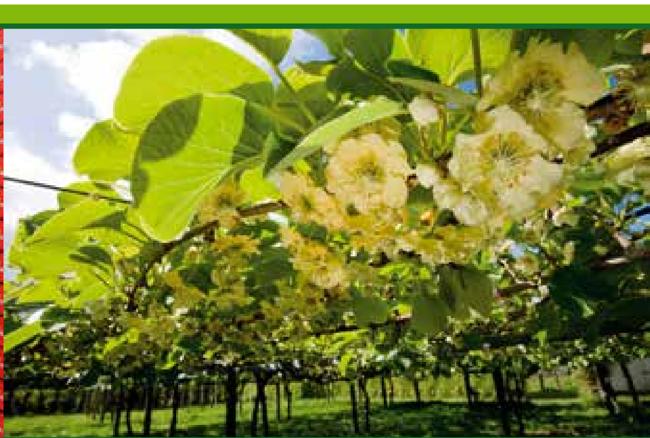
EastPack

WORLD CLASS ORCHARD TO MARKET



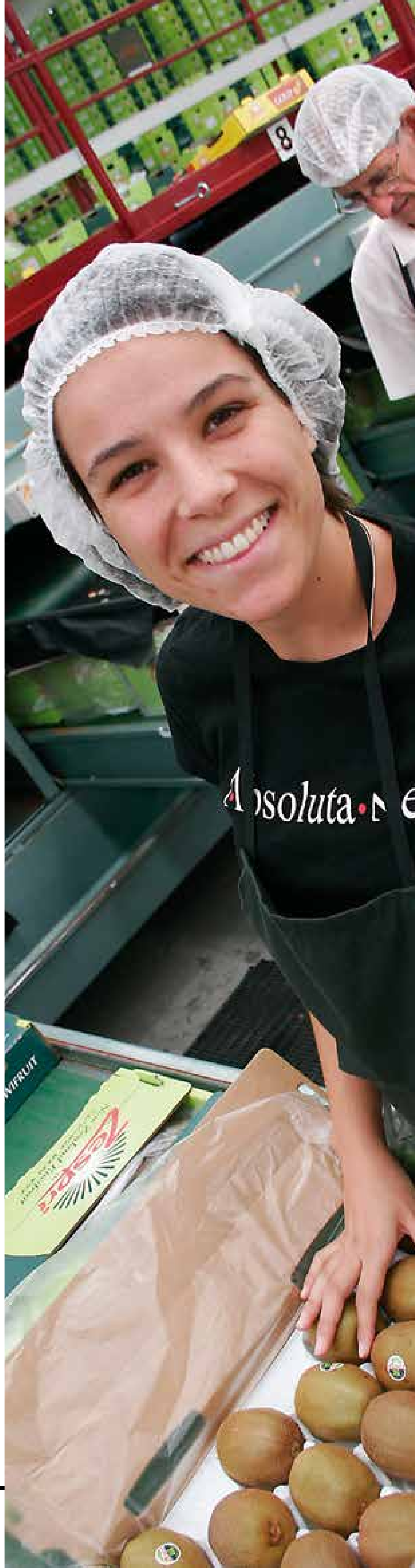
EASTPACK ANNUAL REPORT 2014

For the year ended
31 December 2014

EASTPACK LIMITED DIRECTORY

Date of Incorporation:	30 October, 1980	
Status:	Co-operative under Co-operatives Companies Act 1996	
Registered Office:	678 East Bank Road, Edgecumbe, New Zealand	
Directors:	R B Sharp	(Chairman)
	M S Ashby	(Ceased 20 January 2014)
	G S Eynon	
	A A Gault	
	R M Hudson	
	M G Kidd	(Ceased 24 June 2014)
	M R McBride	
	M J Montgomery	
	H J Pieters	
	M C Maltby	
	M T Giles	(Appointed 24 June 2014)
	J J Loughlin	(Appointed 24 June 2014, Temporarily stood aside 11 January 2015)
Chief Executive Officer:	A J Hawken	(Ceased 31 December 2014)
	J J Loughlin	(Interim CEO, appointed 12 January 2015)
Company Administrator:	L Hitchcock	
Bankers:	BNZ	
Auditors:	Staples Rodway Hamilton	
Solicitors:	Sharp Tudhope Tauranga	

EastPack
WORLD CLASS ORCHARD TO MARKET



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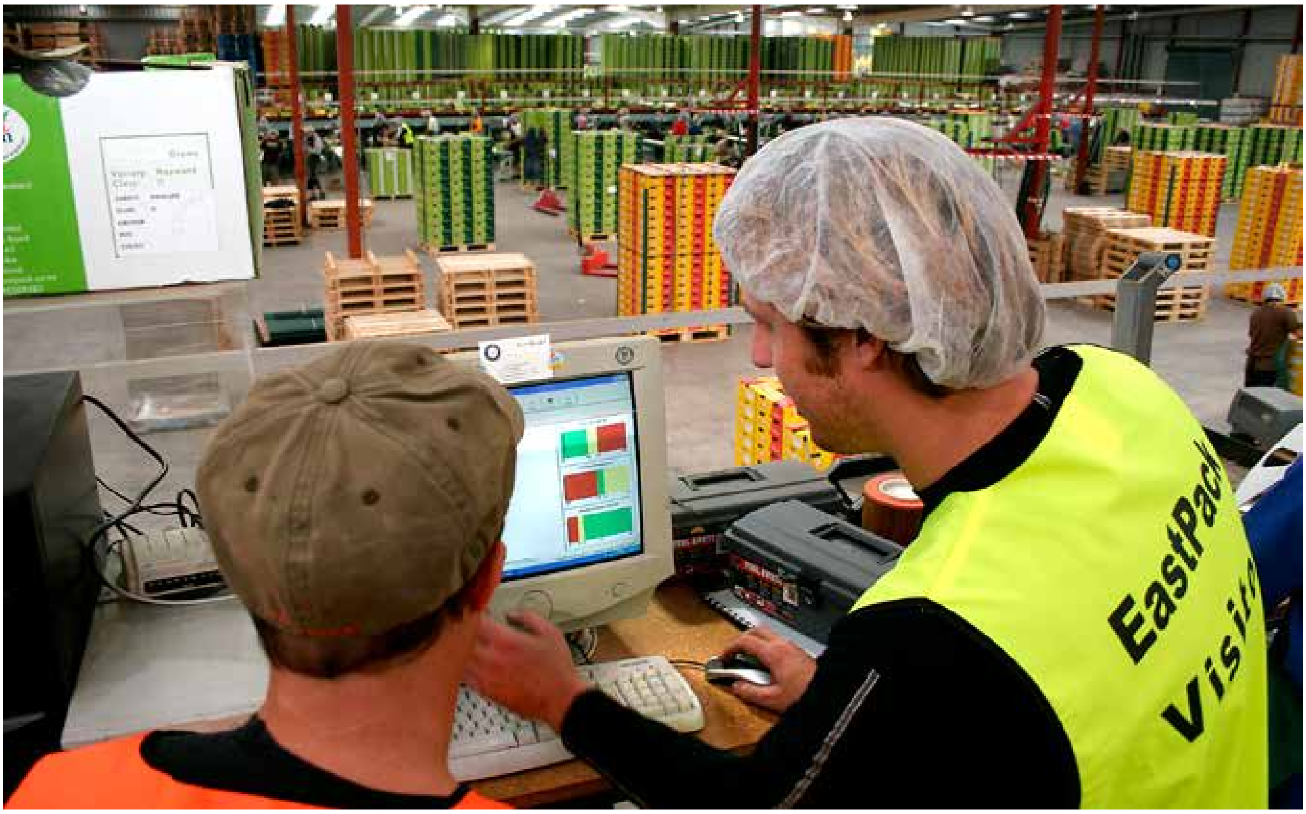


EastPack
WORLD CLASS ORCHARD TO MARKET

Chairman and CEO Report

EastPack, like all participants in the New Zealand kiwifruit industry, has suffered in the last two years from PSA. The volumes packed in 2013 and 2014 were even lower than anticipated with the Company packing 21 million class 1 export trays in 2013 and 24 million class 1 export trays in 2014. The 2013 lower than expected volume reflected the more rapid than expected progression of PSA in the Eastern BOP and a late growing season drought that adversely affected crop sizing. In 2014 the lower than expected volume arose from hail and some of the hail affected fruit processed has had an adverse financial impact on the Company.

These difficult years from a post-harvest perspective were anticipated and strategies were put in place in prior years to try to minimise the adverse impact of the volume drop arising from PSA. These included dropping prices for packing, the merger with Satara and the mothballing of the least efficient surplus capacity.

We believe the strategies were right in EastPack's circumstances in that they enabled the maximum appropriate retention of key staff and the efficient operation of some of the Company's key facilities and gave maximum cash to our growers to help them through the PSA challenge. However, there have been negative impacts in overall financial performance and there has been significant underutilisation of facilities for desired efficiency at some of the Company's packing sites. The impact on profit has been significant and has resulted in the Company not achieving its profit targets.

With the recovery of volume with the new G3 variety and increasing productivity of our Hayward growers, the Company is again in expansion phase with significant volume growth ahead for 2015 onward. Present estimates indicate an increase of approximately 7 million trays in 2015. To accommodate this growth the Company has undertaken a capital expenditure program of $20 million for 2015 on improved facilities and increased coolstorage capacity. A similar program is likely for 2016 when a further significant increase in volume is anticipated. To sustain the borrowing to achieve this kind of program and the facilities, we need to address the Company's profitability. This is being done with our 2015 budget showing prospect of a $6 million profit after rebates.

The increase in productivity being achieved by our Hayward growers is very pleasing. This follows a strategy of the Company to target this. Our growers' Hayward production increased by 13% in 2014 and estimates for 2015 harvest indicate a further 11% increase. This is very pleasing as increased productivity on orchard is conducive to better profitability for our growers. It is also very pleasing to see this increasing productivity being achieved despite the ongoing challenges of PSA to growing Hayward kiwifruit.

Our growers are also achieving good results with growing the new Gold G3 variety in a PSA challenging environment. It is very rewarding to go into orchards and see good crops of G3 Gold in areas that were Hort16A devastated by PSA two and three years ago.

The industry, growers and EastPack's recovery from PSA and increasing productivity in an environment where our marketer Zespri has established increasing markets and demand for our Zespri branded kiwifruit at good grower return levels is exciting and is the mix that was needed to give kiwifruit growers hope and prospects after having their livelihoods seriously challenged by PSA.

The recovery and strong growth prospects confirm that EastPack's strategy of aggressively chasing volumes during the production downturn, the merger with Satara and the mothballing of some of the industry's surplus capacity was right. Now that we have strong volume growth we are taking steps to reopen the Washer Road packing site with the latest semi-automated large capacity technology so that the assets that can fit with current industry requirements that were surplus during the downturn will be redeveloped and fully utilised over this and next year. Effectively these assets will have been retained and can now be utilised again to meet our growers' requirements. We see the Washer Road site becoming a very efficient modern 10 million tray site within the next two years. This will require further coolstorage development for next year.

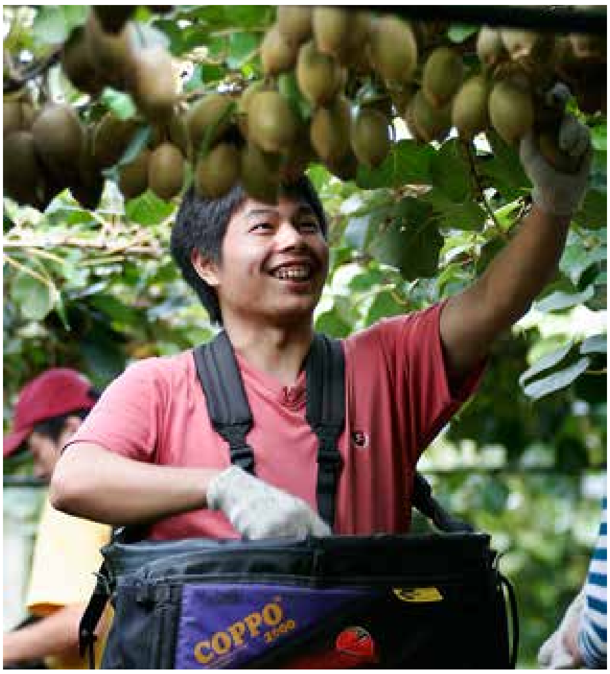
We are proud of our modern equipped large scale sites. These should be fully utilised this 2015 season. Further new coolstorage at the Collins Lane site should enable better utilisation of the capacity potential of the equipment there. Better utilisation leads to more cost efficiency and this will be a strong focus going forward to deliver the financial results that maximise returns to growers and shareholders.

Staffing

EastPack utilises the employment of Pacific Islanders and Asian people under the RSE Scheme to assist mainly with night shift operation of its production sites during the kiwifruit packing season. This is very important to our industry as we are able to make more efficient use of expensive seasonally utilised capital equipment and to be able to process the crop harvested at the appropriate maturity level to maximise quality and keeping potential.

Skilled staff are in short supply in the kiwifruit industry. This is becoming a challenge in the rapid growth environment we are now in. During the volume downturn under PSA the industry lost some capability to other industries and was not in a strong recruitment mode. In the short run this is leading to cost increases as scarce skilled staff are competed for among competitor post-harvest operators.

There is a very strong focus on the upskilling, training and recruitment of high potential people to address this issue as the need for them in the current growth period is very real.



CEO

You will all be well aware that Tony Hawken's long term as EastPack's CEO ended at the end of December 2014. Tony is continuing with the Company in a number of valuable roles and his experience is not lost to our Interim CEO, John Loughlin and new appointment Hamish Simson. Hamish is due to start on 4th May 2015.

Tony has been EastPack's CEO or General Manager for 32 years. This has been an incredible challenge and achievement. EastPack is what it is today largely due to his dedication and ability. We have not had a celebration of his career and contribution yet as Tony has requested that this be deferred until he steps down from his current role. When the time is right, our shareholders and our industry needs to fully acknowledge Tony's career.

Directorship

During 2014 there was a change in our Independent Commercial Directors. John Loughlin and Mark Giles replaced Maurice Kidd and Doctor Mike Ashby. The role of these non-kiwifruit grower high calibre independent skilled directors in our grower owned rural Company is very important. On behalf of our directors and shareholders I thank Maurice Kidd and Mike Ashby for their very valuable contribution to the governance, leadership and thinking at Board level. Both had strong commercial, governance and widely skilled attributes that were vital to the achievements of the Company over the approximately seven year terms that they served.

It is very important that we have been able to target specific attributes in our new appointments to these independent directorship roles that will continue to drive good governance and add real value to the development and operation of EastPack.

It should be noted that John Loughlin has stood aside from his role as an independent director for the term of his role as Interim CEO.

Renewal at Board level is important if the Company is going to be dynamic and responsive to opportunities. The appointment of Hendrik Pieters and Mike Maltby to our Board after the Satara merger has been very valuable. Their skills, experience and knowledge of Satara and the industry has and remains vital to the merged entity.

The Board is however keen to see a reduction of grower director numbers from eight to six over the next year to achieve what is seen as a more desirable Board size of eight directors. This is likely to be achieved through attrition over the next 12 months.

I remain happy with the broad range of skills, experience and qualifications that we have around our Board table to achieve good commercial strategy consistent with meeting our growers and shareholders needs over time.

I also encourage growers who consider they have good credentials to be a director of EastPack to come forward and offer themselves for election.

EastPack Key Financial Statistics	2014	2013	2013-2014
	('000)	('000)	Annual % Change
Revenues	$101,981	$91,871	+11%
Earnings before interest, tax, depreciation, fair value adjustments and rebates	$13,463	$13,187	+2%
Rebates paid	$4,564	$3,945	+16%
Operating profit (loss) (Earnings before tax and fair value adjustments)	($454)	$1,521	-130%
Net profit before taxation	$2,808	$5,563	-50%
Net profit after taxation	$3,416	$4,958	-31%
Earnings per investor share	$0.11	$0.17	-35%
Debt (term & current)	$35,000	$25,000	+40%
Number of transactor shares	18,348	19,403	-5%
Number of investor shares	29,825	29,825	0%
Equity ratio (including transactor shares)	0.53	0.54	-2%

Health and Safety

There has been a strong emphasis on health and safety. The priority given to this has been increased with a focus on quickly developing a health and safety culture throughout the Company. You will note at our sites that movement around the sites has become noticeably more restricted and directed. This is to reduce accident possibilities. We want everyone in EastPack to be safe in their work and to eliminate serious harm incidents through good planning and good practices. There have been increased costs around this but this is now a reality of modern successful business.

Financial

The Company's overall result shows a comprehensive income of $12.948 million. However, most of this results from favourable asset revaluations.

The Company's reported net profit after tax is $3.416m. This includes a portion of revaluation revenue that is classified as current year revenue.

The actual operating result after rebates was a loss of $0.454 million compared with an operating profit of $1.521 million after rebates in the previous year. Before rebates, the figures were a profit of $4.110 million for 2014 and $5.466 million for 2013.

In 2014 the Company processed a significant amount of hail affected fruit and we estimate that additional Company costs around this were between $1.5 million and $2 million. The Company has taken out a collective hail insurance policy to ensure that with future hail events the Company's position will not be so impacted.

Other reasons for the poor financial outcome were cost increases and not achieving further cost efficiencies at some of our sites. EastPack has been subject to a number of cost increases during the very competitive volume downturn of the last two years.

Detailed plans for each site have been prepared and the prospect for 2015 is a significant profit recovery with better throughput efficiency and some modest pricing increases.

The shareholders' net equity has increased from $35.625 million to $47.506 million with transactor share capital being $18.348 million in addition to that giving total net shareholders' funds of $65.854 million out of total assets of $124.525 million.

Term borrowings totalled $35 million at 31 December 2014 as against $25 million in 2013. Most of this increase has been incurred for capital expansion projects.

We are comfortable that with the improved profitability going forward the Company's position is good relative to the capital expenditure required to meet our current growth prospects. We continue to target cost and efficiency through improved operational planning and utilising the latest technology in new developments.

We seek to return to payment of an appropriate return to our investor shareholders from 2015 onward. We will be returning to a policy of retaining part of rebates for transactor share capital in 2015 ($0.05 per tray) to bring in part of the capital requirements. This only affects shareholders who are not fully shared in respect of transactor shares.

Fruit Loss

EastPack achieved a much improved fruit loss performance for its gold varieties in 2014 and, for most sites, an improved green variety performance. The impact of hail affected crops on fruit loss adversely affected the overall outcome which remains slightly above industry average. 70% of EastPack's G3 harvest in 2014 was from first year cropping vines. In many cases fruit from young and partial canopies shows greater variability in maturity and exposure to sunlight (sunburn) which is a challenge to good storage performance. Looking forward to 2015, where 70% of the G3 will be from second and third year canopies, this is likely to be less of an issue.

All sites' results have been carefully analysed with input from staff and plans for improvement with staff buy in. Key findings were that where crops were harvested outside certain maturity parameters there were more storage issues. Also better planning of coolstore loadings and tighter management of harvested volumes to processing and CA loading capacities are areas that should lead to further improvement of fruit storage outcomes.

A strong focus on minimising soft G3 fruit is an area for improvement as alterneria (mould development) on juice deposits on stored fruit from crushed soft fruit is a significant cause of stored fruit loss. The maturity variability across lines of G3 from young canopies is a factor contributing to this issue.

Strategy

EastPack now has the prospect of strong volume growth. This was anticipated if growers recovered from PSA as we have in our grower base the largest relative percentage of Hort16A cut out which has become or is becoming producing G3. This has led to EastPack having a more rapid growth of volume than most other post-harvest operators. We have the base assets that with some further investment will accommodate the processing and storage of this growth in large scale efficient sites with increased automation. The large volume will justify the investment in and full utilisation of this latest technology, will reduce reliance on labour and should have a lower cost per tray to pack.

We have focussed increased resources to help our growers increase their productivity per hectare. This appears to be delivering results – our Hayward growers have increased productivity by 25% in overall terms in the last two years. While this is an excellent outcome and we will continue to push for further improvement to help our growers, it does increase the growth of fruit volumes from our current growers.

Our strategies going forward are now being focussed on meeting our current growers needs, achieving high performance outcomes for efficiency and low fruit loss while maintaining good commercial outcomes, building our staff capability and retention through career planning, challenge and reward, being excellent in health and safety and maximising returns to our growers and shareholders. We want growers to provide good quality lines of fruit to our packhouses as this will also enable us to achieve better efficiency, lower cost and a better return on our investment.

Overall we want to remain a quality first organisation and to be totally focussed on our core business of packing and cool storing your fruit while contributing technical and practical assistance in improving your orchard productivity.

Many of our growers are discovering new higher levels of sustainable productivity which improves the return on their orchard assets. We aim with EastPack to do the same with your Company's capital investment. These are exciting times.

Acknowledgements

We acknowledge the hard work of our valuable staff. Our seasonal business can place unreasonable demands on them. Great assets are no good without great staff and we have many of them. Our aim is to provide a positive safe opportunity for them to develop their potential and give them a good career path. In this way, we can together achieve the best outcome for our growers, our industry and our shareholders.

We also acknowledge all of our directors. Challenging times have increased the demands on them and they have continued to respond on demand to complex issues and decisions.

Thanks to all of the EastPack Entity Trust advisors who make an important contribution to our Company and its policies. This is an important point of liaison for grower views, the Board of Directors and management.

R B Sharp
Chairman

John Loughlin
Interim CEO

STATEMENT OF CORPORATE GOVERNANCE

Financial Statements

It is the directors' responsibility to ensure preparation of financial statements that give a true and fair view of the financial position of the Company as at the end of the financial year and the results of operations and cash flows for the year. The external auditors are responsible for expressing an independent opinion on the financial statements.

The financial statements set out in this report have been prepared by management in accordance with generally accepted accounting practice. They are based on appropriate accounting policies which have been consistently applied and which are supported by reasonable judgements and estimates.

After reviewing internal management financial reports and budgets the directors believe that the Company will continue to be a going concern in the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Board of Directors

The Company's constitution requires a minimum number of six shareholder directors, of those shareholder directors, not less than four shall hold Transactor Shares, and not less than two shall hold Investor Shares. The maximum number of directors is ten.

At least one third of directors shall retire from office each year at the annual general meeting, but shall be eligible for re-election. The retiring directors must be those directors who have been longest serving since they were last elected.

In addition to the shareholder directors, the Board may appoint not more than two persons to be directors of the Company for such period as the Board shall think fit. An appointed director shall not be taken into account in determining the number of directors who are to retire by rotation at any annual meeting and he or she shall cease to hold office as a director at the expiration of the period for which he or she was appointed.

The Board currently comprises eight shareholder directors, and two appointed directors.

The directors have a wide range of skills and expertise that they use to the benefit of the Company.

The primary responsibilities of the Board include:

- to establish the vision of the Company
- to establish long term goals and strategies of the Company
- to approve annual financial reports
- to approve annual budgets
- to approve corporate policies
- to ensure the Company has good internal controls and keeps adequate records
- to ensure legislative compliance
- to monitor the performance of executive management
- to appoint the CEO and fix terms of employment
- to ensure appropriate communication to stakeholders

Board procedures are governed by the Constitution and the Board's Operating Manual which includes a Board Charter and Code of Ethics.

Conflicts of Interest and Related Parties

Directors disclose any general and specific interests that could be in conflict with their obligations to the Company. The Company maintains a register of disclosed interests. Transactions with related parties and balances outstanding relating to the year ending 31 December 2014 are disclosed in note 30 of the Notes to the Financial Statements.

Risk Management

The management of risk is a key focus for the Board. A risk management system is in place which is used to identify and manage all business risks. The risk profile is reviewed annually.

The Board monitors the operational and financial aspects of the Company and considers recommendations from external auditors and advisors on the risks that the Company faces.

The Board ensures that recommendations made are assessed and appropriate action is taken where necessary to ensure risks are managed appropriately.

Internal Controls

It is management's responsibility to ensure adequate accounting records are maintained.

Directors are responsible for the Company's system of internal financial controls. Internal financial controls have been implemented to minimise the possibility of material misstatement. They can provide only reasonable assurance and not absolute assurance against material misstatements or loss. No major breakdowns of internal controls were identified during the year.

Committees

The Board operates an Audit Committee and a Directors Remuneration Committee.

Audit Committee

The Audit Committee meets with the Company's auditors to discuss the quality of the audit and ensure the adequacy of the Company's administrative, operating and accounting controls. The Committee reviews the annual and financial reports before they are submitted to the full Board for approval.

Directors Remuneration Committee

The Committee comprises the Chairman of the Board and three Grower shareholders appointed at the shareholders' Annual General Meeting. The Committee reviews and recommends the level of directors' remuneration to be approved by shareholders at the Annual General Meeting.

Attendance at Meetings

The Board meets formally on a monthly basis and follows guidelines that ensure all directors have available the necessary information to participate in an informed discussion on all agenda items. Separate strategic planning meetings are held annually in conjunction with the senior management team. Directors' meeting attendances are disclosed in the Statutory Information section of this report.

Directors Remuneration

Directors' remuneration during the year is disclosed in the Statutory Information section of this report.

Executives' Remuneration

Executives' remuneration greater than $100,000 per annum received in their capacity as employees during the year is disclosed in the Statutory Information section of this report.

Entries in the Interests Register

In addition to the interests and related party transactions disclosures in note 30 of the Notes to the Financial Statements, there were no interests disclosed to the Board during the year.

EASTPACK LIMITED
STATUTORY INFORMATION

As required by Section 211 of the Companies Act 1993 we disclose the following information:

The Group's principle activities during the year were:

- Packing and coolstorage of kiwifruit
- Orchard management

Directors' Interests:

M R McBride, R M Hudson, A A Gault, R B Sharp, G S Eynon & M J Montgomery, M C Maltby and H Pieters own orchards for which the Company provides services on normal commercial terms.

R M Hudson, M R McBride, G S Eynon & M J Montgomery and H J Pieters own kiwifruit contracting businesses that provides labour and contracting services to EastPack Kiwifruit Operations Ltd under normal commercial terms.

M R McBride is a Director of BayGold Ltd which has a loan outstanding with EastPack Ltd under Normal Commercial terms.

G S Eynon and M J Montgomery are Directors of Pine Valley Orchards Ltd which has a loan outstanding with EastPack Ltd on commercial terms which reflect an option to develop a facility on land owned by Pine Valley Orchards Ltd.

G S Eynon & M J Montgomery are Trustees of a Trust that leases coolstores to EastPack Ltd on normal commercial terms.

G S Eynon & M J Montgomery are Directors of a Company that has plans to develop a new kiwifruit post harvest facility at Lemon Road, Paengaroa.

R B Sharp is also a Director of Robert Monk Transport Ltd which provides transport services to EastPack Ltd on normal commercial terms. R B Sharp has no financial interest in Robert Monk Transport Ltd.

H J Pieters is a Director of H J & B M Pieters Ltd which sold pollen to EastPack Ltd and received services under normal commercial terms.

Share Dealing:

Directors acquiring shares or any interest in shares in the Company during the year are as follows:

	Shares Acquired During the year		**Shares Sold During the year**	
	Transactor	**Investor**	**Transactor**	**Investor**
R B Sharp				
M S Ashby	-	-	-	-
G S Eynon	-	-	-	-
A A Gault	-	48,885	-	-
R M Hudson	-	-	-	-
M G Kidd	-	-	-	-
M R McBride	-	-	-	-
M J Montgomery	-	-	-	-
H J Pieters	-	-	-	-
M C Maltby	-	-	-	-
M T Giles	-	-	-	-
J J Loughlin	-	-	-	-

All transactor shares were issued at $1 per share.

EASTPACK LIMITED
STATUTORY INFORMATION

Remuneration & Other Benefits:
The following persons held office as director during the year and received the following remuneration:

	2014		2013	
	Remuneration	**Other**	**Remuneration**	**Other**
R B Sharp	76,750	-	65,250	-
M S Ashby	8,696	-	40,000	-
G S Eynon	45,000	-	42,750	-
A A Gault	39,000	-	34,500	-
R M Hudson	39,000	-	34,500	-
M G Kidd	23,333	-	40,000	-
M R McBride	39,000	-	34,500	-
M J Montgomery	39,000	3,000	34,500	3,000
H J Pieters	39,000	-	27,000	-
M C Maltby	39,000	-	27,000	-
M T Giles	20,000	-	-	-
J J Loughlin	20,667	-	-	-
	$ 428,446	$ 3,000	$ 380,000	$ 3,000

M S Ashby retired as director as at 20 January 2014 and M G Kidd retired as director as at 24 June 2014. H J Pieters and M C Maltby were elected as directors 21 March 2013 and M T Giles and J J Loughlin were elected as directors 24 June 2014.

Remuneration of Employees
The number of employees, who are not directors, whose remuneration and benefits exceeded $100,000 in the financial year were:

	Group	Parent
100,000 - 110,000	5	5
110,000 - 120,000	8	8
120,000 - 130,000	2	2
160,000 - 170,000	3	3
170,000 - 180,000	1	-
180,000 - 190,000	1	1
190,000 - 200,000	2	2
350,000 - 360,000	1	1
	23	22

Donations
No donations were made by the company during the year.

Use of Company Information:
The Board received no notices during the year from directors requesting the use of Company information received in their capacity as directors which would not have been otherwise available to them.

EASTPACK LIMITED
STATUTORY INFORMATION

Co-operative status

In the opinion of each director, the Company is a co-operative company within the meaning of that term given by the Co-operative Companies Act 1996 and for the following reasons:

(a) The Company continues to carry on, as its principal activity, a co-operative activity as set out in Section 3 of the Co-operative Companies Act 1996;

(b) The constitution of the Company states its principal activities as being co-operative activities; and

(c) Not less than 60% of the voting rights of the Company were be held by transacting shareholders as defined in section 4 of the Co-operative Companies Act 1996.

For and on behalf of the Board:

Chairman 2 April 2015

EASTPACK LIMITED
INCOME STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	GROUP		PARENT	
		2014 ($000's)	2013 ($000's)	2014 ($000's)	2013 ($000's)
Revenue	(6)	101,981	91,871	85,980	78,014
Share of profit in associates	(27)	177	386	-	-
Packaging materials		(20,635)	(17,495)	(20,635)	(17,495)
Employee benefits expense		(39,366)	(33,311)	(35,880)	(30,910)
Directors compensation		(443)	(406)	(430)	(383)
Other expenses		(27,660)	(27,333)	(16,252)	(16,224)
Rental and operating lease expenses		(591)	(525)	(2,653)	(2,544)
		(88,695)	(79,070)	(75,850)	(67,556)
Earnings before interest, tax, depreciation, fair value adjustments and rebates		**13,463**	**13,187**	**10,130**	**10,458**
Depreciation	(25)	(7,414)	(6,315)	(5,245)	(4,487)
Earnings before interest, tax, fair value adjustments and rebates		**6,049**	**6,872**	**4,885**	**5,971**
Interest expense		(1,939)	(1,406)	(1,933)	(1,192)
Rebates paid		(4,564)	(3,945)	(4,564)	(3,945)
		(6,503)	(5,351)	(6,497)	(5,137)
Earnings before tax and fair value adjustments		**(454)**	**1,521**	**(1,612)**	**834**
Gain/(loss) on revaluation of land and buildings	(25)	3,340	(1,888)	-	1,542
Impairment of available for sale financial assets	(28)	(78)	(90)	(78)	(90)
Impairment of investments in associates	(27)	-	(472)	-	-
Gain/(loss) on Satara acquisition	(31)	-	6,492	-	-
		3,262	4,042	(78)	1,452
Net profit before taxation		**2,808**	**5,563**	**(1,690)**	**2,286**
Add/(less) taxation	(8)	608	(605)	280	(282)
Net profit after taxation		**3,416**	**4,958**	**(1,410)**	**2,004**
Net profit attributable to:					
Owners of the company		3,416	4,972	(1,410)	2,004
Non controlling interests		-	(14)	-	-
Net profit after taxation		**3,416**	**4,958**	**(1,410)**	**2,004**
Earnings per share					
Basic and diluted earnings per share	(9)	$0.11	$0.17	$(0.05)	$0.07

EASTPACK LIMITED
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	GROUP		PARENT	
		2014 ($000's)	2013 ($000's)	2014 ($000's)	2013 ($000's)
Net profit after taxation		**3,416**	**4,958**	**(1,410)**	**2,004**
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Gain/(Loss) on revaluation of property, plant and equipment, net of tax	(11)	9,089	1,962	696	851
Items that may be reclassified subsequently to profit or loss					
Gain/(loss) on fair value of available for sale financial assets	(11)	443	152	443	152
Other comprehensive income for the year		**9,532**	**2,114**	**1,139**	**1,003**
Total comprehensive income for the year		**12,948**	**7,072**	**(271)**	**3,007**
Comprehensive income attributable to:					
Owners of the company		12,948	7,086	(271)	3,007
Non controlling interests		-	(14)	-	-
Total comprehensive income for the year		**12,948**	**7,072**	**(271)**	**3,007**

The accompanying notes form part of the financial statements

EASTPACK LIMITED
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	Share capital ($000's)	Asset revaluation reserve ($000's)	Available for sale reserve ($000's)	Retained earnings ($000's)	Non controlling interests ($000's)	Total ($000's)
GROUP							
Opening balance 1 January 2013		9,617	5,169	147	12,703	18	**27,654**
Net profit after taxation		-	-	-	4,972	(14)	**4,958**
Other comprehensive income:							
Gain/(loss) on fair value of available for sale financial assets	(11)	-	-	152	-	-	**152**
Gain/(loss) on revaluation of property plant and equipment, net of tax	(11)	-	1,962	-	-	-	**1,962**
Share issued/exchanged	(10)	3,254	-	-	-	-	**3,254**
Dividends paid	(12)	-	-	-	(2,355)	-	**(2,355)**
Closing balance 31 December 2013		**12,871**	**7,131**	**299**	**15,320**	**4**	**35,625**
Net profit after taxation		-	-	-	3,416	-	**3,416**
Other comprehensive income:							
Gain/(loss) on fair value of available for sale financial assets	(11)	-	-	443	-	-	**443**
Gain/(loss) on revaluation of property plant and equipment, net of tax	(11)	-	9,089	-	-	-	**9,089**
Gain on Non controlling interest Equity		-	-	-	28	(4)	**24**
Share issued/exchanged	(10)	(24)	-	-	-	-	**(24)**
Dividends paid	(12)	-	-	-	(1,067)	-	**(1,067)**
Closing balance 31 December 2014		**12,847**	**16,220**	**742**	**17,697**	**-**	**47,506**
PARENT							
Opening balance 1 January 2013		9,617	5,169	147	11,156	-	**26,089**
Net profit after taxation		-	-	-	2,004	-	**2,004**
Other comprehensive income:							
Gain/(loss) on fair value of available for sale financial assets	(11)	-	-	152	-	-	**152**
Gain/(loss) on revaluation of property plant and equipment, net of tax	(11)	-	851	-	-	-	**851**
Share issued/exchanged	(10)	3,254	-	-	-	-	**3,254**
Dividends paid	(12)	-	-	-	(2,355)	-	**(2,355)**
Closing balance 31 December 2013		**12,871**	**6,020**	**299**	**10,805**	**-**	**29,995**
Net profit after taxation		-	-	-	(1,410)	-	**(1,410)**
Other comprehensive income							
Gain/(loss) on fair value of available for sale financial assets	(11)	-	-	443	-	-	**443**
Gain/(loss) on revaluation of property plant and equipment, net of tax	(11)	-	696	-	-	-	**696**
Share issued/exchanged	(10)	(24)	-	-	-	-	**(24)**
Dividends paid	(12)	-	-	-	(1,067)	-	**(1,067)**
Closing balance 31 December 2014		**12,847**	**6,716**	**742**	**8,328**	**-**	**28,633**

EASTPACK LIMITED
STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014

	Notes	GROUP		PARENT	
		2014 ($000's)	2013 ($000's)	2014 ($000's)	2013 ($000's)
EQUITY					
Share capital	(10)	12,847	12,871	12,847	12,871
Reserves	(11)	16,962	7,430	7,458	6,319
Retained earnings		17,697	15,320	8,328	10,805
Non controlling interest		-	4	-	-
		47,506	35,625	28,633	29,995
NON CURRENT LIABILITIES					
Deferred taxation	(8)	9,012	5,999	2,986	2,954
Income in advance	(18)	100	150	100	150
Transactor share capital	(16)	18,348	19,403	18,348	19,403
Refunds due to resigned shareholders	(17)	2,198	2,196	2,020	1,031
Borrowings	(19)	16,000	16,000	16,000	16,000
		45,658	43,748	39,454	39,538
CURRENT LIABILITIES					
Borrowings	(19)	19,000	9,000	19,000	9,000
Trade and other payables	(13)	10,740	10,190	6,205	6,321
Employee entitlements	(14)	938	819	938	784
Provision for dividend	(15)	-	1,067	-	1,067
Provision for taxation	(8)	(614)	811	(1,272)	13
Refunds due to resigned shareholders	(17)	1,011	559	6	-
Income in advance	(18)	286	272	50	50
		31,361	22,718	24,927	17,235
TOTAL FUNDS EMPLOYED		**124,525**	**102,091**	**93,014**	**86,768**
NON CURRENT ASSETS					
Property, plant and equipment	(25)	101,647	83,764	60,105	54,864
Investments in subsidiaries	(26)	-	-	15,700	15,693
Investments in associates	(27)	1,146	961	50	-
Investments	(28)	1,494	1,127	897	546
Unpaid transactor shares	(24)	98	98	98	98
		104,385	85,950	76,850	71,201
CURRENT ASSETS					
Cash and cash equivalents	(20)	76	204	(330)	187
Trade and other receivables	(21)	13,200	9,986	6,853	5,049
Intercompany advances	(30)	-	-	6,960	8,073
Non current assets held for sale	(34)	-	750	-	712
Biological assets	(22)	4,071	3,527	-	-
Inventories	(23)	2,793	1,674	2,681	1,546
		20,140	16,141	16,164	15,567
TOTAL ASSETS		**124,525**	**102,091**	**93,014**	**86,768**

For and on behalf of the Board:

Chairman 2 April 2015

Director 2 April 2015

EASTPACK LIMITED
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	GROUP		PARENT	
		2014 ($000's)	2013 ($000's)	2014 ($000's)	2013 ($000's)
CASHFLOWS FROM OPERATING ACTIVITIES					
Cash was provided from:					
Receipts from customers		99,941	90,981	83,031	76,314
Interest received		178	52	651	583
Dividends received		201	125	73	356
		100,320	91,158	83,755	77,253
Cash was applied to:					
Payments to suppliers and employees		(97,521)	(84,084)	(81,672)	(75,916)
Interest paid		(1,913)	(1,340)	(1,907)	(1,313)
Net GST Paid		110	(147)	150	(242)
Taxation paid		(1,144)	(1,546)	(1,149)	(1,472)
		(100,468)	(87,117)	(84,578)	(78,943)
NET CASH FLOWS FROM OPERATING ACTIVITIES	(29)	(148)	4,041	(823)	(1,690)
CASHFLOWS FROM INVESTING ACTIVITIES					
Cash was provided from:					
Associate dividends		43	296	-	-
Proceeds from investments		772	15	772	-
Repayment of advances		312	154	312	154
Advances to subsidiaries		-	-	341	-
Proceeds from property, plant and equipment		135	102	38	64
		1,262	567	1,463	218
Cash was applied to:					
Purchase of investments		(85)	-	(59)	-
Advances		(160)	(511)	(160)	(511)
Advances to subsidiaries		-	-	-	(7,039)
Acquisition of subsidiary during the year	(29)	-	(5,751)	-	(6,283)
Purchase of property, plant and equipment		(8,839)	(3,502)	(8,780)	(3,502)
		(9,084)	(9,764)	(8,999)	(17,335)
NET CASH FLOWS FROM INVESTING ACTIVITIES		(7,822)	(9,197)	(7,536)	(17,117)
CASHFLOWS FROM FINANCING ACTIVITIES					
Cash was provided from:					
Issue of investor shares		-	564	-	564
Proceeds from borrowings		19,000	35,500	19,000	35,500
		19,000	36,064	19,000	36,064
Cash was applied to:					
Payment of dividends		(2,134)	(2,572)	(2,134)	(2,572)
Redemption of shares		(24)	(158)	(24)	-
Repayment of borrowings		(9,000)	(28,690)	(9,000)	(15,000)
		(11,158)	(31,420)	(11,158)	(17,572)
NET CASH FLOWS FROM FINANCING ACTIVITIES		7,842	4,644	7,842	18,492
Net (decrease)/increase in cash and cash equivalents		(128)	(512)	(517)	(315)
Opening cash and cash equivalents		204	716	187	502
Closing cash and cash equivalents	(20)	76	204	(330)	187

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

EastPack Ltd (the "Company") is a co-operative company domiciled and incorporated in New Zealand under the Companies Act 1993 and registered under the Co-operative Companies Act 1996. The Company is an issuer for the purposes of the Financial Reporting Act 1993. The financial statements of the Company has been prepared in accordance with the Financial Reporting Act 1993.

The financial statements for the "Parent" are for the Company as a separate legal entity. The consolidated financial statements for the "Group" are for the economic entity comprising the Company and its subsidiaries per Note 26.

The principal activities of the Group and Company are operating a packhouse, coolstorage, providing orchard management and a transport agent.

The financial statements were approved by the Board of Directors on 2 April 2015. Once issued, the Directors do not have the power to amend these financial statements.

(a) Basis of preparation of the financial report

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Compliance with IFRS
These financial statements comply with generally accepted accounting practice in New Zealand ("NZ GAAP"). For the purposes of complying with NZ GAAP, the Company is a for-profit entity. The financial statements comply with New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS") and International Financial Reporting Standards ("IFRS").

The preparation of financial statements in conformity with NZ IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 2.

Historical Cost Basis
The financial statements has been prepared on a historical cost basis, with the exception of some liabilities which are measured at fair value, and revaluations to fair value for certain classes of assets as described in the accounting policies.

Functional and Presentation Currency
These financial statements are presented in New Zealand dollars, which is both the Company and the Group's functional and presentation currency. The amounts are rounded the nearest thousand dollars ($000) unless otherwise stated.

Accounting for Goods and Services Tax
All revenue and expense transactions are recorded exclusive of GST. Assets and liabilities are similarly stated exclusive of GST, with the exception of receivables and payables, which are stated inclusive of GST. The net amount of GST recoverable from, or payable to, Inland Revenue, is included in the statement of financial position.

(b) Consolidation

Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment. Gains or losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(c) Consolidation (continued)

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 is 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. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination 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.

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 profit or loss.

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

Transactions with non-controlling interests

The group treats transactions with non-controlling interests that do not result in loss of control as transactions with equity owners of the group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the group ceases to have control, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Associate companies

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

Associate companies (continued)

The Group's investment in its associates is accounted for using the equity method of accounting in the consolidated financial statements. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment loss. The Group's share of its associates' post-acquisition profits or losses is recognised in the profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable from associates are recognised in the parent entity's profit or loss, while in the consolidated financial statements they reduce the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

(d) Revenue

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of Goods and Services Tax, returns, and discounts and after eliminating sales within the Group. The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities, as described below.

Sales and charges
Revenue from the sale of goods is recognised in the profit or loss when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods, or where there is continuing management involvement with the goods.

Sales of services are recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided. When the contract outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Interest revenue
Interest income is recognised on a time-proportion basis using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Dividend revenue
Dividend revenue is recognised when the right to receive a dividend has been established. Dividends received from associates are accounted for in accordance with the equity method of accounting in the Group financial statements.

Rent revenue
Rental income is recognised on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

(e) Inventories

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

(f) Biological assets

Biological assets represent the value of developing the fruit due to be harvested in the following year. Biological assets are capitalised leased orchard expenses carried forward in the Statement of Financial Position as an asset and recognised at the same time as the income to which they relate, i.e. against the crop proceeds from the following year. Any change in cost is recognised in the income statement. Due to the stage of fruit growth at reporting date the Group has determined that cost approximates fair value. Costs include labour, materials and other direct costs allocated to the asset.

(g) Property, Plant and Equipment

All items of Property, Plant and Equipment are initially measured at cost. The cost of an item of property, plant and equipment includes its purchase/construction price, costs directly attributable to bringing it to the location and condition necessary for it to operate as intended and the initial estimate of dismantling and removing the item and restoring the site on which it is located. Where an item of property, plant and equipment is self-constructed, its construction cost includes the cost of materials and direct labour and an appropriate proportion of production overheads.

After initial recognition, all items of property, plant and equipment, except land and improvements and buildings are measured at cost less accumulated depreciation and impairment losses.

Land and improvements and buildings are measured at revalued amounts less any subsequent accumulated depreciation and impairment losses. Revaluations are undertaken by an independent registered valuer with sufficient frequency to ensure that the carrying value of the item does not differ materially from its fair value. Increases in the carrying amount arising from revaluations are credited to other reserves in shareholders' equity, except to the extent that it reverses a revaluation decrement for the same asset previously recognised in profit or loss, in which case the increment is recognised in profit or loss. Decreases that offset previous increases of the same asset are charged against other reserves directly in equity; all other decreases are charged to the profit or loss. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amounts of the asset and the net amount is restated to the revalued amount of the asset. At each balance date the carrying value of each class of asset is reviewed to ensure that it does not differ materially from the asset's fair value at reporting date. Where necessary, the class of asset is revalued to reflect its fair value.

Subsequent costs are added to the carrying amount of an item of property, plant and equipment when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance costs are recognised in the profit or loss as an expense as incurred. Where material parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment. 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 (i.e. if the asset is impaired). An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in the profit or loss. Upon disposal or derecognition of a revalued asset, any revaluation reserve relating to the particular asset is transferred to retained earnings.

(g) Property, Plant and Equipment (continued)

Depreciation
Land is not depreciated. Capital works in progress are not depreciated until completed and available for use. Depreciation on other assets is calculated using the straight-line and diminishing value methods to allocate their cost or revalued amounts to their residual values over their estimated useful lives. Depreciation is charged in the profit or loss. The residual value and useful lives of all assets are reviewed and adjusted if appropriate at each reporting date.

The depreciation rates used for each class of assets are:

Class of fixed asset	Depreciation basis	
Land Improvements	4%	Diminishing value
Buildings	2.0 - 48 %	Straight line
Plant and Equipment	2.0 - 60 %	Diminishing value
Furniture and Fittings	9.5 - 60 %	Diminishing value

(h) Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

Leases as a Lessee
Leases in which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased asset and the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other long term payables.

The property, plant and equipment acquired under a finance lease is depreciated over the shorter of the asset's useful life and the lease term and is assessed for indicators of impairment in the same manner as other non-financial assets.

Each lease payment is allocated between the liability and finance charges. The interest element of the finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

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 profit or loss on a straight-line basis over the period of the lease.

Leases as a lessor
Leases in which the Group retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases.

Assets leased to third parties under operating leases are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with similar owned property, plant and equipment and are assessed for indicators of impairment in the same manner as other non-financial assets. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as rental income. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

(i) Intangibles

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. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates.

Goodwill acquired in business combinations is not amortised. Instead, goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Impairment losses on goodwill are not reversed. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

(j) Income Tax

Current income tax expense is the tax payable on the current period's taxable income based on the applicable income tax rate, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax is provided in full, 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, the 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 reporting 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 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 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.

Current and deferred tax are recognised as an expense or income in 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.

(k) Foreign Currency

Transactions and Balances
Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

(l) Employee Benefits

Liabilities for employee entitlements are carried at the present value of the estimated future cash flows.

Wages, salaries, statutory days in lieu, annual leave, and sick leave
Liabilities for wages and salaries, including non-monetary benefits, statutory days in lieu, annual leave and sick leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

Profit sharing and bonus plan
The Group recognises bonuses and profit sharing payments when it is contractually obliged to make such payments, or when there is a past practice that has created a constructive obligation to make such payments.

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

(m) Assets held for sale

Non-current assets classified as held for sale are recorded at the lower of carrying amount and fair value less costs to sell.

Non-current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. The sale of the asset (or disposal group) is expected to be completed within one year from the date of classification.

(n) Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, 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.

(o) Finance Costs

Finance expenses comprise interest expense on borrowings (except when capitalised to a qualifying asset), unwinding of the discount on provisions, foreign currency losses, and impairment losses recognised on financial assets (except for trade receivables and intercompany advances).

Finance costs are expensed using the effective interest method.

(p) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. A qualifying asset is one that takes six months or longer to prepare for its intended use or sale. Other borrowing costs are expensed when incurred.

Where the Group borrows funds specifically for the purpose of obtaining a qualifying asset, the amount of borrowing costs capitalised are the actual borrowing costs incurred on that borrowing, less any investment income on the temporary investment of those borrowings.

Where the Group borrows funds generally and uses them to fund a qualifying asset, the amount of borrowing costs capitalised is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings that are outstanding during the period, other than borrowings made specifically for the purpose of funding a qualifying asset.

(q) Impairment of non-financial assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested for impairment annually, or more frequently if events or changes in circumstances indicate that they might be impaired. Intangible assets not yet available for use are tested for impairment annually, or more frequently if events or changes in circumstances indicate that they might be impaired.

Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The Group conducts an annual internal review of asset values, which is used as a source of information to assess for any indicators of impairment. External factors, such as changes in expected future processes, technology and economic conditions, are also monitored to assess for indicators of impairment. If any indication of impairment exists, an estimate of the asset's recoverable amount is calculated.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Value in use is determined by estimating future cash flows from the use and ultimate disposal of the asset and discounting these to their present value using a pre-tax discount rate that reflects current market rates and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Impairment losses directly reduce the carrying amount of assets and are recognised in the profit or loss.

Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

(r) Financial Instruments

Classification
The Group classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held to maturity investments and available for sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at the initial recognition and re-evaluates this designation at every reporting date.

Financial assets at fair value through profit or loss
This category has two sub categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the reporting date.

The Group has no financial assets classified as financial assets at fair value through the profit or loss.

Held-to-maturity investments
Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity.

The Group has no financial assets classified as held to maturity investments.

(r) Financial Instruments (continued)

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 arise when the Group provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets.

The Group's loans and receivables comprise receivables, intercompany advances and cash and cash equivalents.

Available-for-sale
Available for sale financial assets are non derivatives, principally equity securities, that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date.

The Group's available for sale assets comprise of investments.

Purchases and sales of investments are recognised on trade date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss.

Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the profit or loss. Investments in equity instruments that do have a quoted market price in an active market and whose fair values cannot be reliably measured are recognised and subsequently carried at cost. Investments 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 the risks and rewards of ownership.

Available for sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held to maturity investments are carried at amortised cost using the effective interest method. Realised and unrealised gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the profit or loss in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of securities classified as available for sale are recognised in other comprehensive income, except for foreign exchange movements on monetary assets, which are recognised in the profit or loss. When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments are included in the profit or loss as gains and losses from investment securities. The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

The Group assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the securities are impaired. If any such evidence exists for available for sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the profit or loss. Impairment losses recognised in the profit or loss on equity instruments are not reversed through the profit or loss.

(r) Financial Instruments (continued)

Financial liabilities
Financial liabilities include trade payables, other creditors, refunds due to resigned shareholders, loans from third parties, inter-company balances and loans from or other amounts due to related parties.

Financial liabilities are recognised initially at fair value, net of transaction costs incurred. They are subsequently stated at amortised cost. Any difference between the proceeds and the redemption value is recognised in the profit or loss over the period of the borrowing using the effective interest method.

(s) Transactor Shares

Transactor share capital is classified as a liability as they are redeemable at the option of the shareholder and the Group has five years to make the repayment (see Note 16). When Transactor share capital is redeemed it becomes a Refund Due to Resigned Shareholders until repayment is made (see Note 17). Rebates payable to Transactor shareholders are recognised in the Income Statement on an accruals basis.

(t) Dividend distribution

Provision is made for the amount of any dividend declared on or before the end of the financial year but not distributed at balance date.

Dividend distribution to the Company shareholders is recognised as a liability in the Company's and Group's financial statements in the period in which the dividends are approved by the Company's Directors.

(u) Change in Accounting Policy

The following new and revised standards and interpretations have been adopted in the current period and have affected the amounts and disclosures reported in these financial statements. Details of other standards and interpretations not yet in effect and not early adopted are reported in Note 3.

NZ IAS 32 'Financial instruments presentation' (effective for annual periods beginning or after 1 January 2014). This amendment clarifies some of the requirements for offsetting financial assets and financial liabilities on the statement of financial position. The amendment did not have a significant effect on the Group financial statements.

NZ IAS 36 'Impairment of assets' (effective for annual periods beginning or after 1 January 2014). The amendment did not have a significant effect on the Group financial statements.

There have been no other changes in accounting policies. All policies have been applied on bases consistent with those used in previous years.

NOTE 2: CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Estimates and judgments are based on past performance and management's expectation for the future.

Critical accounting estimates and assumptions

In the application of NZ IFRS management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of NZ IFRS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

Valuation of land and improvements and buildings
Land and improvements and buildings are measured at fair value as determined by an independent valuer. The independent valuer users valuation techniques which are inherently subjective and involve estimation. Further information is provided in Note 25.

Investment in unlisted companies
Management uses their judgment in selecting an appropriate valuation technique for financial instruments not quoted in an active market. Further information is provided in Note 28.

NOTE 3: NEW STANDARDS

Standards, interpretations and amendments to published standards that are not yet effective:

Certain new standards, amendments and interpretations issued by the IASB and the New Zealand Equivalents to those standards have been published that are mandatory for the Group, but which the Group has not early adopted.

Not yet adopted:

NZ IFRS 9 Financial Instruments is applicable for annual periods beginning on or after 1 January 2018. Earlier adoption is permitted. NZ IFRS 9 is part of the International Accounting Standards Board's project to replace IAS 39 Financial Instruments: Recognition and Measurement. The standard introduces amended requirements for classifying and measuring financial assets and liabilities and amended requirements in relation to impairment testing of financial assets and hedge accounting.

NZ IAS 16 Property, plant and equipment is applicable for annual periods beginning on or after 1 July 2014. This standard amends the clarification of how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model.

NZ IAS 41 (Amendment) Agriculture is applicable for annual periods beginning or after 1 January 2016. Biological assets except for bearer plants are accounted for under IAS 41 while bearer plants are accounted for under IAS 16 'Property, Plant and Equipment'. The amendments also clarify that produce growing on bearer plants is to be accounted for under IAS 41.

NZ IFRS 15 Revenue from contracts with customers is applicable for annual periods beginning on or after 1 January 2017. This standard addresses recognition of revenue from contracts with customers and replaces the current revenue recognition guidance in NZ IAS 18 Revenue and NZ IAS 11.

The Group expects to adopt the above standards and interpretations in the period in which they become mandatory, and have not yet assessed if these changes will have any material impact on the financial statements of the Group in the period of initial application.

4. FINANCIAL INSTRUMENTS

Credit Risk

To the extent that the Group has a receivable from another party, there is a credit risk in the event of non-performance by that counterparty. Financial instruments which potentially subject the Group to credit risk principally consist of cash and cash equivalents, trade and other receivables, intercompany advances and unpaid transactor shares. The Group manages its exposure to credit risk to minimise losses from bad debts. The Group generally has the ability to withhold either rebates or dividends from receivables owing from growers and transacting shareholders. Management also actively monitor and manage other receivables. The Group monitors the credit quality of major financial institutions that are counter parties to its financial instruments, and does not anticipate non-performance by the counter parties.

Exposures to credit risk at balance date are:	GROUP		PARENT	
	2014 ($000's)	2013 ($000's)	2014 ($000's)	2013 ($000's)
Cash and cash equivalents	76	204	(330)	187
Trade and other receivables	11,297	8,384	6,308	4,547
Intercompany advances	-	-	6,960	8,073
Unpaid transactor shares	98	98	98	98
Total net receivables	11,395	8,482	13,366	12,718

The above maximum exposures are net of any recognised impairment losses in these financial instruments. No collateral is held on the above amounts.

Concentrations of Credit Risk

At reporting date the majority of the Group's cash and cash equivalents were with the Bank of New Zealand. The Group does not have any other significant concentration of credit risk as receivables are spread over a large number of customers however a significant majority of these receivables are owed by third parties from within the Kiwifruit industry.

Status of receivables

Group	2014		2013	
	Gross ($000's)	Impairment ($000's)	Gross ($000's)	Impairment ($000's)
Not yet due	9,923	-	7,158	35
Overdue 0 -31 days	880	-	534	-
Overdue 31 - 92 days	324	-	297	-
Overdue 93 - 184 days	354	285	313	269
Overdue more than 184 days	199	-	484	-
Total trade receivables	11,680	285	8,786	304

Parent	2014		2013	
	Gross ($000's)	Impairment ($000's)	Gross ($000's)	Impairment ($000's)
Not yet due	12,964	-	12,509	35
Overdue 0 -31 days	366	-	52	-
Overdue 31 - 92 days	49	38	29	-
Overdue 93 - 184 days	25	-	199	40
Overdue more than 184 days	-	-	4	-
Total trade receivables	13,404	38	12,793	75

The Group provides for specific receivables where recovery of the amount is unlikely. The Group raised a specific impairment at reporting date for $284,540 (2013: $303,985). Impairment for receivables is also assessed collectively at reporting date. There was no collective provision at reporting date (2013: $Nil).

4. FINANCIAL INSTRUMENTS (CONTINUED)

Liquidity Risk

Liquidity risk represents the Group's ability to meet its contractual obligations in relation to financial liabilities as they fall due. In general, the Group generates sufficient cash flows from its operating activities to meet its obligations arising from its financial liabilities and has credit lines in place to cover potential shortfalls, see Note 19 for the Group's borrowing facilities.

The following sets out the contractual cash flows for all financial liabilities that are settled on a gross cash flow basis.

Group 2014	Statement of financial position ($000's)	Contractual cash flows ($000's)	6 months or less ($000's)	6-12 months ($000's)	1-2 years ($000's)	2-5years ($000's)	More than 5 years ($000's)
Borrowings	35,000	36,390	19,497	447	16,446	-	-
Trade and other payables	6,203	6,203	6,203	-	-	-	-
Refunds due to resigned shareholders	3,209	3,209	362	618	376	1,853	-
	44,412	45,802	26,062	1,065	16,822	1,853	-

Group 2013	Statement of financial position ($000's)	Contractual cash flows ($000's)	6 months or less ($000's)	6-12 months ($000's)	1-2 years ($000's)	2-5years ($000's)	More than 5 years ($000's)
Borrowings	25,000	27,076	7,473	2,422	787	16,394	-
Trade and other payables	10,190	10,190	10,190	-	-	-	-
Refunds due to resigned shareholders	2,755	2,755	460	88	973	1,234	-
Provision for dividend	1,067	1,067	1,067	-	-	-	-
	39,012	41,088	19,190	2,510	1,760	17,628	-

Parent 2014	Statement of financial position ($000's)	Contractual cash flows ($000's)	6 months or less ($000's)	6-12 months ($000's)	1-2 years ($000's)	2-5years ($000's)	More than 5 years ($000's)
Borrowings	35,000	36,390	19,497	447	16,446	-	-
Trade and other payables	5,255	5,255	5,255	-	-	-	-
Refund due to resigned shareholders	2,026	2,026	6	-	266	1,754	-
	42,281	43,671	24,758	447	16,712	1,754	-

Parent 2013	Statement of financial position ($000's)	Contractual cash flows ($000's)	6 months or less ($000's)	6-12 months ($000's)	1-2 years ($000's)	2-5years ($000's)	More than 5 years ($000's)
Borrowings	25,000	27,076	7,473	2,422	787	16,394	-
Trade and other payables	6,321	6,321	6,321	-	-	-	-
Refund due to resigned shareholders	1,031	1,031	-	-	-	1,031	-
Provision for dividend	1,067	1,067	1,067	-	-	-	-
	33,419	35,495	14,861	2,422	787	17,425	-

4. FINANCIAL INSTRUMENTS (CONTINUED)

Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group has exposure to foreign exchange risk as a result of transactions denominated in foreign currencies. The Group's normal trading activities are conducted in New Zealand dollars.

Interest Rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group has exposure to interest rate risk to the extent that it borrows or invests for a fixed term at fixed rates. The Group manages its cost of borrowing by placing limits on the proportion of borrowings at floating rate, and the proportion of fixed rate borrowing that is repriced in any year.

Interest rate risk - sensitivity analysis

The Group is exposed to interest rate risk relating to borrowings. An increase/decrease of 1% in interest rates would decrease/increase pre tax profit and equity of the Group by +/- $350,000 (2013: +/- $250,000) if the interest rate change was apparent for the full year. There are no other significant interest bearing financial instruments subject to interest rate risk.

Fair value measurement for financial assets and liabilities

The fair value of cash and cash equivalents, trade and other receivables, intercompany advances, and trade and other payables approximates their carrying value due to their short term nature. The fair value of transactor shares approximates fair value, due to the fixed redemption value and market returns paid by way of rebate.

Financial value measurement

The table below analyses those financial instruments carried at fair value. The different levels have been defined below.

Level 1: Quoted prices (unadjusted) in active markets for identified assets or liabilities that the entity can access at the measurement date.
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: Unobservable inputs for the asset or liability.

2014	GROUP			PARENT		
	Level 1 ($000's)	Level 2 ($000's)	Level 3 ($000's)	Level 1 ($000's)	Level 2 ($000's)	Level 3 ($000's)
Unlisted equity shares	-	877	-	-	877	-
Listed equity shares	12	-	-	12	-	-
Land and buildings	-	-	79,690	-	-	42,640
	12	877	79,690	12	877	42,640

2013	GROUP			PARENT		
	Level 1 ($000's)	Level 2 ($000's)	Level 3 ($000's)	Level 1 ($000's)	Level 2 ($000's)	Level 3 ($000's)
Unlisted equity shares	-	438	-	-	437	-
Listed equity shares	8	-	-	8	-	-
Land and buildings	-	-	66,675	-	-	44,125
	8	438	66,675	8	437	44,125

The fair value measurement for land and buildings has been categorised as Level 3, as the inputs used as part of the valuation techniques are based on unobservable inputs. There were no transfers into or out of Level 3 of the fair value hierarchy during the reporting period. The fair value of land and buildings is determined using valuations prepared by an independent valuer as set out in Note 25.

The following shows each valuation technique used in measuring the fair value of land and buildings, as well as the significant unobservable inputs used and the inter-relationship between the key unobservable inputs and fair value measurement.

4. FINANCIAL INSTRUMENTS (CONTINUED)

Financial value measurement (continued)

The following table shows the valuation techniques used in the determination of fair values within Level 3 of the hierarchy, as well as the key unobservable inputs used in the valuation models.

a) Land and Buildings

The fair value of land and buildings is determined using valuations by an independent valuer as set out in Note 25. In conducting the valuations, the valuer considered 3 different approaches to arrive at the fair value of the land and improvements and buildings.

Replacement cost less depreciation approach

Adds the value of the land to the value of the buildings and other improvements based on the current buildings cost with an allowance for physical depreciation. Specific consideration is given to the "optimised depreciated replacement cost" methodology.

Key unobservable inputs	***Inter-relationship between key unobservable inputs and fair value measurement***
Current buildings cost	Higher building costs results in increased fair value. Lower building costs results in a decreased fair value.

Income Capitalisation Approach

Assumes a hypothetical lease of the property with a current market rental being established and capitalising an appropriate rate of return (11.0% - 12.0%) that would be expected by a prudent investor.

Key unobservable inputs	***Inter-relationship between key unobservable inputs and fair value measurement***
Current market rental	Higher market rental results in increased fair value. Lower market rental results in a decreased fair value.
Capitalisation rate of return	Higher capitalisation rate results in decreased fair value. Lower capitalisation rate results in a increased fair value.

Market comparison

Considers sales of other comparable type properties.

Key unobservable inputs	***Inter-relationship between key unobservable inputs and fair value measurement***
Current market sales	Higher market sales results in increased fair value. Lower market sales results in a decreased fair value

5. CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns to growers, shareholders and other stakeholders and to maintain an optimal capital structure to reduce the cost of capital and maximise returns. Capital in relation to capital management also includes Transactor shares. In order to maintain or adjust the capital structure, the Group may adjust distributions to shareholders, amount of dividends paid to shareholders, return capital to shareholders, issue new shares, amend capital spending plans or sell assets to reduce debt.

The Shareholders have appointed the Directors to manage the co-operative in order to maximise returns. The Directors, consistent with others in the Kiwifruit industry, monitor and manage capital based on trays supplied and returns to growers and investors.

There have been no material changes to the Group's capital during the year and the Group has no externally imposed capital requirements.

6. REVENUE

	GROUP		PARENT	
	2014 ($000's)	2013 ($000's)	2014 ($000's)	2013 ($000's)
Sales	99,755	89,872	83,666	75,506
Dividends received	189	120	73	356
Rent revenue	230	230	230	230
Interest revenue	216	62	651	583
Other revenue	1,591	1,587	1,360	1,339
	101,981	91,871	85,980	78,014

7. AUDITORS' REMUNERATION

	GROUP		PARENT	
	2014 ($000's)	2013 ($000's)	2014 ($000's)	2013 ($000's)
Amounts paid or payable to the auditors for:				
Auditing the financial statements	60	75	43	43
Other audit related services	12	10	12	10
Other services:				
Assistance with amalgamation	28	21	28	21
Tax compliance work and advice	24	21	19	16
	124	127	102	90

8. INCOME TAX

	GROUP		PARENT	
Income tax expense:	2014 ($000's)	2013 ($000's)	2014 ($000's)	2013 ($000's)
Current tax (income)/expense	(285)	1,175	-	537
Deferred tax (income)/expense	(323)	(570)	(280)	(255)
	(608)	605	(280)	282

The prima facie tax payable on profit before income tax is reconciled to the income tax expense as follows:

	GROUP		PARENT	
Prima facie income tax payable on profit before	2014 ($000's)	2013 ($000's)	2014 ($000's)	2013 ($000's)
Income tax at 28% (2013: 28%)	786	1,558	(473)	640
Tax effect of				
- Non deductible expenses	43	1,444	30	300
- Non assessable income	(992)	(2,190)	(57)	(468)
- Recognition of tax losses	(20)	-	-	-
- Group tax offsets	-	-	248	-
- Imputation credits received	(96)	(156)	(28)	(139)
- Adjustments of prior years	(329)	(51)	-	(51)
Income tax expense	(608)	605	(280)	282

There are no unrecognised tax losses or temporary differences carried forward (2013: Nil).

8. INCOME TAX (CONTINUED)

Deferred taxation balances

	GROUP		PARENT	
	2014	**2013**	**2014**	**2013**
Deferred tax assets	**($000's)**	**($000's)**	**($000's)**	**($000's)**
Stock obsolescence	162	110	162	110
Employee entitlements	223	196	223	184
Accounts receivable	80	85	10	21
Tax losses recognised	-	136	-	-
	465	527	395	315
Deferred tax liabilities				
Property, plant and equipment	8,535	5,492	3,381	3,269
Biological assets	942	1,034	-	-
	9,477	6,526	3,381	3,269
	(9,012)	(5,999)	(2,986)	(2,954)

Deferred taxation movements recognised in income

	GROUP		PARENT	
	2014	**2013**	**2014**	**2013**
Deferred tax assets	**($000's)**	**($000's)**	**($000's)**	**($000's)**
Stock obsolescence	52	39	52	39
Employee entitlements	27	(11)	39	78
Accounts receivable	(5)	1	(11)	2
Tax losses recognised	(136)	136	-	-
	(62)	165	80	119
Deferred tax liabilities				
Property, plant and equipment	(293)	(184)	(200)	(136)
Biological assets	(92)	(221)	-	-
	(385)	(405)	(200)	(136)
	323	570	280	255

Deferred taxation movements in equity

	GROUP		PARENT	
	2014	**2013**	**2014**	**2013**
	($000's)	**($000's)**	**($000's)**	**($000's)**
Deferred tax liabilities				
Property, plant and equipment	3,336	576	312	144
	(3,336)	(576)	(312)	(144)

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8. INCOME TAX (CONTINUED)

Provision for Taxation

	GROUP		PARENT	
	2014 ($000's)	**2013 ($000's)**	**2014 ($000's)**	**2013 ($000's)**
Balance as at 1 January	(811)	(960)	(13)	(948)
Tax acquired on acquisition	-	(209)	-	-
Income tax expense	608	(605)	280	(282)
Income tax expense attributable to deferred tax	(323)	(570)	(280)	(255)
Income tax payments during year	1,140	1,533	1,150	1,472
Transfers within Subsidiaries	-	-	135	-
Balance as at 31 December	614	(811)	1,272	(13)

Imputation Credit Account

	2014 ($000's)	**2013 ($000's)**
Balance as at 1 January	6,845	6,216
Income tax payments during year	1,140	1,533
Imputation credits on dividends received	98	157
Imputation credits on dividends paid	(830)	(1,085)
Prior period adjustment	724	-
Resident withholding tax paid	15	24
Balance as at 31 December	7,992	6,845

At balance date the imputation credits available to the shareholders of the parent company:

Through direct holding in parent company	7,992	6,845
Through direct interests in subsidiaries	-	-
	7,992	6,845

9. EARNINGS PER SHARE

	GROUP		PARENT	
	2014 ($000's)	**2013 ($000's)**	**2014 ($000's)**	**2013 ($000's)**
Profit/(loss) attributable to ordinary shareholders	3,416	4,958	(1,410)	2,004
Weighted average number of ordinary shares issued	29,825,154	28,600,358	29,825,154	28,600,358
Basic and diluted earnings per share (cents per share)	$0.11	$0.17	$(0.05)	$0.07

The calculation of basic and diluted earnings per share is based the profit attributable to ordinary shareholders divided by the weighted average number of ordinary shares on issue during the year.

10. SHARE CAPITAL

			GROUP AND PARENT	
	2014 No of shares	**2013 No of shares**	**2014 ($000's)**	**2013 ($000's)**
Balance at 1 January	29,825,154	24,503,122	12,871	9,617
Investor shares issued during the year	-	869,265	-	553
Investor shares issued on Amalgamation	-	5,176,815	(24)	3,106
Investor shares exchanged on Amalgamation	-	(724,048)	-	(405)
Balance as at 31 December	29,825,154	29,825,154	12,847	12,871

The shareholding in the Company is divided into two classes of shares, being Transactor and Investor shares. Transactor shares are classified as term liabilities. For further details refer to Notes 16 and 24.

Investor Shares
Investor shares are issued under the Companies Act 1993 and are tradable. All Investor shares rank equally and carry 40% of the voting power (Transactor shares 60%, for further details refer to Note 16) of all shares on issue and carry the right to participate in any annual dividends declared by the directors of the Company. Investor shares can participate in any surplus assets upon liquidation after the holders of Transactor shares have been paid. There have been no changes to the terms and rights of the shares during the year.

On 15 March 2013, EastPack Satara Limited ("EastPack Satara"), a wholly owned subsidiary of EastPack, acquired the business (including all assets and liabilities) of Satara Co-operative Group Limited ("Satara"). EastPack Satara continued as the surviving legal entity ("Amalgamated Company"). Satara Investor shares were cancelled in exchange for EastPack Investor shares. A total of 5,176,815 EastPack Investor shares were issued on Amalgamation and 724,048 EastPack Investor shares were exchanged in accordance with the terms set out in the Amalgamation proposal. For further details refer to Note 31.

11. RESERVES

Available for sale reserve	GROUP		PARENT	
	2014 ($000's)	2013 ($000's)	2014 ($000's)	2013 ($000's)
Balance at 1 January	299	147	299	147
Movement during the year	443	152	443	152
Balance at 31 December	742	299	742	299

The available for sale reserve relates to fair value adjustments to investments classified as available for sale financial assets. For further details refer to Note 28.

Asset revaluation reserve	GROUP		PARENT	
	2014 ($000's)	2013 ($000's)	2014 ($000's)	2013 ($000's)
Balance at 1 January	7,131	5,169	6,020	5,169
Movement during the year	12,425	2,538	1,008	995
Deferred tax on revaluation	(3,336)	(576)	(312)	(144)
Balance at 31 December	16,220	7,131	6,716	6,020
Total reserves	16,962	7,430	7,458	6,319

The asset revaluation reserve relates to the revaluation of land and improvements and buildings. For further details refer to Note 25.

12. DISTRIBUTIONS TO OWNERS

	GROUP		PARENT	
	2014 ($000's)	2013 ($000's)	2014 ($000's)	2013 ($000's)
Investor shares - dividend paid	1,067	1,288	1,067	1,288
Investor shares - dividend payable	-	1,067	-	1,067
Total dividends	1,067	2,355	1,067	2,355

Dividends paid on investor shares amounted to 3.6 cents per share fully imputed (2013: 3 cents per share). Dividends payable amounted to nil cents per share fully imputed (2013: 3.6 cents per share).

13. TRADE AND OTHER PAYABLES

	GROUP		PARENT	
	2014 ($000's)	2013 ($000's)	2014 ($000's)	2013 ($000's)
Trade payables	2,520	2,212	1,758	1,309
Sundry payables	4,025	4,010	541	844
GST payable	512	341	409	267
Related party payables	3,660	3,506	3,469	3,506
Inter-company payables	-	-	5	274
Associate payables	23	121	23	121
	10,740	10,190	6,205	6,321

14. EMPLOYEE ENTITLEMENTS

	GROUP		PARENT	
	2014 ($000's)	2013 ($000's)	2014 ($000's)	2013 ($000's)
Balance at 1 January	819	486	784	413
Additional provision	119	333	154	371
Balance at 31 December	938	819	938	784
This is represented by:				
Current liability	938	819	938	784
Non-current liability	-	-	-	-
	938	819	938	784

15. PROVISION FOR DIVIDEND

		GROUP		PARENT	
		2014 ($000's)	2013 ($000's)	2014 ($000's)	2013 ($000's)
Balance at 1 January		1,067	1,286	1,067	1,286
Dividend paid during the year		(1,067)	(1,286)	(1,067)	(1,286)
Additional provision		-	1,067	-	1,067
Balance at 31 December	(12)	-	1,067	-	1,067

No dividend was declared as at 31 December 2014 (2013: A dividend of 3.6 cents per investor share was declared on 21 December 2013).

16. TRANSACTOR SHARE CAPITAL

	GROUP AND PARENT		GROUP AND PARENT	
	2014 No. of Shares	2013 No. of Shares	2014 ($000's)	2013 ($000's)
Balance at 1 January	19,403,217	14,291,607	19,403	14,292
Transactor shares issued during the year	183,664	80	184	-
Transactor shares sold during the year	(1,239,231)	(778,132)	(1,239)	(779)
Transactor shares issued on Amalgamation	-	5,992,757	-	5,993
Transactor shares exchanged on Amalgamation	-	(103,095)	-	(103)
Balance at 31 December	18,347,650	19,403,217	18,348	19,403

Transactor Shares

Transactor Shares are issued by the Company to growers of kiwifruit or other approved produce. Transactor shares rank equally, are not freely tradable, and carry 60% of the voting power (Investor shares 40%, for further details refer to Note 10) of all shares on issue. Transactor shareholders have the right to participate in any annual rebate declared by the directors of the Company. They carry first right of redemption on liquidation of the company at $1.00 each.

On 15 March 2013, EastPack Satara Limited ("EastPack Satara"), a wholly owned subsidiary of EastPack, acquired the business (including all assets and liabilities) of Satara Co-operative Group Limited ("Satara"). EastPack Satara continued as the surviving legal entity ("Amalgamated Company"). Satara Transactor shares were cancelled in exchange for EastPack Transactor shares. A total of 5,992,757 EastPack Transactor shares were issued on Amalgamation and 103,095 EastPack Transactor shares were exchanged in accordance with the terms set out in the Amalgamation proposal. For further details refer to Note 31.

17. REFUNDS DUE TO RESIGNED SHAREHOLDERS

	GROUP		PARENT	
	2014 ($000's)	2013 ($000's)	2014 ($000's)	2013 ($000's)
Balance at 1 January	2,755	-	1,031	288
Movement during the year	454	2,755	995	743
Balance at 31 December	3,209	2,755	2,026	1,031
This is represented by:				
Current liability	1,011	559	6	-
Non-current liability	2,198	2,196	2,020	1,031
	3,209	2,755	2,026	1,031

Refunds due to Transactor shareholders who have resigned from the Company are unsecured and repayable by the Company over a five year period after resignation is accepted by the Board. Fair value is estimated as the present value of the future cash flows using a discount rate of 5.5% (2013: 5%).

18. INCOME IN ADVANCE

	GROUP		PARENT	
	2014 ($000's)	2013 ($000's)	2014 ($000's)	2013 ($000's)
Balance at 1 January	422	-	200	-
Movement during the year	(36)	422	(50)	200
Balance at 31 December	386	422	150	200
This is represented by:				
Current liability	286	272	50	50
Non-current liability	100	150	100	150
	386	422	150	200

This represents income received in advance, which is earned over the life of the relevant service contract.

19. BORROWINGS

	GROUP		PARENT	
	2014 ($000's)	2013 ($000's)	2014 ($000's)	2013 ($000's)
Current portion	19,000	9,000	19,000	9,000
Non current portion	16,000	16,000	16,000	16,000
	35,000	25,000	35,000	25,000

The current portion represents borrowings which have a maturity date of less than twelve months from reporting date. The Group's total facility with the Bank of New Zealand is $39m (2013: $33m). The current interest rates on the secured borrowings range from 3.79% to 5.70% (2013: 3.79% to 5.65%).

Security - Parent and Group
The Bank of New Zealand holds a perfected security interest in all present and acquired property of the Company, a registered first mortgage over all land and buildings and a perfected security interest in all present and acquired property of EastPack Kiwifruit Operations Ltd as a subsidiary of the Company.

Banking covenants - Parent and Group
The Group is subject to various banking covenants as part of the Group's total facility with the Bank of New Zealand. The Group monitors these banking covenants on a regular basis. The Group did not breach any of these banking covenants during the year.

20. CASH AND CASH EQUIVALENTS

	GROUP		PARENT	
	2014 ($000's)	2013 ($000's)	2014 ($000's)	2013 ($000's)
Bank in funds/(overdraft)	76	204	(330)	187

The current interest rate on the bank accounts is 3% (2013: 2.6%).

21. TRADE AND OTHER RECEIVABLES

	GROUP		PARENT	
	2014 ($000's)	2013 ($000's)	2014 ($000's)	2013 ($000's)
Trade receivables	4,087	3,722	950	1,243
Impairment	(285)	(304)	(38)	(75)
Sundry receivables	7,440	4,948	5,256	2,534
Prepayments	1,903	1,602	545	502
Inter-company receivables	-	-	88	827
Related party receivables	46	-	43	-
Associate receivables	9	18	9	18
	13,200	9,986	6,853	5,049

22. BIOLOGICAL ASSETS

	GROUP		PARENT	
	2014 ($000's)	2013 ($000's)	2014 ($000's)	2013 ($000's)
Balance at 1 January	3,527	1,323	-	-
Costs capitalised	4,071	3,527	-	-
Costs utilised in current season	(3,527)	(1,323)	-	-
Balance at 31 December	4,071	3,527	-	-

Costs are capitalised as expenses are incurred preparing the leased orchards for the next season. The costs are recognised against revenue in the financial year to which they relate. No costs are incurred for a period of more than one season.

23. INVENTORIES

	GROUP		PARENT	
	2014 ($000's)	2013 ($000's)	2014 ($000's)	2013 ($000's)
Packaging	2,766	1,777	2,654	1,766
Impairment	(579)	(394)	(579)	(394)
Other materials and chemicals	606	291	606	174
	2,793	1,674	2,681	1,546

All inventory is subject to retention of title clauses.

24. UNPAID TRANSACTOR SHARES

	GROUP AND PARENT	
	2014 ($000's)	2013 ($000's)
97,786 shares valued at $1.00 (2013: 97,786 shares valued at $1.00)	98	98
Current asset	-	-
Non current asset	98	98
	98	98
Opening balance	98	98
Rebate withheld	-	-
Closing balance	98	98

Where the Company has issued shares and payment has not been made in full, there is a deferred settlement over a set period of time. Payment for calls on transactor shares is then deducted from rebates and dividends payable to those shareholders. The current portion of unpaid transactor shares is based on the expected share call for the 2014 season. The expected share call for the 2014 season is Nil, (2013: Nil).

25. PROPERTY, PLANT AND EQUIPMENT

	GROUP Cost/ Valuation ($000's)	GROUP Accumulated Depreciation ($000's)	GROUP 2014 Book Value ($000's)	PARENT Cost/ Valuation ($000's)	PARENT Accumulated Depreciation ($000's)	PARENT 2014 Book Value ($000's)
Buildings	79,882	20,701	59,182	48,634	16,667	31,967
Land and Improvements	21,351	1,481	19,869	11,544	1,464	10,080
Plant and Equipment	79,339	57,272	22,067	45,693	28,134	17,559
Furniture and Fittings	1,764	1,235	529	955	456	499
	182,336	80,689	101,647	106,826	46,721	60,105

	GROUP Cost/ Valuation ($000's)	GROUP Accumulated Depreciation ($000's)	GROUP 2013 Book Value ($000's)	PARENT Cost/ Valuation ($000's)	PARENT Accumulated Depreciation ($000's)	PARENT 2013 Book Value ($000's)
Buildings	61,692	15,569	46,123	44,297	12,308	31,989
Land and Improvements	20,410	1,364	19,046	11,507	1,236	10,271
Plant and Equipment	72,151	53,986	18,165	37,399	25,224	12,175
Furniture and Fittings	811	381	430	804	375	429
	155,064	71,300	83,764	94,007	39,143	54,864

If land and improvements and buildings had been carried at cost less depreciation, the carrying amounts would have been:

	GROUP 2014 ($000's)	GROUP 2013 ($000's)	PARENT 2014 ($000's)	PARENT 2013 ($000's)
Land and improvements	18,174	18,268	8,921	9,006
Buildings	41,916	43,395	27,092	27,859

Valuation	GROUP 2014 ($000's)	GROUP 2013 ($000's)	PARENT 2014 ($000's)	PARENT 2013 ($000's)
Fair value determined by Telfer Young (Tauranga) Limited (2013: Property Solutions (BOP) Limited)	79,690	66,675	42,640	44,125

Each class of land and improvements and buildings are revalued to their estimated fair value on a rolling three year cycle unless there is evidence that indicates the carrying value of these may differ significantly from the fair value. The directors made the decision to revalue all land and improvements and buildings as at 31 December 2014. All land and improvements and buildings were revalued to their estimated fair value in accordance with the valuation reports dated 17 March 2015 by independent registered valuer, Alastair Pratt (FNZIV, FPINZ) of the firm Telfer Young (Tauranga) Limited ("valuer"). The effective date of these valuation reports was 31 December 2014. (2013: All land and improvements and buildings were revalued to their estimated fair value in accordance with the valuation reports dated 21 January 2014 by independent registered valuer, S Harris (FNZIV, FPINZ), of the firm Property Solutions (BOP) Limited on 21 January 2014. The effective date of these valuation reports was 31 December 2013).

25. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Valuation approach

In conducting the valuations, the valuer considered 3 different approaches. The approaches considered were as follows:

Replacement cost less depreciation approach - adds the value of the land to the value of the buildings and other improvements based on the current buildings cost with an allowance for physical depreciation. Specific consideration is given to the "optimised depreciated replacement cost" methodology.
Income Capitalisation Approach - assumes a hypothetical lease of the property with a current market rental being established and capitalising an appropriate rate of return (11.0% - 12.0%) that would be expected by a prudent investor.
Market comparison - considers sales of other comparable type properties.

Impact of valuation	GROUP		PARENT	
	2014 ($000's)	2013 ($000's)	2014 ($000's)	2013 ($000's)
Revaluation through income statement	3,340	(1,888)	-	1,542
Revaluation through the asset revaluation reserve	12,425	2,538	1,008	995
	15,765	650	1,008	2,537

Movements in carrying amounts

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

Group	Buildings ($000's)	Furniture and Fittings ($000's)	Plant and equipment ($000's)	Land and improvements ($000's)	Total ($000's)
2014					
Balance at 1 January 2014	46,123	430	18,165	19,046	83,764
Additions	875	155	8,438	120	9,588
Disposals	-	(4)	(52)	-	(56)
Revaluations	14,855	-	-	910	15,765
Depreciation expense	(2,671)	(52)	(4,484)	(207)	(7,414)
Carrying amount at 31 December 2014	59,182	529	22,067	19,869	101,647
2013					
Balance at 1 January 2013	30,747	446	12,671	9,527	53,391
Reclassification	-	(57)	57	-	-
Additions	330	111	3,176	124	3,741
Disposals	-	-	(66)	-	(66)
Additions through acquisition of entity	16,063	-	7,032	9,268	32,363
Revaluations	1,274	-	(958)	334	650
Depreciation expense	(2,291)	(70)	(3,747)	(207)	(6,315)
Carrying amount at 31 December 2013	46,123	430	18,165	19,046	83,764

25. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Parent	Buildings	Furniture and Fittings	Plant and equipment	Land and improvements	Total
	($000's)	($000's)	($000's)	($000's)	($000's)
2014					
Balance at 1 January 2014	31,989	429	12,176	10,270	54,864
Additions	874	155	8,378	122	9,529
Disposals	-	(4)	(47)	-	(51)
Revaluations	1,114	-	-	(106)	1,008
Depreciation expense	(2,010)	(81)	(2,948)	(206)	(5,245)
Carrying amount at 31 December 2014	31,967	499	17,559	10,080	60,105
2013					
Balance at 1 January 2013	30,747	444	12,658	9,527	53,376
Reclassification	-	(57)	57	-	-
Additions	331	112	2,937	124	3,504
Disposals	-	-	(66)	-	(66)
Revaluations	2,675	-	(958)	820	2,537
Depreciation expense	(1,764)	(70)	(2,452)	(201)	(4,487)
Carrying amount at 31 December 2013	31,989	429	12,176	10,270	54,864

26. INVESTMENTS IN SUBSIDIARIES

	GROUP 2014 ($000's)	GROUP 2013 ($000's)	PARENT 2014 ($000's)	PARENT 2013 ($000's)
Southlink Supply Ltd	-	-	36	29
EastPack Kiwifruit Operations Ltd	-	-	1	1
EastPack Satara Ltd	-	-	15,663	15,663
	-	-	15,700	15,693

All other subsidiaries listed below have a nil carrying value in the Parent financial statements.

Subsidiaries:	Percentage Held 2014	Percentage Held 2013	Balance date	Incorporated in
Southlink Supply Ltd	100 %	80 %	31 December	New Zealand
EastPack Kiwifruit Operations Ltd	100 %	100 %	31 December	New Zealand
EastPack Satara Ltd	100 %	100 %	31 December	New Zealand
Satara Kiwifruit Supply Ltd	100 %	100 %	31 March	New Zealand
EastPack Avocado Company Ltd	100 %	100 %	31 December	New Zealand
Zest BOP Ltd	100 %	100 %	31 December	New Zealand
Bay Hort (1991) Ltd	100 %	100 %	31 December	New Zealand
Bay of Plenty Fruitpackers Ltd	100 %	100 %	31 December	New Zealand
BayPak Growers Ltd	100 %	100 %	31 December	New Zealand
Bay Pack Ltd	100 %	100 %	31 December	New Zealand
New Zealand Orchard Investment Ltd	100 %	100 %	31 December	New Zealand
Satara Ventures Ltd	100 %	100 %	31 December	New Zealand
Te Matai kiwi No1 Ltd	100 %	100 %	31 December	New Zealand
Stroba Systems Ltd	100 %	100 %	31 December	New Zealand
Stroba Ltd	50 %	50 %	31 December	New Zealand
Kiwifruit Vine Protection Company	- %	50 %	31 December	New Zealand

Southlink Supply Ltd provide administration services and industry representation in respect of produce supplied.
EastPack Kiwifruit Operations Ltd is involved in the management of leased orchards.
EastPack Satara Ltd is involved in the management of leased orchards.
Satara Kiwifruit Supply Ltd acts as an intermediary for kiwifruit supply.
EastPack Avocado Company Ltd is an avocado supplier.
All other subsidiaries are non operating.

Non-controlling interests: Southlink Supply Limited summary financial information

	2013 ($000's)
Current assets	489
Non-current assets	4
Current liabilities	(474)
	19
Revenue	439
Profit or loss	(67)

In 2013 Apata Group Ltd held 7,200 (20% interest) in Southlink Supply Limited. Losses allocated to Apata Group Ltd during 2013 were ($14,824). Accumulated non-controlling interest of Southlink Supply Limited was $3,751. No dividends were paid or declared.

27. INVESTMENTS IN ASSOCIATES

		GROUP 2014 ($000's)	GROUP 2013 ($000's)	PARENT 2014 ($000's)	PARENT 2013 ($000's)
Southern Produce Ltd		-	750	-	712
The Nutritious Kiwifruit Company Ltd		136	-	50	-
Kiwi Produce Ltd		1,009	961	-	-
Tauranga Kiwifruit Logistics Ltd		1	-	-	-
		1,146	1,711	50	712
Less: Non Current Assets held for sale	(34)	-	(750)	-	(712)
Balance at 31 December		1,146	961	50	-

Associate companies	Percentage Held (%) 2014	Percentage Held (%) 2013	Balance Date	Dividends received (000's) 2014	Dividends received (000's) 2013
Southern Produce Ltd	- %	30 %	31 March	$ -	$ 296
The Nutritious Kiwifruit Company Ltd	50 %	- %	31 March	$ -	$ -
Kiwi Produce Ltd	20 %	20 %	31 March	$ 43	$ -
Tauranga Kiwifruit Logistics Ltd	34 %	34 %	31 March	$ -	$ -

Southern Produce Ltd and Kiwi Produce Ltd are engaged by the Group to sell, market and export kiwifruit to the New Zealand domestic market and the international market. Tauranga Kiwifruit Logistics Ltd is engaged in wharf logistics out of the Port of Tauranga. The Nutritious Kiwifruit Company Ltd is engaged by the Group to sell, market and export kiwifruit to the Australian market.

All associate companies are incorporated in New Zealand and are accounted for using the equity method. There are no significant restrictions on the ability of any associate companies to pay dividends, repay loans or otherwise transfer funds to the investor company. No associate companies have a quoted market price for the investment. No commitments or contingencies are present with associate companies. All associate companies have a 31 March balance date, their financial performance, for the period to 31 December 2014 and balance sheet as at 31 December 2014 have been incorporated in these financial statements.

Movements in associate companies	GROUP 2014 ($000's)	GROUP 2013 ($000's)	PARENT 2014 ($000's)	PARENT 2013 ($000's)
Results of associate companies				
Share of profit before income tax	17	351	-	-
Income tax	(5)	(23)	-	-
Net profit	12	328	-	-
Other recognised surplus	165	58	-	-
Share of total recognised revenues and expenses	177	386	-	-
Interests in associate companies				
Shares at cost	1,372	712	712	712
Disposal of associate companies	-	-	-	-
Acquisition of associate companies	50	660	50	-
Share of surplus	340	721	-	-
	1,762	2,093	762	712
Impairment - Southern Produce Ltd	-	(472)	-	-
Disposal of associate companies	(750)	-	(712)	-
Share of total recognised revenues and expenses	177	386	-	-
Dividends received	(43)	(296)	-	-
	1,146	1,711	50	712

27. INVESTMENTS IN ASSOCIATES (CONTINUED)

Southern Produce Limited summarised financial information

	2014 ($000's)	2013 ($000's)
Current assets	-	5,622
Non-current assets	-	1,710
Current liabilities	-	(4,887)
	-	2,445
Revenue	-	26,925
Profit or loss	-	1,081
Total comprehensive income	-	1,081
Cash and cash equivalents	-	615
Depreciation and amortisation	-	41
Interest income	-	12
Interest expense	-	47
Income tax expense or income	-	77

Kiwi Produce Limited summarised financial information

	2014 ($000's)	2013 ($000's)
Current assets	1,301	1,385
Non-current assets	791	797
Current liabilities	(551)	(481)
	1,541	1,701
Revenue	4,720	5,343
Profit or loss	55	17
Total comprehensive income	55	17
Cash and cash equivalents	342	(14)
Depreciation and amortisation	19	52
Interest income	12	9
Interest expense	-	1
Income tax expense or income	7	-

27. INVESTMENTS IN ASSOCIATES (CONTINUED)

Tauranga Kiwifruit Logistics Limited summarised financial information

	2014 ($000's)	2013 ($000's)
Current assets	373	273
Non-current assets	53	49
Current liabilities	(423)	(322)
	3	-
Revenue	9,867	11,363
Profit or loss	3	6
Total comprehensive income	3	6
Cash and cash equivalents	36	25
Depreciation and amortisation	14	15
Interest income	7	9

The Nutritious Kiwifruit Company Limited summarised financial information

	2014 ($000's)	2013 ($000's)
Current assets	4,040	-
Non-current assets	63	-
Current liabilities	(3,846)	-
Non-current liabilities	15	-
	272	-
Revenue	9,751	-
Profit or loss	256	-
Total comprehensive income	256	-
Cash and cash equivalents	2,365	-
Interest income	4	-

28. INVESTMENTS

	GROUP		PARENT	
	2014 ($000's)	2013 ($000's)	2014 ($000's)	2013 ($000's)
Shares in unlisted companies	1,482	1,119	885	538
Shares in listed companies	12	8	12	8
	1,494	1,127	897	546

Shares in unlisted companies
Shares in unlisted companies are carried at cost (except for shares held in Zespri) as the Group does not have access to sufficient information to enable fair value to be reliably determined. Shares held in Zespri are carried at fair value. Fair value is based on the closing share price at reporting date.

Shares in listed companies
Shares in listed companies are carried at fair value which based on the closing share price at reporting date.

Investments Reconciliation

	GROUP		PARENT	
	2014 ($000's)	2013 ($000's)	2014 ($000's)	2013 ($000's)
Shares in unlisted companies				
Opening balance	1,119	672	538	436
Acquisitions on amalgamation	-	360	-	-
Additions	24	5	8	-
Disposals	(22)	(20)	(22)	-
Impairment	(78)	(90)	(78)	(90)
Revaluation	439	192	439	192
Closing balance	1,482	1,119	885	538
Shares in listed companies				
Opening balance	8	284	8	284
Disposals	-	(237)	-	(237)
Revaluation	4	(39)	4	(39)
Closing balance	12	8	12	8
Total Investments	1,494	1,127	897	546

29. RECONCILIATION OF NET SURPLUS WITH CASH INFLOW FROM OPERATING ACTIVITIES

	GROUP		PARENT	
	2014 ($000's)	2013 ($000's)	2014 ($000's)	2013 ($000's)
Net profit after taxation	3,416	4,958	(1,410)	2,004
Add / (less) non-cash items				
Depreciation	7,414	6,315	5,245	4,487
Loss/(gain) on sale of property, plant and equipment	(11)	(44)	82	(44)
Loss/(gain) on revaluation of land and buildings	(3,340)	1,888	-	(1,542)
Impairment of available for sale financial assets	78	155	78	(30)
Impairment of investment in associates	-	472	-	-
Gain on Satara acquisition	-	(6,492)	-	-
Share of profit in associates	(177)	(386)	-	-
Movement in deferred tax	3,012	16	32	(111)
Income in advance	(50)	200	(50)	200
Deduct items credited directly to equity				
Movement in deferred tax	(3,336)	(576)	(312)	(144)
	3,590	1,548	5,075	2,816
Movement in Working Capital				
Increase/(decrease) in accounts payable	(2,028)	(2,565)	(299)	(3,405)
Increase/(decrease) in employee entitlements	132	(22)	168	371
(Increase)/decrease in accounts receivable	(2,478)	(279)	(2,122)	(1,764)
(Increase)/decrease in GST	110	(147)	150	(242)
(Increase)/decrease in biological assets	(635)	544	-	-
(Increase)/decrease in inventory	(1,118)	384	(1,135)	(535)
Increase/(decrease) in income tax payable	(1,137)	(380)	(1,250)	(935)
	(7,154)	(2,465)	(4,488)	(6,510)
Net cash flow from operating activities	(148)	4,041	(823)	(1,690)

29. RECONCILIATION OF NET SURPLUS WITH CASH INFLOW FROM OPERATING ACTIVITIES (Continued)

Acquisition of subsidiary during the year

On 15 March 2013, EastPack Satara Limited ("EastPack Satara"), a wholly owned subsidiary of EastPack, acquired the business (including all assets and liabilities) of Satara Co-operative Group Limited ("Satara") for further details refer to Note 31. The fair values of assets acquired and liabilities assumed were as follows.

	2013 ($000's)	
	Group	**Parent**
Cash and cash equivalents	532	532
Trade and other receivables	2,594	2,594
Inventories	1,301	1,301
Leased assets	3,522	3,522
Property, plant and equipment	32,363	32,363
Investments	1,317	1,317
Intangible assets	284	284
Trade and other payables	(1,179)	(1,179)
Loans and borrowings	(13,690)	(13,690)
Refunds due to resigned shareholders	(1,955)	(1,955)
Other non-current liabilities	(2,934)	(2,934)
Total fair value of assets acquired and liabilities assumed	22,155	22,155
Plus: Investor shares exchanged on amalgamation	405	405
Less: Gain on Satara acquisition	(6,492)	(6,492)
Less: 5,992,757 Transactor shares issued in ultimate parent Company	(5,993)	(5,993)
Less: 5,176,454 Investor shares issued in ultimate parent Company	(3,106)	(3,106)
Less: Cancellation of EastPack's investment in Satara	(280)	(280)
Less: Payment of Satara Investor shares payable on 30 June 2014	(406)	(406)
Less: Cash and cash equivalents acquired on amalgamation	(532)	-
	5,751	6,283

30. TRANSACTIONS WITH RELATED PARTIES

a) Key Management Personnel

Key management includes all personnel whom have the authority and responsibility for planning, directing and controlling the activities of the Group. This includes senior management and directors.

	Short-term benefits ($000's)	Post-employment benefits ($000's)	Other long-term benefits ($000's)	Termination benefits ($000's)
2014	1,436	-	-	-
2013	1,701	-	-	-

b) Rebates and dividends to director owned orchards

The grower directors have packed their kiwifruit with the company at the standard rates charged to shareholders. Grower directors received the following rebates and dividends:

	Rebates		Dividends	
	2014 ($000's)	2013 ($000's)	2014 ($000's)	2013 ($000's)
R B Sharp	113	92	82	129
G S Eynon	12	15	56	88
M J Montgomery	12	15	56	88
A A Gault	34	31	20	32
R M Hudson	14	6	11	17
M R McBride	104	3	-	-
M C Maltby	6	8	8	-
H J Pieters	24	16	33	-

30. TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

c) Related parties identified

Related Party	Relationship	Nature of transactions
Albertland Orchard Ltd	Raymond Sharp is a Director	Orchard which the group receives payment for service
Base One Limited	Raymond Sharp is a Director and Shareholder	Orchard which the group receives payment for service
BayGold Limited	Murray McBride is a Director	Orchard which the group receives payment for service, loan interest
Eastpack Entity Trust	Adrian Gault is a Board appointed member of EET	Eastpack Supplies Coolstorage, Packing and transport services to EET
H J & B M Pieters Limited	Hendrik Pieters is a Director and Shareholder	Orchard which the group receives payment for service. Sale of Pollen to the group
Huakiwi Limited	Raymond Sharp is a Director	Orchard which the group receives payment for service
Huakiwi Te Kaha Limited	Raymond Sharp is a Director and Shareholder	Orchard which the group receives payment for service
Hudson Contracting 2010 Limited	Richard Hudson is a Director and Shareholder	Provides labour for Orchards
Kiwiworks Limited	Richard Hudson is a Director and Shareholder	Orchard which the group receives payment for service
M & E Industries Limited	Grant Eynon is a Director and Shareholder	Capital Expenditure
MJF Limited	Mark Giles is a Shareholder	Orchard which the group receives payment for service
Otara Land Company Limited	Adrian Gault is a Director and Shareholder	Orchard which the group receives payment for service
Paper Plus New Zealand Limited	Maurice Kidd is a Director	Stationery purchased
Pine Valley Limited	G. Eynon & M. Montgomery are Directors & Shareholders	Advance for first right of refusal for Lemon Road site
Raerino Orchard Limited	Grant Eynon & Michael Montgomery are Directors	Orchard which the group receives payment for service
Raukokore Gold Kiwifruit Development	Raymond Sharp is a Director	Orchard which the group receives payment for service
RM & HR Hudson Family Trust	Richard Hudson is a Trustee	Orchard which the group receives payment for service
Robert Monk Transport	Raymond Sharp is a Director	Cartage of Bins
Sats Group Limited	Mark Giles is a Director and Shareholder	Directors Fees
Simise Trust	Hendrik Pieters is a Trustee	Orchard which the group receives payment for service
Tirohanga Fruit Company Limited	Raymond Sharp is a Director and Shareholder	Orchard which the group receives payment for service
Brenick and Eynon trust	Mike Montgomery Grant Eynon are trustees	Provide premises of which the group uses for coolstore and packing.
Trinity Lands Limited	Murray McBride is a Director	Orchard which the group receives payment for service
Loughlin Viticulture Limited	John Loughlin is acting CEO	Orchard which the group receives payment for service

30. TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

2014 - Transactions and balances with related parties

Related Party	Receipts ($000's)	Payments ($000's)	Trade Balance Receivable / (Payable) ($000's)	Loan Outstanding ($000's)
Albertland Orchard Ltd	5	-	-	-
Base One Limited	11	-	-	-
BayGold Limited	108	-	-	(200)
Eastpack Entity Trust	93,863	(6,448)	(3,628)	-
H J & B M Pieters Limited	6	(28)	-	-
Huakiwi Limited	24	-	11	-
Huakiwi Te Kaha Limited	17	-	-	-
Hudson Contracting 2010 Limited	-	(41)	-	-
Kiwiworks Limited	5	-	-	-
M & E Industries Limited	-	(2)	-	-
MJF Limited	62	-	2	-
Otara land Company Limited	16	-	5	-
Paper Plus New Zealand Limited	-	(4)	-	-
Pine Valley Limited	25	(56)	-	(500)
Raerino Orchard Limited	9	-	-	-
Raukokore Gold Kiwifruit Development	-	(8)	-	-
RM & HR Hudson Family Trust	-	(1)	-	-
Robert Monk Transport	-	(695)	-	-
Sats Group Limited	-	(21)	-	-
Simise Trust	4	-	-	-
Tirohanga Fruit Company Limited	9	-	-	-
Trinity Lands Limited	1	-	-	-
Brenick and Eynon trust	-	(179)	-	-
Loughlin Viticulture Limited	-	(32)	-	-

R B Sharp, M R McBride, R M Hudson, A A Gault, H J Pieters, M C Maltby, G S Eynon and M J Montgomery own orchards for which the Group provides services on normal commercial terms. R M Hudson, G S Eynon and M J Montgomery, H J Pieters and R B Sharp own kiwifruit contracting businesses that provides labour to EastPack Kiwifruit Operations Ltd under normal commercial terms.

On 21 December 2009 EastPack Ltd advanced $500,000 to Pine Valley Joint Venture at an interest rate of 0% in consideration for the first right of refusal to lease the Pine Valley Joint Venture site. The advance is secured over the investor and transactor shares held by G S Eynon and M J Montgomery.

On 20th December 2013, EastPack advanced $300,000 to Baygold Joint Venture at an interest rate of 6.9% (2013: 6.8%) of which the director M R McBride has interest in. This loan is secured by transactor shares held by Baygold and its related entities. $100,000 was repaid on the 25 August 2014, and $200,000 remains outstanding as at 31 December 2014.

On 9th May 2013, EastPack Ltd advanced $150,000 to Tirohanga Fruit Co Ltd at an interest rate of 6.9% of which the director R B Sharp has interest in. This loan is secured by transactor and investor shares held Tirohanga Fruit Co Ltd. This loan was repaid in full on the 3 October 2014.

No related party debts have been written off or forgiven during the year (2013: $Nil).

30. TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

2013 - Transactions and balances with related parties

Related party	Receipts ($000's)	Payments ($000's)	Trade Balance Receivable / (Payable) ($000's)	Loan Outstanding ($000's)
Albertland Orchard Ltd	1	-	-	-
Base One Limited	-	-	-	-
BayGold Limited	4	-	(76)	(300)
Eastpack Entity Trust	68,527	(8,873)	(3,506)	-
H J & B M Pieters Limited	-	(52)	-	-
Huakiwi Limited	8	-	1	-
Huakiwi Te Kaha Limited	-	-	-	-
Hudson Contracting 2010 Limited	-	-	-	-
Kiwiworks Limited	7	-	-	-
M & E Industries Limited	-	-	-	-
MJF Limited	9	-	-	-
Otara land Company Limited	4	-	20	-
Paper Plus	-	(3)	-	-
Raerino Orchard Limited	3	-	-	-
Raukokore Gold Kiwifruit Development	6	-	-	-
RM & HR Hudson Family Trust	-	-	-	-
Robert Monk Transport	-	(462)	-	-
Sats Group Limited	-	-	-	-
Simise Trust	280	-	-	-
Tirohanga Fruit Company Limited	8	-	10	-
Trinity Lands Limited	2	-	-	-
Pine Valley Limited	-	-	-	(500)
Brenick and Eynon trust	-	(179)	-	-

Other transactions

A A Gault purchased investor shares during the year of 48,885. (2013: The following directors acquired shares in the company during the year. All Transactor shares were issued at $1 per share. Investor shares were issued at $0.60 for M C Maltby as a previous Satara Grower in accordance with the amalgamation proposal (refer Note 31) and $0.65 for H J Pieters for the additional share offer purchase.)

	Transactor Shares		Investor Shares	
	2014 ($000's)	2013 ($000's)	2014 ($000's)	2013 ($000's)
M C Maltby	-	48	-	125
H J Pieters	-	120	-	492

Guarantees

EastPack Entity Trust holds an all obligations unlimited guarantee from EastPack Ltd

All amounts owing to EastPack Entity Trust is disclosed as a related party payable in Note 13. All transactions with EastPack Entity Trust are on normal commercial terms.

30. TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

d) Transactions with subsidiaries

All amounts owing to/from subsidiaries and are included in intercompany advances in the Statement of Financial Position or in Notes 13 trade and other payables or Note 21 trade and other receivables.

Entity	Relationship	Nature of transactions
Bay Hort	Subsidary of Eastpack Ltd	No transactions
Eastpack Avocado Company Limited	Subsidary of Eastpack Ltd	Provider of Coolstorage and Packing services
Eastpack Kiwifruit Operations Ltd	Subsidary of Eastpack Ltd	Sale of kiwifruit packing services and other cost paid by Eastpack on behalf of EKO
Eastpack Ltd	Parent of the Group	Provider of Coolstorage and Packing services
Eastpack Satara Limited	Subsidary of Eastpack Ltd	Sale of kiwifruit packing services and other cost paid by Eastpack on behalf of ESL
Kiwi Produce Limited	Associate of Eastpack Ltd	Sale of Local Market Fruit
Satara Group	Joint Venture of Eastpack Ltd	No transactions
Satara Kiwifruit Supply Limited	Subsidary of Eastpack Ltd	Kiwifruit Pool Service Provider
Satara Ventures Limited	Subsidary of Eastpack Ltd	No transactions
Southern Produce Limited	Associate of Eastpack Ltd - Shares sold during the year	Sale of Class II Fruit
Southlink Supply	Subsidary of Eastpack Ltd	Acts as an agent to supply logistics services
Stroba Limited	Subsidary of Eastpack Ltd	No transactions
Tauranga Kiwifruit Logistics Limited	Subsidary of Southlink Supply Ltd	Provides Cartage Services
Te Matai Kiwi No 1 Limited	Subsidary of Eastpack Kiwifruit Operations Ltd	No transactions
The Nutritious Kiwifruit Company Limited	Associate of Eastpack Ltd	Sale of Class II Fruit

2014 - Transactions and balances with subsidiaries and associates

Related Party	Receipts ($000's)	Payments ($000's)	Trade Balance Receivable / (Payable) ($000's)	Loan Outstanding ($000's)
Bay Hort	-	-	-	-
Eastpack Avocado Company Limited	-	(11)	-	-
Eastpack Kiwifruit Operations Ltd	207	(764)	72	(4,182)
Eastpack Satara Limited	134	(221)	-	(2,718)
Kiwi Produce Limited	27	(108)	(21)	-
Satara Group	-	-	-	-
Satara Kiwifruit Supply Limited	905	(154)	-	-
Satara Ventures Limited	-	-	-	-
Southern Produce Limited	-	(671)	-	-
Southlink Supply	1,189	(3,035)	8	(60)
Stroba Limited	-	-	-	-
Tauranga Kiwifruit Logistics Limited	2,272	(128)	(11)	-
Te Matai Kiwi No 1 Limited	-	-	-	-
The Nutritious Kiwifruit Company Limited	-	(2,225)	(5)	-

30. TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

2013 - Transactions and balances with subsidiaries and associates

Entity	Receipts ($000's)	Payments ($000's)	Trade Balance Receivable / (Payable) ($000's)	Loan Outstanding ($000's)
Eastpack Kiwifruit Operations Ltd	79	(960)	(2)	(1,048)
Southlink Supply	1,327	(1,695)	(212)	-
Satara Kiwifruit Supply Limited	367	(15,099)	-	(402)
Eastpack Avocado Company Limited	-	-	-	-
Eastpack Satara Limited	547	(783)	214	(6,623)
Bay Hort	-	-	-	-
Stroba Limited	-	-	-	-
Kiwi Produce Limited	322	(360)	121	-
Southern Produce Limited	432	(4,299)	(17)	-
Tauranga Kiwifruit Logistics Limited	2,171	(204)	-	-
Satara Ventures Limited	-	-	-	-
Satara Group	-	-	-	-
Te Matai Kiwi No 1 Limited	-	-	-	-
The Nutritious Kiwifruit Company Limited	-	-	-	-

Guarantees

All obligations unlimited interlocking company guarantee between EastPack Ltd and EastPack Kiwifruit Operations Ltd.

No related party debts have been written off or forgiven during the year (2013: $Nil).

Associates

During the year Associates entered into the above transactions with EastPack Ltd on normal commercial terms:

All amounts owing from associate companies are detailed in Note 21: Trade and other receivables. All amounts payable to associate companies are detailed in Note 13: Trade and other payables

No related party debts have been written off or forgiven during the year (2013: $Nil).

Other

EastPack Kiwifruit Operations Ltd, a subsidiary of EastPack Ltd holds a 10% ownership in Te Matai Kiwi Partnership. EastPack Kiwifruit Operations Ltd provides orchard management services and charges Te Matai Kiwi Partnership on normal commercial terms.

EastPack Satara Ltd, a subsidiary of EastPack Ltd holds a 19.84% ownership in Avon Kiwifruit Syndicate. EastPack Kiwifruit Operations Ltd provides orchard management services and charges Avon Kiwifruit Syndicate on normal commercial terms.

Guarantees

Te Matai Kiwi Partnership has a guarantee for the amount of $150,000, plus interest and costs in terms of the BNZ's standard guarantee form from EastPack Ltd.

31. BUSINESS COMBINATION

On 15 March 2013, EastPack Satara Limited ("EastPack Satara"), a wholly owned subsidiary of EastPack, acquired the business (including all assets and liabilities) of Satara Co-operative Group Limited ("Satara") EastPack Satara continued as the surviving legal entity ("Amalgamated Company").

Satara was primarily involved in post harvest operations for the kiwifruit and avocado industries.

Terms of Amalgamation
Satara Transactor shares were cancelled upon Amalgamation and the holders were issued one fully paid EastPack transactor share for every $1.00 paid up Satara Transactor shares held immediately prior to the Amalgamation. For further details on investor and transactor shares refer to Notes 10 and 16.

Satara Investor shares were cancelled in exchange for EastPack Investor shares, provided that no Satara Transactor Shareholder held more than four EastPack Investor shares per Class 1 tray supplied during the 2010, 2011 or 2012 season (whichever was the higher) ("EastPack Investor Share Threshold"). Satara investor shares held by shareholders that could not be cancelled and exchanged into EastPack Investor shares (i.e. those that, if exchanged for EastPack Investor shares, would have exceeded the EastPack Investor Share Threshold) were cancelled in exchange for $0.60 per share split into two payments being $0.56 payable no later than five Business Days after the amalgamation date and $0.04 payable on 30 June 2014.

At the time of the Amalgamation EastPack held 622,859 Satara Investor shares. These shares were cancelled without payment upon Amalgamation.

Other than set out above, the Amalgamation Proposal did not involve the making of any payment to a shareholder or Director of the Amalgamating Company.

Upon Amalgamation, the Amalgamated Company is a wholly-owned subsidiary of the Company with share capital of 100 ordinary shares.

The following summarises the consideration paid by EastPack as part of the Amalgamation for the Satara business and the fair value of the assets acquired at acquisition date.

Consideration as at 15 March 2013:	**2013 ($000's)**
5,992,757 Transactor shares in ultimate parent Company EastPack Limited	(5,993)
Cancellation of EastPack Limited's 622,859 Investor shares in Satara	374
Cancellation of EastPack's investment in Satara	(280)
Payment for 11,163,546 Satara Investor shares	
Payable within 5 days of Amalgamation date	(6,252)
Payable on 30 June 2014	(406)
5,176,815 Investor shares in ultimate parent Company EastPack Limited	(3,106)
Total consideration	(15,663)

The fair value of each EastPack Limited Transactor share is $1.00 and each EastPack Limited Investor share is $0.60.

31. BUSINESS COMBINATION (CONTINUED)

Fair value of recognised amounts of identifiable assets acquired and liabilities assumed:	**2013**
Identifiable assets	**($000's)**
Cash and cash equivalents	532
Trade and other receivables	2,594
Inventories	1,301
Leased assets	3,522
Property, plant and equipment	32,363
Investments	1,317
Intangible assets	284
	41,913
Liabilities assumed	
Trade and other payables	(1,179)
Loans and borrowings	(13,690)
Refunds due to resigned shareholders	(1,955)
Other non-current liabilities	(2,934)
	(19,758)
Total identifiable net assets	(22,155)
Gain/(Loss) on Satara acquisition	6,492

The gross contractual amount for trade and other receivables also represented its fair value.

A gain of $6,492,092 has been recognised in the consolidated statement of comprehensive income for the year ended 31 December 2013, as the fair value of the total identifiable net assets acquired exceeded the total consideration paid.

All acquisition related costs were recognised as an expense and totaled $827,303. These acquisition costs are included in other expenses in the consolidated statement of comprehensive income for the year ended 31 December 2013.

The acquired Satara business contributed revenues of $8,432,429 and net profit of $2,966,914 to the Group for the period from 15 March 2013 to 31 December 2013. If the acquisition had occurred on 1 January 2013, contributed Group revenue would have been approximately $9,830,429 and estimated contributed net profit before tax would have been $162,914, calculated using the Group's accounting policies.

32. CONTINGENT LIABILITIES

There are no contingent liabilities as at 31 December 2014. (2013: No contingent liabilities).

33. COMMITMENTS

	GROUP AND PARENT 2014 ($000's)	GROUP AND PARENT 2013 ($000's)
Estimated capital expenditure contracted for at balance date but not provided for:	4,106	1,696
Operating lease commitments		
Lease commitments under non-cancelable operating leases		
Less than one year	257	367
Between one and five years	148	219
Greater than five years	-	-
Total operating lease commitments	405	586

All operating lease commitments relate to coolstore facilities. The leases vary in term from one to three years.

34. NON CURRENT ASSETS HELD FOR SALE

Non current assets held for sale consisted of the Company's investment in Southern Produce Limited which was sold during the 2014 financial year for $750,000.

As at 31 December 2013 the non-current assets held for sale had been valued at fair value less costs to sell and comprise of the following

	GROUP 2014 ($000's)	GROUP 2013 ($000's)	PARENT 2014 ($000's)	PARENT 2013 ($000's)
Investment in Southern Produce Limited	-	750	-	712

35. SIGNIFICANT EVENTS AFTER BALANCE DATE

The board of directors have not proposed a payment of a final dividend to be paid on or before 31 March 2015. (2013: approval of a final dividend of 3.6 cents per investor share fully imputed to be paid on 31 March 2014).

COMPANY DETAILS

Edgecumbe

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Edgecumbe Email: admin@eastpack.co.nz

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EASTPACK LIMITED

AS AT 31 DECEMBER 2014

TOP 20 SHAREHOLDERS

Shareholder	Investor Shares held	Transactor Shares held
Trinity Lands Ltd	1,619,486	452,502
Pine Valley Joint Venture	1,680,000	305,061
South East Hort Ltd	1,483,736	-
Wotton Estate	948,942	342,683
Cape Fruit Co. Ltd	874,954	240,604
Tirohanga Fruit Co Ltd	709,852	167,679
Franklin, C A	567,194	220,124
Reekie K J Family Trust	548,954	214,592
Blennerhassett D & K	580,108	170,408
Flowers, R J Ltd	632,186	108,362
Casey, E & N	390,197	310,662
Windmill Trust	561,286	112,076
Kiwimac Limited	400,000	252,468
West, R J & K	422,080	216,858
Wedge Co Ltd	392,598	157,360
Maple Orchards Ltd	400,000	103,354
Simise Trust	492,032	-
Allen Orchards Ltd	324,212	132,019
Kopuatawhiti Trust	310,850	137,722
Steele Family Trust	273,034	154,348

INDEPENDENT AUDITOR'S REPORT

staplesrodway
CHARTERED ACCOUNTANTS

To the shareholders of EastPack Limited

Report on the Consolidated Financial Statements

We have audited the consolidated financial statements of EastPack Limited ('the Company') and its Subsidiaries (together 'the Group') on pages 12 to 60, which comprise the Statements of Financial Position of the Company and Group as at 31 December 2014, Income Statements, Statements of Comprehensive Income, Statements of Changes in Equity and Statements of Cash Flows of the Company and Group for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation of consolidated 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 is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, 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 auditor considers the internal controls relevant to the entity's preparation of consolidated financial statements that give a true and fair view of the matters to which they relate 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 entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the presentation of the consolidated financial statements.

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

Our firm has provided other services to the Company and Group in relation to taxation and other accounting services. We have no other relationship with, or interests in, the Company or Group.

Opinion

In our opinion, the consolidated financial statements on pages 12 to 60:

- comply with generally accepted accounting practice in New Zealand;
- comply with International Financial Reporting Standards; and
- give a true and fair view of the financial position of the Company and Group as at 31 December 2014 and of their financial performance and cash flows for the year then ended.

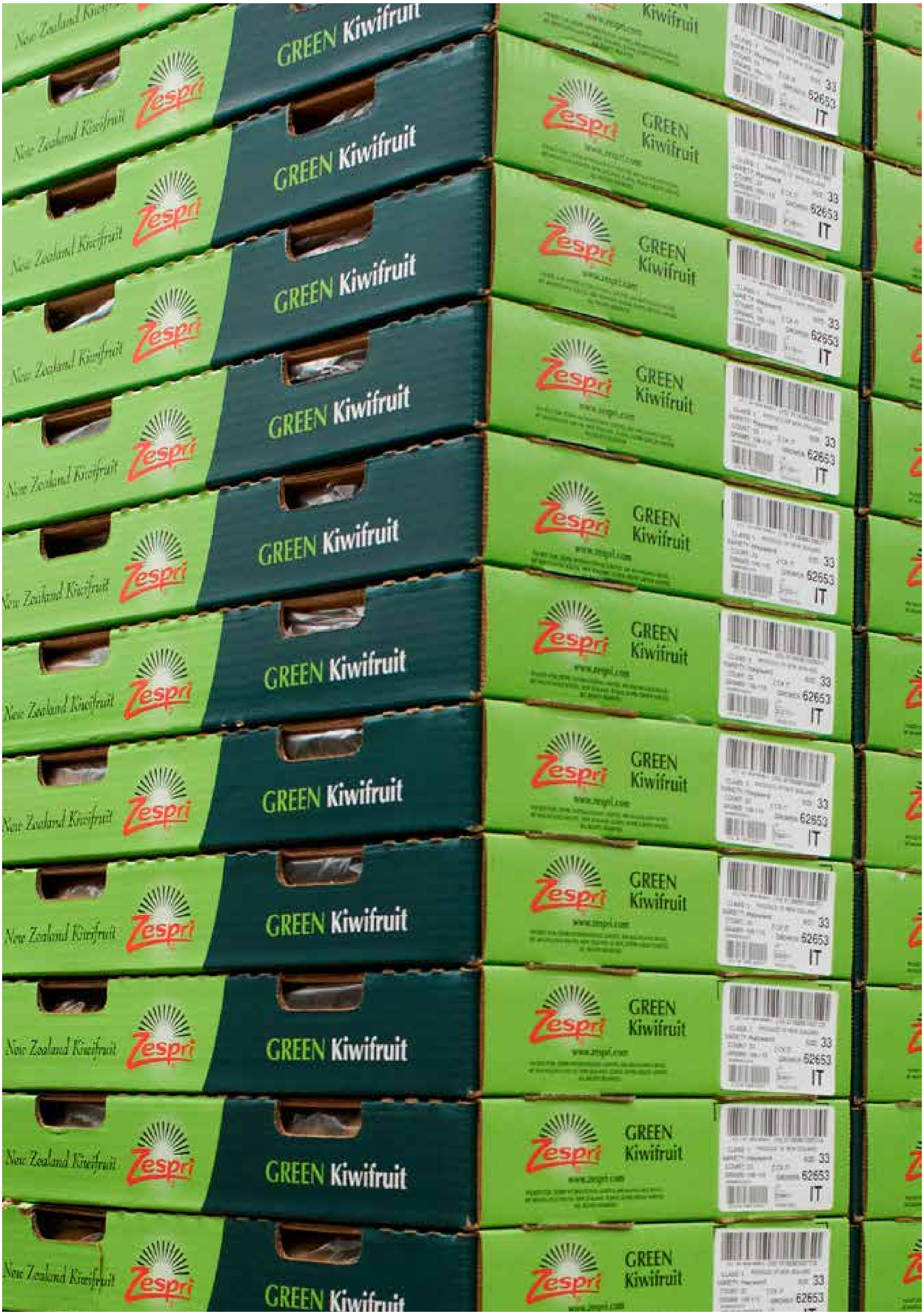
Report on Other Legal and Regulatory Requirements

We also report in accordance with Sections 16(1)(d) and 16(1)(e) of the Financial Reporting Act 1993. In relation to our audit of the financial statements for the year ended 31 December 2014:

- We have obtained all the information and explanations that we have required; and
- In our opinion proper accounting records have been kept by the Company and Group as far as appears from our examination of those records.

Staples Rodway

STAPLES RODWAY
HAMILTON
2 April 2015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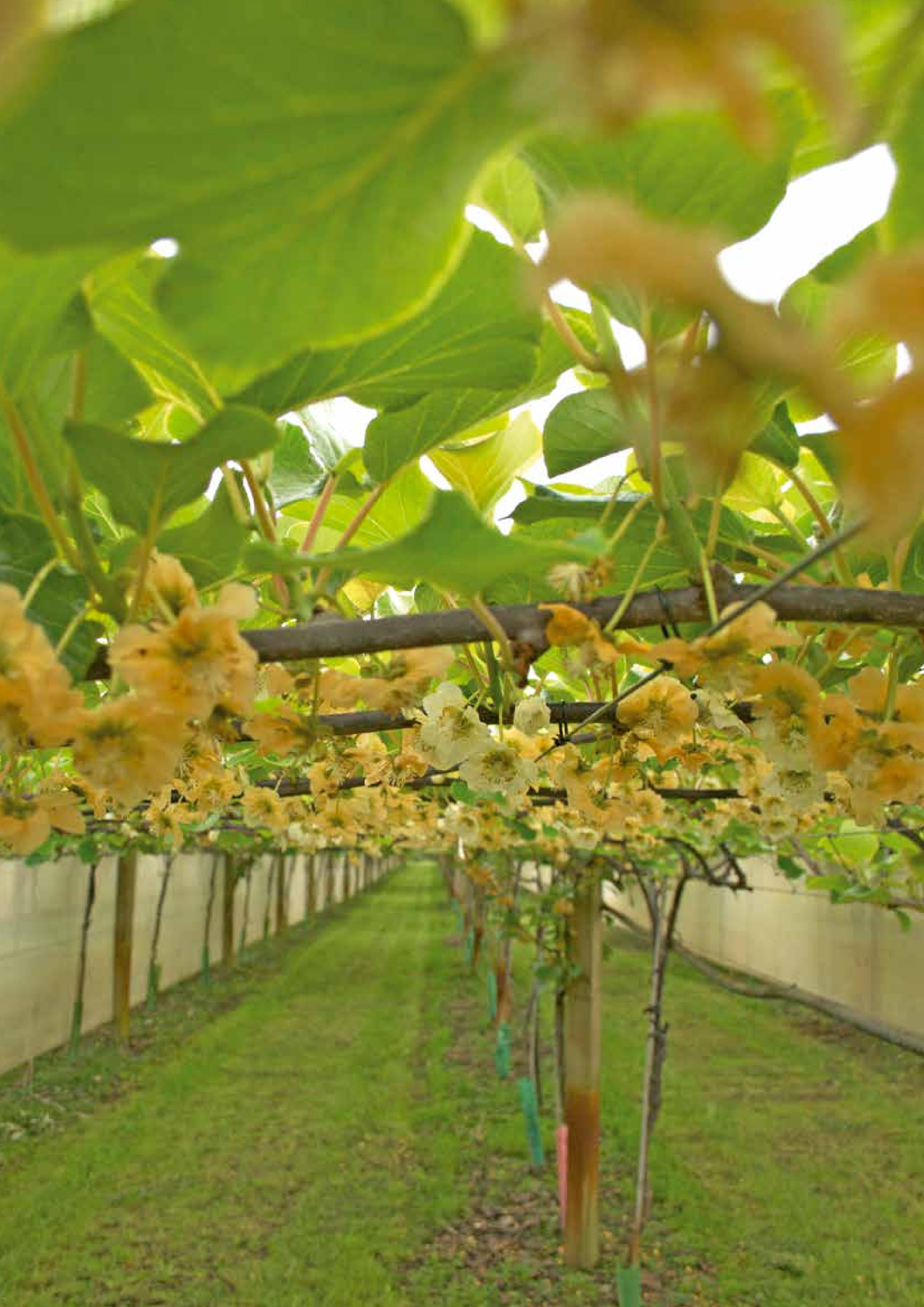

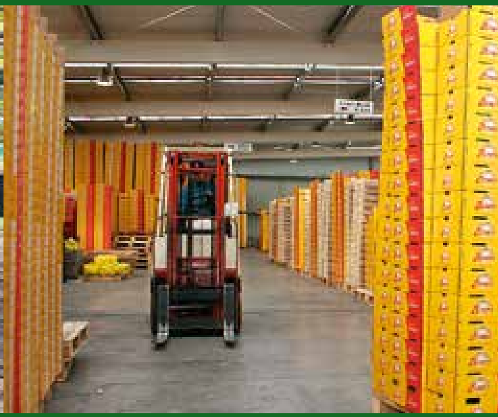

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