group Holdings Limited. These shares carry no rights as regards dividends or voting.

(d) Repurchased and cancelled shares

During the year the company repurchased and subsequently cancelled 90 ordinary (M Class) shares (2014: 11,643 ordinary shares, 725 ordinary (M Class) shares and 258,357 redeemable shares).

23 Reserves

	2015	2014
	$'000	$'000
(a) Reserves		
Hedge reserve	1,855	(1,576)
	1,855	(1,576)

(b) Nature and purpose of reserves

Hedging reserve - foreign exchange and interest rates swaps

The hedging reserve is used to record gains or losses on cash flow hedge instruments, as described in Note 2(j). Hedged gains or losses are recognised in the income statement in the period in which the income or expense associated with the underlying transaction occurs.

The total amount of cash flow hedges reclassified from equity and included in profit or (loss) for the period is $889,000 (2014: ($5,510,000)).

24 Commitments

(a) Capital commitments

Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:

	2015	2014
	$'000	$'000
Property, plant and equipment and intangibles	10,383	3,974
	10,383	3,974

(b) Lease commitments: as lessee

Operating leases

The Group leases premises, plant and equipment. Operating leases held over properties give the Group the right to renew the lease subject to a redetermination of the lease rental by the lessor.

	2015	2014
	$'000	$'000
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Within one year	22,183	23,869
Later than one year but not later than five years	65,729	68,715
Later than five years	117,966	116,614
	205,878	209,198

24 Commitments (continued)

(c) Other commitments for expenditure

	2015 $'000	2014 $'000
Raw material purchasing commitments are as follows:		
Within one year	99,083	68,008
	99,083	68,008

25 Contingencies

A claim has been made against a subsidiary of the Group by the liquidators of a former customer. The Group has disclaimed the liability. No provision in relation to this claim has been recognised in these consolidated financial statements as, based on legal advice, the directors do not expect the outcome of the claim to result in a material liability.

As at 26 April 2015 the Group had no other contingent liabilities or assets (2014: Nil).

26 Related party transactions

(a) Parent entities

The ultimate Parent entity within the Group is Ross Group Holdings Limited (incorporated in New Zealand) of which 87.3% of the ordinary shares are owned by Claris Investments Pte. Limited.

(b) Key management and personnel compensation

Key management personnel compensation for the year to 28 April 2015 is $3,411,000 (2014: $3,917,000). The key management are the management who have the greatest authority for the strategic direction and operational management of the Company.

(c) Transactions with related parties

Transactions with related parties are priced on an arms length basis. The following transactions occurred with related parties:

	2015 $'000	2014 $'000
Balances with related parties:		
Current payable to Affinity Equity Partners	(125)	(235)
	(125)	(235)

Affinity Equity Partners owns Claris Investments Pte. Limited and as such is considered a related party. During the year various expenses totalling $416,093 (2014: $322,512) including travel and legal costs were incurred by Affinity Equity Partners on behalf of Ross Group Holdings Limited. These have been on charged to the Group.

27 Reconciliation of profit after income tax to net cash inflow from operating activities

	2015 $'000	2014 $'000
Profit for the year	8,732	14,081
Adjusted for		
Depreciation expense	14,084	12,653
Amortisation expense	4,702	5,500
Impairment / (Reversal of impairment) of property, plant and equipment	-	(2,523)
Movement in derivatives	4,161	(446)
Amortised finance costs	3,587	3,587
Capitalised Interest	7,556	6,516
Increase in fair value of biological assets and inventory	310	(457)
(Gain) / loss on disposal of property, plant and equipment	(4,649)	(15,900)
Impact of changes in working capital items		
Increase in debtors and prepayments	(3,136)	(2,750)
(Decrease) / increase in creditors and provisions	(6,424)	23,136
Decrease / (increase) in inventories	8,463	(16,176)
(Increase) / decrease in provisions and other current liabilities	(1,186)	(2,253)
(Increase) / decrease in current derivatives	(4,161)	445
Increase / (decrease) in deferred tax liabilities	754	(4,096)
Increase / (decrease) in current tax liabilities	2,508	(4,301)
Decrease / (increase) in biological assets	492	(1,955)
Less:		
Less amounts not involving cash flows	(666)	(550)
Net cash inflow from operating activities	35,127	14,511

28 Subsequent events

Subsequent to balance date, on 7 August 2015, the Group negotiated the refinance of its existing loan facilities. The refinance has resulted in the repayment of the bank and mezzanine loans and the settling of all interest rate swap contracts, and replacing them with new bank loans that provide adequate financing for 3 years.

There have been no other events subsequent to balance date that would effect the presentation of these financial statements.