



The Right
Choice.

FMF FOODS LIMITED

(Formerly Flour Mills of Fiji Limited)

ANNUAL REPORT

2015

FMF FOODS LIMITED (Formerly Flour Mills of Fiji Limited)

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FMF FOODS LIMITED (formerly Flour Mills of Fiji Limited)

DIRECTORS

Mr. Hari Punja ORDER OF FIJI, OBE, - Chairman
Mr. Gary Callaghan
Mr. Ajai Punja
Mr. Pramesh Sharma
Mr. Ram Bajekal – Managing Director (*w.e.f. 12th February 2015*)
Mr. Rohit Punja (*Alternate to Mr. Hari Punja and Mr. Ajai Punja*)
Ms. Leena Punja (*Alternate to Mr. Hari Punja*)

**GROUP CHIEF FINANCIAL OFFICER &
COMPANY SECRETARY**

Mr. Sandeep Kumar K

AUDITORS

PricewaterhouseCoopers,
Chartered Accountants,
Suva.

SOLICITORS

M/s AK Lawyers
M/s Munro Leys
M/s Sherani & Co.
M/s Diven Prasad Lawyers

BANKERS

Australia and New Zealand Banking Group Limited

REGISTERED OFFICE

Lot 2, Leonidas Street,
Walu Bay, Suva. Republic of Fiji.
Telephone: +679 330 1188 Fax: +679 330 0944
Email: sandeepk@fmf.com.fj

SHARE REGISTRAR AND SHARE TRANSFER AGENTS

Central Share Registry Limited
Level 2 Provident Plaza 1
FNPF Boulevard
33 Ellery Street, Suva.
Telephone: +679 330 4130 Fax: +679 330 4145
Email: registry@spse.com.fj

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the 43rd Annual General Meeting (AGM) of the members of FMF Foods Limited will be held on Friday, October 30, 2015 at 4.00 p.m., at the Training Room at Atlantic & Pacific Packaging Company Limited, Leonidas Street, Walu Bay, Suva, Fiji, to transact the following business:-

General Business

Item No.1 – Confirmation of Minutes

To confirm the minutes of the previous Annual General Meeting of the Company held on October 31, 2014.

Ordinary Business

Item No.2 – Adoption of Audited Financial Statements

To receive, consider and adopt the financial statements of the Company for the year ended June 30, 2015, including the audited Balance Sheet as at June 30, 2015, the Statement of Profit and Loss for the year ended on that date and the report of the Board of Directors ('the Board') and Auditors thereon.

Item No.3 – Appointment of Directors

(a) Mr. Hari Punja

To appoint a Director in place of Mr. Hari Punja, who retires by rotation and being eligible in accordance with Article 86 of the Articles of Association of the Company, offers himself for re-appointment.

(b) Mr. Ram Bajekal

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:-

“RESOLVED that Mr. Ram Bajekal, who was appointed an Additional Director of the Company with effect from February 12, 2015 by the Board of Directors and who holds office up to the date of this Annual General Meeting of the Company and being eligible for re-appointment, be and is hereby appointed a Director of the Company.”

Item No.4 – Appointment of Auditors

To appoint Auditors in accordance with Section 161 of the Companies Act, Cap 247, to hold office from the conclusion of this meeting until conclusion of the next AGM at a remuneration as may be mutually agreed between the Board and the Auditors. The retiring Auditors M/s. PriceWaterHouseCoopers, Chartered Accountants, being eligible, offer themselves for appointment.

Special Business

Item No.5 – Revision in Directors' Remuneration

To consider and if thought fit, to pass the following resolution as an ordinary resolution:

“RESOLVED that pursuant to the provisions of Article 93 of the Articles of Association of the Company, a sum not exceeding FJD 150,000 per annum collectively, be paid and distributed among the non-executive Directors or some or any of them (other than the Managing Director and Whole-time Directors) in such amounts or proportion and in such manner and in all respects as may be decided by the Board of Directors.”

Any Other Business

Any other business brought up in conformity with the Articles of Association of the Company.

By order of the Board of Directors



Sandeep Kumar K
Chief Financial Officer and
Company Secretary

22nd September 2015.

Registered Office:

Leonidas Street,
Walu Bay, Suva, Fiji

Explanatory Notes:

Item No. 3 (b)

Mr. Ram Bajekal was appointed as Chief Executive Officer of the Company on 1st April, 2009. The Board of Directors vide its meeting held on 12th February, 2015, appointed Mr. Ram Bajekal as an Additional Director to the Board and also as a Managing Director for a period of three years, effective from 12th February 2015. Mr. Ram Bajekal is a qualified Chartered Accountant with over 30 years rich experience in the field of corporate management. Mr. Bajekal has also studied management as a Fulbright Fellow for management studies at Carnegie Mellon University, Pittsburgh, USA.

In accordance with Article 83 of the Articles of Association of the Company, Mr. Ram Bajekal will hold office of Additional Director up to the date of the ensuing AGM and is eligible to be appointed as a Director of the Company. The Board recommends the resolution set forth in Item No. 3 (b) for approval of the Members.

Item No. 5

Currently, only two of the non-executive Directors of the Company, viz., Mr. Gary Callaghan and Mr. Pramesh Sharma, are paid remuneration, in accordance with the resolution passed by the Members at the 39th AGM of the Company held on October 28, 2011. Considering the increase in activities of the Company, it is proposed to authorise the Board of Directors to fix the remuneration and distribute among the non-executive Directors, including additional non-executive Directors in future, in such amount and manner as decided by the Board, of an amount collectively not exceeding FJD 150,000 per annum.

The Board recommends the resolution set forth in Item no.5 for approval of the Members.

PROXIES

1. A member who is unable to attend the meeting is entitled to appoint a proxy to attend the meeting and vote on his behalf. The proxy need not be a member of the company.
2. A proxy form is enclosed with this Annual Report. To be effective the form must reach the registered office of the company, no less than 48 hours before the time for holding the meeting.

CHAIRMAN'S REPORT

Dear Shareholders,

The year under review was characterized by sluggishness in the FMCG sector (Fast Moving Consumer Goods), which was echoed in your company's sales. Though the Fijian economy is in a buoyant state on the back of structural reforms and a successful general election, growth in the country is heavily skewed towards hard goods such as automotive, consumer durables, housing and construction. This growth has been largely fuelled by a sharp increase in retail lending by banks and financial institutions. So as we enter the third consecutive year of increased borrowings for hard goods, we are also starting to see a lot of monies going towards repayment of such loans. This re-channeling of disposable income by consumers has meant reducing spend on FMCG products, especially in the indulgence categories.

Group sales grew very marginally by 3.1% from \$ 211.82 m in 2013-14 to \$ 218.38 m in 2014-15. While the group's rice, noodles and packaging businesses recorded good growth, its other units had only moderate increases, with flour sales being the most flat amongst the lot. This was also because of a substantial reduction in average sale price of flour, consistent with the general decline in global wheat prices. On biscuit exports, the Australian market continued to decline owing to the general state of its economy and accentuated by aggressive price-cutting by its most dominant player. Your company however continued to make strong inroads into Pacific Islands Countries where the focus is on our own brands rather than private label manufacture which is our main market in Australia.

Notwithstanding the sluggish sales growth, your Company did well on the operating results. Tight operations helped the company beat inflationary cost increases and deliver a 9% higher Net Profit of \$17.46 m against \$ 16.00 m last year.

Dividend payout from the holding company has been retained at \$1.8 m. Shareholder equity has again increased substantially from \$84.40 m to \$99.56 m, an 18% growth. A prudent policy has been adopted with regards to dividend, keeping in mind the large capital outlay that is required in 2015-16 for the new biscuit factory being set up by your Company's 100% subsidiary, Bakery Company (Fiji) Ltd. This factory located on the outskirts of Suva will manufacture biscuits primarily targeted at the Melanesian market.

All silo works that were part of last year's capital projects have been duly completed, now giving your Company the capacity to procure different varieties of wheat to produce a wider range of flour, tailor-made for customers in the industrial sector. This is intended to make the company more competitive in the future, especially in export markets. Atlantic & Pacific Packaging Company Limited, a subsidiary of your company has completed its first phase of diversification and has commenced commercial production of PP Bags and Injection Moulded products used for packaging. The Company has committed to a second-phase expansion of these lines. I reiterate my firm belief that reinvestment of profits into the upgrade and renewal of your Company's facilities, products and brands will better insulate it against future risks and keep it prepared for growth opportunities.

CHAIRMAN'S REPORT (Contd.....)

As I had mentioned in my report last year, considerable effort is being put into building the human capital of your Company; and as part of this endeavour significant changes were made to the salary and wage structure during 2014-15 to bring about better parity with the Fijian employment market. This was based on the annual remuneration survey that your Company participates in. The structure is designed to attract, deploy and retain scarce talent and is already showing results, judging from the quality of people that we are now able to attract into the group. This is further complemented by a robust performance management system designed to measure and deliver the desired results for the Company.

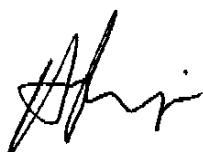
December 2014 saw the untimely passing of our CFO & Company Secretary Mr Kumar Shankar. Mr Kumar was a long-serving executive of the Company and has contributed immensely to its progress. His services will be missed. His role has been taken over by an equally capable professional, Mr Sandeep Kumar who is also a qualified Chartered Accountant and Company Secretary.

Outlook

While we did experience a general softening of commodity prices in 2014-15, this trend is expected to reverse in 2015-16 as scientists have confirmed the setting of the El Nino phenomenon which they predict to be of similar severity to the one experienced in 1997-98. This will most likely see an increase in prices of all agricultural commodities. The only bearish forecast comes from the petroleum sector and would be a welcome relief. Your Company will continue to focus on high operational efficiencies driven by a strong performance culture in its people. It will continue to focus on its own brands as opposed to contract packaging and also keep a close watch for opportunities to tap into a larger share of wallet in the foods sector.

I would like to take this opportunity to thank our Managing Director Ram Bajekal and his team for the continued progress that FMF Foods Limited and its subsidiaries are making and for the promise they continue to show.

On behalf of the Board of Directors, I take this opportunity to thank our shareholders and all other stakeholders for your continued support in our journey towards fulfilling our vision of making FMF the 'Most Admired Company in the Region'.



Hari Punja ORDER OF FIJI, OBE,
Chairman

22nd September 2015

Corporate Governance

In June 2008, the Capital Markets Development Authority (now the Capital Markets Unit of Reserve Bank of Fiji) published the corporate Governance Code for the Capital Market (The Code). The Code articulates 10 core principles together with the best practice recommendations. This code is the basis for the FMF's corporate governance standards.

On a continuous basis FMF has reviewed its existing policies and has codified / modified policies in line with its goal to improve the standard of corporate governance.

Role of the Board

The role of the Board is to assume accountability for the success of the company by taking responsibility for its direction and management in order to meet its objective of enhancing shareholder value.

The Board

Directors are elected by shareholders at the Annual General Meeting. One third of the total strength of the Board, retire by rotation each year and are eligible for re-election. Casual vacancies during the year are filled up by the Board till the conclusion of the next Annual General Meeting.

As at the Balance date, the Directors in Office were Messrs Hari Punja (Chairman), Gary Callaghan, Ajai Punja, Pramesh Sharma, Ram Bajekal (Managing Director), Rohit Punja (Alternate to Mr. Hari Punja and Mr. Ajai Punja) and Leena Punja (Alternate to Mr. Hari Punja).

Directors are paid a Board fee for their service rendered during the year. Currently they are also entitled to an allowance of \$ 500 per meeting attended, towards travel and accommodation costs. Directors are also covered under a Directors and Officers' Liability Insurance Policy.

Meetings of the Board

The regular business of the Board during its meetings covers business investments and strategic matters, governance and compliance, the Managing Director's report, financial report and performance of subsidiary companies.

During the Financial Year under review the Board met 4 times. The Member's attendance at the Board meetings, during the financial year is given below:

DIRECTOR	Number of Meeting Entitled to Attend	Number of Meetings Attended	Apologies Received
MR. HARI PUNJA	4	2	2
MR. GARY CALLAGHAN	4	4	N/A
Mr. AJAI PUNJA	4	1	3
Mr. PRAMESH SHARMA	4	4	N/A
Mr. RAM BAJEKAL (Appointed as Additional Director on 12/02/15)	1	1	N/A
Mr. ROHIT PUNJA (Alternate to Hari Punja & Ajai Punja)	2	2	N/A
Ms. LEENA PUNJA (Alternate to Hari Punja)	N/A	N/A	N/A

Sub-committees of the Board

The Board has formally constituted two sub-committees, viz.,

- The Audit and Finance Committee and
- The Share Transfer Committee.

As at the Balance date, the Audit and Finance Committee comprised Messrs. Hari Punja, Gary Callaghan, and Ram Bajekal.

The Audit and Finance Committee is responsible for monitoring FMF's financial strategies, monitoring the external audit of the company's affairs, reviewing the half-year and annual financial statements, reviewing the Internal Audit Report and monitoring the Company's compliance with applicable laws and stock exchange requirements.

The Executive management under the directions of this Committee, is also responsible for monitoring the Risk Management to ensure that key business and operational risks are identified and appropriate controls and procedures are put in place to manage those risks.

This sub-committee met four times during the financial year under review. The executive management usually takes its major decisions in consultation with the members of the sub-committee, where necessary.

Corporate Governance (Contd...)

As at the Balance date, the Share Transfer Committee comprised Messrs. Hari Punja, Ajai Punja, Gary Callaghan, and Ram Bajekal. The Share Transfer Committee is responsible for approval of share transfers between the shareholders of the Company. The Share Transfer Committee has met 4 times during the year under review.

Responses to the Guidelines on Corporate Governance issued by Reserve Bank of Fiji:

Principle	Company's response
Establish clear responsibilities for Board Oversight	Covered above
Constitute an effective Board	Covered above
Appointment of a Chief Executive Officer	The Board has appointed a suitably qualified and competent Managing Director entrusted with substantial powers of management of the affairs of the Company. He is a professionally qualified Chartered Accountant and has also studied Management as a Fulbright Fellow for Management Studies at Carnegie Mellon University, Pittsburgh, U.S.A.
Board and Company Secretary	The Company has appointed a suitably qualified and competent Company Secretary. He is a professionally qualified Chartered Accountant and an Associate Member of the Institute of Company Secretaries of India.
Timely and Balanced disclosure	Board meetings are held at least once in every quarter of the year. The Board is apprised of the Company's performance and major decisions are deliberated and passed at Board level. Progress on carrying out strategies is reviewed at these meetings. The Company periodically releases the required information to the public by way of market announcements, as required under the rules of the SPSE.
Promote ethical and responsible decision – making	FMF promotes and believes that all Directors and Employees uphold high standards, honesty, fairness and equity in all aspects of their employment and association with the Company.
Register of Interests	The Company maintains a Register of Interest wherein the interests of Directors are noted.
Respect the rights of Shareholders	An Annual General Meeting is held every year in accordance with the Articles of Association of the Company. The Annual report is also published each year and circulated to the Shareholders of the Company.
Accountability and Audit	FMF is audited externally each year and receives an independent audit report which forms part of the Annual Report. The Audit and Finance Committee is responsible for overseeing the financial reporting and disclosure process, performance and independence of the external auditors, monitoring internal control processes, reviewing adequacy of the internal audit function and discussing risk management policies and practices with management.
Recognize and Manage Risk	The Executive management of the Company ensures that key business and operational risks are identified and appropriate controls and procedures are put in place to manage those risks.

FMF FOODS LIMITED AND SUBSIDIARIES

Directors' Report

In accordance with a resolution of the Board of Directors, the Directors herewith submit the Balance Sheets of the Company and of the Group as at 30 June 2015 and the related statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and report as follows:

1 Directors

The following were Directors of the Company at any time during the financial year and up to the date of this report:

- Hari Punja Order of Fiji, OBE - Chairman
- Ajai Punja
- Gary Callaghan
- Pramesh Sharma
- Leena Punja (Alternate director to Hari Punja)
- Rohit Punja (Alternate director to Hari Punja and Ajai Punja)
- Ram Bajekal (Managing Director) – Appointed on 12 February 2015

2 Principal activities

The principal activities of the Group comprise of milling of wheat, whole dunfield peas, manufacturing of packaging materials including corrugated cartons, assorted containers and bags, manufacturing of biscuits and snack food products, sale of rice, crushed and feed wheat and related products and investments.

3 Trading results

The net profit after income tax of the Group attributable to the members of the Company for the year was \$16,513,240 (2014: \$15,312,392) and net profit after tax for the Company was \$10,024,124 (2014: \$7,247,522).

4 Provisions

There were no material movements in provisions.

5 Dividends

During the year, your Company has declared an interim dividend of 1.20 cents per equity share (2014: 1.20 cents) entailing outflow of \$1,800,000 (2014: \$1,800,000). No further dividend is recommended for the financial year ended June 30, 2015.

6 Bad and doubtful debts

The Directors took reasonable steps before the financial statements were made out, to ascertain that all known bad debts were written off and adequate provision was made for doubtful debts. At the date of this report, the Directors are not aware of any circumstances which would render the amount written off for bad debts, or the amount of the allowance for doubtful debts, inadequate to any substantial extent.

FMF FOODS LIMITED AND SUBSIDIARIES

Directors' Report – (continued.....)

7 Current assets

The Directors took reasonable steps before the financial statements were made out to ascertain that the current assets of the Company and of the Group were shown in the accounting records of the Company and the Group at a value equal to or below the value that would be expected to be realised in the ordinary course of the business. At the date of this report, the Directors are not aware of any circumstances which would render the values attributable to the current assets in the Company and the Group's financial statements misleading.

8 Reserves

The Directors recommend that no amounts be transferred to reserves.

9 Events subsequent to balance date

No charge on the assets of the Company and the Group has arisen since the end of the financial year to the date of this report to secure the liabilities of any other person.

No contingent liability has arisen since the end of the financial year to the date of this report.

No contingent or other liability has become enforceable or is likely to become enforceable within a period of twelve months after the date of this report which, in the opinion of the Directors, will or may affect the ability of the Company and the Group to meet its obligations as and when they fall due.

10 Basis of accounting

The Directors believe the basis of the preparation of the financial statements is appropriate and the Company and the Group will be able to continue in operation for at least twelve months from the date of this report. Accordingly, the Directors believe that the classification and carrying amounts of assets and liabilities as stated in the financial statements to be appropriate.

11 Related party transactions

In the opinion of the Directors all related party transactions have been adequately recorded in the books of the Company and the Group.

12 Other circumstances

At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or financial statements which would render any amounts stated in the financial statements misleading.

13 Unusual transactions

The results of the Company and the Group's operations during the year have not in the opinion of the Directors been substantially affected by any item, transaction or event of a material and unusual nature other than those disclosed in the financial statements.

FMF FOODS LIMITED AND SUBSIDIARIES

Directors' Report – (continued.....)

14 Directors' and executive managements' interests

Interest of Directors, executive management and any additions thereto during the year in the ordinary shares of the Company are as follows:

	<u>Beneficially</u>		<u>Non-Beneficially</u>	
	<u>Additions</u>	<u>Holding</u>	<u>Additions</u>	<u>Holding</u>
Hari Punja	-	-	-	105,997,210
Ajai Punja	-	-	-	105,997,210
Gary Callaghan	-	1,700,225	439,740	1,314,740
Anuj K Patel	-	17,500	-	-
Leena Punja (Alternate to Hari Punja)	-	-	-	105,997,210
Rohit Punja (Alternate to Hari Punja and Ajai Punja)	-	-	-	105,997,210

15 Directors' benefits

No Director of the Company has, since the end of the previous financial year, received or become entitled to receive a benefit (other than a benefit included in the total amount of emoluments received or due and receivable by Directors as shown in the company's financial statements) by reason of any contracts made by the Company with the Director or with a firm of which he/she is a member, or with a Company in which he/she has substantial financial interest.

For and on behalf of the Board and in accordance with a resolution of the directors.

Dated this 22nd day of September 2015.


.....
Gary Callaghan - Director


.....
Ram Bajekal – Managing Director

FMF FOODS LIMITED AND SUBSIDIARIES

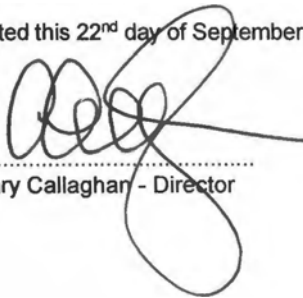
Statement by Directors

In the opinion of the Directors:

- (a) the accompanying statements of profit or loss and other comprehensive income of the Company and of the Group are drawn up so as to give a true and fair view of the results of the Company and of the Group for the year ended 30 June 2015;
- (b) the accompanying balance sheets of the Company and of the Group are drawn up so as to give a true and fair view of the state of the affairs of the Company and of the Group as at 30 June 2015;
- (c) the accompanying statements of changes in equity of the Company and of the Group are drawn up so as to give a true and fair view of the movement in shareholders' funds for the year ended 30 June 2015;
- (d) the accompanying statements of cash flows of the Company and of the Group are drawn up so as to give a true and fair view of the cash flows of the Company and of the Group for the year ended 30 June 2015;
- (e) at the date of this statement, there are reasonable grounds to believe that the Company and the Group will be able to pay their debts as and when they fall due; and
- (f) all related party transactions have been recorded in the books of the Company and the Group and adequately reflected in the attached financial statements.

For and on behalf of the Board and in accordance with a resolution of the Directors.

Dated this 22nd day of September 2015.


.....
Gary Callaghan - Director


.....
Ram Bajekal – Managing Director



Independent Auditor's Report

To the Shareholders of FMF Foods Limited

Report on the financial statements

We have audited the accompanying financial statements of FMF Foods Limited (the 'Company') and the consolidated financial statements of the Company and its subsidiaries (together the 'Group'). The financial statements comprise the balance sheets of the Company and the Group as at 30 June 2015 and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Directors' and Management's Responsibility for the Financial Statements

Directors and Management are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and with the requirements of the Fiji Companies Act, 1983, and for such internal control as the directors and management 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 financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by directors and management, as well as evaluating the overall presentation of the financial statements.

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



Opinion

In our opinion the financial statements give a true and fair view of the financial position of the Company and Group as at 30 June 2015, and of their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Report on other legal and regulatory requirements

In our opinion:

- a) proper books of account have been kept by the Company, so far as it appears from our examination of those books, and
- b) the accompanying financial statements are in agreement with the books of account and to the best of our information and according to the explanations given to us give the information required by the Fiji Companies Act, 1983 in the manner so required.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

Restriction on Distribution or Use

This report is made solely to the Company's shareholders, as a body, in accordance with Section 165(1) of the Fiji Companies Act 1983. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

22 September 2015
Suva, Fiji

PricewaterhouseCoopers
PricewaterhouseCoopers
Chartered Accountants

FMF FOODS LIMITED AND SUBSIDIARIES**STATEMENTS OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015**

	Notes	2015 \$	Group 2014 \$	Holding Company 2015 \$	2014 \$
Revenue	34(b)	218,379,422	211,823,402	113,906,519	113,030,492
Other operating income	6	987,109	364,793	2,102,093	1,891,583
Changes in inventories of finished goods and work in progress		(1,991,010)	1,140,605	(598,454)	113,817
Raw materials and consumables used		(148,103,009)	(149,111,909)	(82,611,629)	(87,376,566)
Staff costs		(14,692,321)	(12,170,151)	(6,821,573)	(5,721,931)
Depreciation		(6,830,976)	(6,227,437)	(2,900,848)	(2,002,457)
Other operating expenses		(27,229,481)	(25,007,353)	(11,957,183)	(10,809,161)
Profit from operations		20,519,734	20,811,950	11,118,925	9,125,777
Net finance costs	7	(1,078,762)	(1,369,500)	(700,260)	(653,121)
Profit before tax	10	19,440,972	19,442,450	10,418,665	8,472,656
Income tax expense	8	(1,985,387)	(3,444,625)	(394,541)	(1,225,134)
Profit for the year from continuing operations		17,455,585	15,997,825	10,024,124	7,247,522
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		\$ 17,455,585	\$ 15,997,825	\$ 10,024,124	\$ 7,247,522
Attributable to:					
- Owners of the parent company		16,513,240	15,312,392		
- Non-controlling interests		942,345	685,433		
		\$ 17,455,585	\$ 15,997,825		
Basic and diluted earnings per share (cents)	27	11.01	10.21		

The above statements of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

FMF FOODS LIMITED AND SUBSIDIARIES
**BALANCE SHEETS
AS AT 30 JUNE 2015**

	Notes	Group		Holding Company	
		2015	2014	2015	2014
		\$	\$	\$	\$
Current assets					
Cash on hand and at bank	11(a)	29,727,921	12,836,546	4,581,785	267,769
Inventories	12	33,227,979	37,512,989	12,120,052	16,065,541
Trade receivables	13	25,261,485	27,753,559	7,272,104	8,826,407
Other receivables	14	7,346,578	3,379,876	1,500,128	1,775,407
Held-to-maturity investments	15	7,056,200	7,005,450	4,645,000	4,596,300
Current tax asset	8	1,049,467	-	348,229	-
Amounts owing by related companies	30(c)	<u>25,905</u>	<u>2,016</u>	<u>132,439</u>	<u>1,186,963</u>
		<u>103,695,535</u>	<u>88,490,436</u>	<u>30,599,737</u>	<u>32,718,387</u>
Non-current assets					
Investments in subsidiaries	16(a)	-	-	16,979,245	14,279,245
Property, plant and equipment	17	56,330,241	51,865,373	21,499,031	18,730,021
Investment properties	18	-	59,775	-	-
Deferred tax assets	9(a)	<u>338,933</u>	<u>445,502</u>	<u>49,964</u>	<u>161,217</u>
		<u>56,669,174</u>	<u>52,370,650</u>	<u>38,528,240</u>	<u>33,170,483</u>
Total assets		<u>160,364,709</u>	<u>140,861,086</u>	<u>69,127,977</u>	<u>65,888,870</u>
Current liabilities					
Bank overdraft	11(a)	26,690,087	13,947,953	9,301,248	10,056,270
Trade and other payables	20	10,151,130	10,437,786	3,019,853	3,114,778
Current tax liabilities	8	-	786,115	-	148,714
Borrowings	22	6,000,000	9,000,000	1,920,000	4,920,000
Amounts owing to related companies	30(d)	<u>559,100</u>	<u>93,801</u>	<u>2,279,910</u>	<u>2,527,270</u>
		<u>43,400,317</u>	<u>34,265,655</u>	<u>16,521,011</u>	<u>20,767,032</u>
Non-current liabilities					
Borrowings	22	13,500,000	19,500,000	3,120,000	5,040,000
Deferred tax liabilities	9(b)	<u>3,907,271</u>	<u>2,690,895</u>	<u>1,461,589</u>	<u>280,585</u>
		<u>17,407,271</u>	<u>22,190,895</u>	<u>4,581,589</u>	<u>5,320,585</u>
Total liabilities		<u>60,807,588</u>	<u>56,456,550</u>	<u>21,102,600</u>	<u>26,087,617</u>
Net assets		\$ 99,557,121 =====	\$ 84,404,536 =====	\$ 48,025,377 =====	\$ 39,801,253 =====
Equity					
Share capital	25	6,000,000	6,000,000	6,000,000	6,000,000
Retained earnings		<u>88,925,736</u>	<u>74,212,496</u>	<u>42,025,377</u>	<u>33,801,253</u>
		94,925,736	80,212,496	48,025,377	39,801,253
Non-controlling interests		<u>4,631,385</u>	<u>4,192,040</u>	-	-
Total equity		\$ 99,557,121 =====	\$ 84,404,536 =====	\$ 48,025,377 =====	\$ 39,801,253 =====

The above balance sheets should be read in conjunction with the accompanying notes.

For and on behalf of the Board and in accordance with a resolution of the directors.

Dated this 22nd day of September 2015.


.....
Gary Callaghan - Director


.....
Ram Bajekal - Managing Director

FMF FOODS LIMITED AND SUBSIDIARIES**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015**

		Attributable to the members of the Holding Company				
	Note	Share capital \$	Retained earnings \$	Total \$	Non-controlling interests \$	Total equity \$
Balance at 1 July 2013		6,000,000	60,700,104	66,700,104	3,918,607	70,618,711
Comprehensive income						
Profit for the year		<u>-</u>	<u>15,312,392</u>	<u>15,312,392</u>	<u>685,433</u>	<u>15,997,825</u>
Total comprehensive income		<u>-</u>	<u>15,312,392</u>	<u>15,312,392</u>	<u>685,433</u>	<u>15,997,825</u>
Transactions with owners						
Dividends	26	<u>-</u>	<u>(1,800,000)</u>	<u>(1,800,000)</u>	<u>(412,000)</u>	<u>(2,212,000)</u>
Balance at 30 June 2014		<u>6,000,000</u>	<u>74,212,496</u>	<u>80,212,496</u>	<u>4,192,040</u>	<u>84,404,536</u>
Comprehensive income						
Profit for the year		<u>-</u>	<u>16,513,240</u>	<u>16,513,240</u>	<u>942,345</u>	<u>17,455,585</u>
Total comprehensive income		<u>-</u>	<u>16,513,240</u>	<u>16,513,240</u>	<u>942,345</u>	<u>17,455,585</u>
Transactions with owners						
Dividends	26	<u>-</u>	<u>(1,800,000)</u>	<u>(1,800,000)</u>	<u>(503,000)</u>	<u>(2,303,000)</u>
Balance at 30 June 2015		<u>\$ 6,000,000</u>	<u>\$88,925,736</u>	<u>\$94,925,736</u>	<u>\$ 4,631,385</u>	<u>\$ 99,557,121</u>

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

FMF FOODS LIMITED AND SUBSIDIARIES**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015****Holding Company**

	Note	Share capital	Retained earnings	Total
		\$	\$	\$
Balance at 1 July 2013		<u>6,000,000</u>	<u>28,353,731</u>	<u>34,353,731</u>
Comprehensive income				
Profit for the year		<u>-</u>	<u>7,247,522</u>	<u>7,247,522</u>
Total comprehensive income		<u>-</u>	<u>7,247,522</u>	<u>7,247,522</u>
Transactions with owners				
Dividend	26	<u>-</u>	<u>(1,800,000)</u>	<u>(1,800,000)</u>
Balance at 30 June 2014		<u>6,000,000</u>	<u>33,801,253</u>	<u>39,801,253</u>
Comprehensive income				
Profit for the year		<u>-</u>	<u>10,024,124</u>	<u>10,024,124</u>
Total comprehensive income		<u>-</u>	<u>10,024,124</u>	<u>10,024,124</u>
Transactions with owners				
Dividend	26	<u>-</u>	<u>(1,800,000)</u>	<u>(1,800,000)</u>
Balance at 30 June 2015		<u>\$ 6,000,000</u>	<u>\$ 42,025,377</u>	<u>\$ 48,025,377</u>

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

FMF FOODS LIMITED AND SUBSIDIARIES**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2015**

	Note	2015 \$	2014 \$
Cash flows from operating activities			
Receipts from customers		221,385,935	207,724,412
Payments to suppliers and employees		(186,939,252)	(177,551,124)
Cash generated from operations		34,446,683	30,173,288
Income taxes paid		(2,498,024)	(2,992,088)
Interest paid		(1,166,136)	(1,452,140)
Net cash generated from operating activities		<u>30,782,523</u>	<u>25,729,060</u>
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		84,348	100,174
Acquisition of property, plant and equipment		(15,451,254)	(13,323,473)
Interest received		87,374	82,640
(Investment) / withdrawal from term deposits		(50,750)	<u>1,582,775</u>
Net cash used in investing activities		(15,330,282)	(11,557,884)
Cash flows from financing activities			
Proceeds from issuance of ordinary shares		-	1
Repayment of borrowings		(9,000,000)	(6,162,800)
Dividends paid		(2,303,000)	(2,212,000)
Net cash used in financing activities		(11,303,000)	(8,374,799)
Net increase in cash and cash equivalents		4,149,241	5,796,377
Cash and cash equivalents at the beginning of the year		(1,111,407)	(6,907,784)
Cash and cash equivalents at the end of the year	11(a)	\$ 3,037,834 =====	(\$ 1,111,407) =====

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

FMF FOODS LIMITED AND SUBSIDIARIES**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2015****Holding Company**

	Note	2015 \$	2014 \$
Cash flows from operating activities			
Receipts from customers		117,226,527	110,726,464
Payments to suppliers and employees		(98,110,357)	(100,779,224)
Cash generated from operations		19,116,170	9,947,240
Interest paid		(877,800)	(744,016)
Income tax refund / (paid)		400,773	(1,190,407)
Net cash generated from operating activities		<u>18,639,143</u>	<u>8,012,817</u>
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		73,913	72,784
Acquisition of property, plant and equipment		(5,669,858)	(9,866,291)
Dividend received		1,317,000	1,068,000
Interest received		177,540	90,895
(Investment in) / withdrawal from term deposits		(48,700)	591,700
Investment in subsidiary		(2,700,000)	(299,999)
Net cash used in investing activities		<u>(6,850,105)</u>	<u>(8,342,911)</u>
Cash flows from financing activities			
Repayment of borrowings		(4,920,000)	(2,442,800)
Dividends paid		(1,800,000)	(1,800,000)
Net cash used in financing activities		<u>(6,720,000)</u>	<u>(4,242,800)</u>
Net increase / (decrease) in cash and cash equivalents		5,069,038	(4,572,894)
Cash and cash equivalents at the beginning of the year		<u>(9,788,501)</u>	<u>(5,215,607)</u>
Cash and cash equivalents at the end of the year	11(a)	<u>(\$ 4,719,463)</u> =====	<u>(\$ 9,788,501)</u> =====

The above statement of cash flows should be read in conjunction with the accompanying notes.

FMF FOODS LIMITED AND SUBSIDIARIES

1 GENERAL INFORMATION

FMF Foods Limited ('the Company') and its subsidiaries (together forming 'the Group') engage in the milling of wheat, whole dunfield peas, manufacturing of packaging materials including corrugated cartons, assorted containers and bags, manufacturing of biscuits and snacks food products, sale of rice, crushed and feed wheat and related products and investments. The Company is a limited liability company incorporated and domiciled in the Republic of Fiji. The Company and two of its subsidiaries, The Rice Company of Fiji Limited and Atlantic & Pacific Packaging Company Limited are listed on the South Pacific Stock Exchange.

These financial statements were authorised for issue by the Board of Directors on 22nd September 2015.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted by FMF Foods Limited are stated to assist in a general understanding of these financial statements. These policies have been consistently applied by the Company and the Group except where otherwise indicated.

2.1 Basis of preparation

The financial statements of the Company and the Group have been prepared in accordance with the provisions of the Companies Act 1983 and International Financial Reporting Standards ("IFRS") and IFRS Interpretations Committee (IFRS IC) interpretations. The financial statements have been prepared under the basis of historical costs.

a) New and amended standards adopted by the Company and the Group

There are no IFRSs or IFRS IC interpretations that are effective for the first time for the financial year beginning on or after 1 July 2014 that have a material impact on the Company and the Group.

b) New standards, amendments and interpretations issued but not effective for the financial year beginning 1 July 2014 and not early adopted

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 July 2014, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Company and the Group, except the following set out below:

Topic	Key Requirements	Effective Date
IFRS 9, 'Financial instruments'	This standard addresses the classification, measurement and recognition of financial assets and financial liabilities. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through OCI and fair value through P&L. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39.	Annual periods beginning on or after 1 January 2018

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

2.1 Basis of preparation - continued

b) New standards, amendments and interpretations issued but not effective for the financial year beginning 1 July 2014 and not early adopted - continued

Topic	Key Requirements	Effective Date
IFRS 9, 'Financial instruments' - continued	For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under IAS 39.	
IFRS 15, 'Revenue from contracts with customers'	This standard deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and related interpretations.	Annual periods beginning on or after 1 January 2017

The Company and the Group are yet to assess the impact of the above standards and intend to adopt the standards no later than the accounting period in which it becomes effective.

2.2 Principles of consolidation

Subsidiaries

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

The Group applies the acquisition method 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 to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

FMF FOODS LIMITED AND SUBSIDIARIES

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

2.2 Principles of consolidation - continued

Inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Profits and losses resulting from intercompany transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The Group financial statements are prepared as consolidated financial statements as described in IFRS 10 while Holding Company financial statements are prepared as separate financial statements as described in IAS 27.

2.3 Segment reporting

The Board of Directors is the Group's chief operating decision-maker. Management has determined the operating segments based on the information reviewed by the Board of Directors for the purposes of allocating resources and assessing performance.

An operating segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other operating segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and return that are different from those segments operating in other economic environments. The Group operates predominantly within one geographical segment, that is, Fiji. For reporting purposes, the Group considers itself to be operating in three business segments, that is, food, packaging and properties.

2.4 Foreign currency translation

i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Fijian Dollars, which is the Group's presentation currency.

ii) Transactions and balances

Foreign currency transactions are translated into the Fijian currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

2.5 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and 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 are charged to profit or loss during the financial period in which they are incurred.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued**2.5 Property, plant and equipment - continued**

Depreciation / amortisation is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Premium on leasehold land	- term of lease
Buildings	- 2% - 10%
Plant and machinery	- 4% - 33%
Motor vehicles	- 25%
Furniture, fittings and office machines	- 6.7% - 25%
Computers	- 33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

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.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.6 Investment properties

Investment properties, principally comprising leasehold land and buildings, are held for long-term rental yields. Investment properties are stated at historical cost less any accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation / amortisation rates are as noted in Note 2.5.

2.7 Financial assets

The Company and the Group classifies its financial assets in the following categories: loans and receivables and held- to-maturity financial assets. Management determines the classification of its financial assets at initial recognition. The classification depends on the purpose for which the financial assets were acquired.

2.7.1 Classification*(a) Loans and receivables*

The Company and the Group's loans and receivables comprise 'trade and other receivables' and 'cash and cash equivalents' that are included in current assets in the balance sheet.

(b) Held-to-maturity financial assets

Held-to-maturity financial assets 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. For the Company and the Group, these comprise term deposit investments.

2.7.2 Recognition and measurement

Regular purchases and sales of financial assets are recognised on trade-date – the date on which the Company and the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition.

Loans and receivables and held-to-maturity investments are subsequently carried at amortised cost using the effective interest method.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued**2.7 Financial assets - continued****2.7.2 Recognition and measurement – continued**

Financial assets are derecognised when the rights to receive cash flows from them have expired or where they have been transferred and the Company and the Group has also transferred substantially all risks and rewards of ownership.

Interest income on held-to-maturity investments are included in profit or loss and are reported under finance income as interest income. In the case of impairment, it is reported as a deduction from the carrying value of the investment and recognised in profit or loss as impairment on investment.

2.8 Offsetting financial instruments

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

2.9 Impairment of financial assets

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

For loans and receivables and held-to-maturity categories, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss.

2.10 Impairment of non-financial assets

Assets that have an indefinite useful life, are not subject to amortisation and are tested annually for impairment and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and the value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

2.11 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average cost (WAC) method. The cost of finished goods and work in progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

2.12 Trade receivables

Trade receivables are recognised at invoice amount. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss within other operating expenses.

When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited to other operating income in profit or loss.

2.13 Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks and bank overdraft. In the balance sheet, bank overdraft is shown in current liabilities.

2.14 Share capital

Ordinary shares are classified as equity.

2.15 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are recognised at amortised cost.

2.16 Borrowings

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.17 Current and deferred income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued**2.17 Current and deferred income tax – continued**

Deferred income tax is recognised using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the 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 balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

2.18 Provisions

Provisions are recognised when the Company and the Group have a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

2.19 Revenue recognition

Revenue comprises the consideration received or receivable for the sale of goods or services in the ordinary course of the Company and of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts. Sale is recognised when goods are dispatched from the factory.

Other income sources for the Company and Group include:

- (a) Dividend income
Dividend income is recognised when the right to receive dividend is established.
- (b) Interest income
Interest income is recognised on an accrual basis.

2.20 Leases

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

Leases of property, plant and equipment where the Company and the Group have 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 property and the present value of the minimum lease payments. The corresponding rent obligations, net of finance charges, are included in other long term payables. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The interest element of the finance cost is charged to 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. The property, plant and equipment acquired under finance leases are depreciated over the shorter of the asset's useful life and the lease term.

FMF FOODS LIMITED AND SUBSIDIARIES

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

2.21 Employee benefits

Liabilities for employees' entitlements to wages and salaries, annual leave and other current employee entitlements (that are expected to be paid within twelve months) are accrued at undiscounted amounts, calculated at amounts expected to be paid as at reporting date.

2.22 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are declared by the Company's directors.

Dividends are subject to the provisions of the Fiji Income Tax Act (1974) and Income Tax (Dividend) Regulations 2001.

2.23 Earnings per share

Basic earnings per share

Basic earnings per share (EPS) is determined by dividing profit after income tax attributable to shareholders by the number of ordinary shares as at balance sheet date.

Diluted earnings per share

Diluted EPS is the same as the basic EPS as there are no potential ordinary shares which are considered dilutive.

2.24 Comparative figures

Where necessary, amounts relating to prior years have been reclassified to facilitate comparison and achieve consistency in disclosure with current year amounts.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Except for the depreciation of property, plant and equipment (Note 2.5), the Company and the Group do not have any significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have a significant effect on the amounts recognised in the financial statements.

4 FINANCIAL RISK MANAGEMENT

The Company and the Group's activities expose it to a variety of financial risks: market risk (including currency risk), credit risk and liquidity risk. The Company and the Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company and the Group's financial performance.

Risk management is carried out by the Executive Management. The Executive Management under the directions of the Audit and Finance Committee identifies and evaluates financial and operational risks. The board provides overall direction in risk management.

4 FINANCIAL RISK MANAGEMENT – continued

(a) Market risk

Foreign exchange risk

The Company and the Group are exposed to foreign exchange risk arising from various currency exposures in respect to purchase of inventory, primarily with respect to the Australian and NZ dollar. Foreign exchange risk arises from future commercial transactions and liabilities.

Management has set up a policy to require the Company and the Group to manage their foreign exchange risk against their functional currency, in this case the Fijian dollar. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency other than the Fijian Dollar. For significant settlements, the Company and the Group are required to seek quotations from recognised banks and use the most favourable exchange rate for purposes of the settlement. A foreign currency account is also maintained which is used for settlement of foreign currency payments to overseas suppliers.

To determine the Company and the Group's sensitivity to foreign exchange risk, the Company and the Group calculate an implied volatility in exchange rates by calculating the maximum variation of daily spot rates from the average exchange rate for the year.

As at year end, assets and liabilities denominated in foreign currencies are minimal for the Company and hence changes in foreign currency exchange rate is expected to have minimal impact on the net profit and equity balances currently reflected in the Company's financial statements.

For the Group, at 30 June 2015, if the Fijian dollar had strengthened/weakened by an implied volatility of 5% against AUD with all other variables held constant, post tax profit for the year would have been about \$125,518 lower/higher (2014:\$43,700), mainly as a result of the foreign exchange differences on the translation of AUD denominated trade receivables and trade payables.

For the Group, at 30 June 2015, if the Fijian dollar had strengthened/weakened by an implied volatility of 5% against NZD with all other variables held constant, post tax profit for the year would have been about \$43,126 lower/higher (2014:\$ 34,500), mainly as a result of the foreign exchange differences on the translation of NZD denominated trade receivables and trade payables.

(b) Credit risk

Credit risk is managed by management with board oversight. Credit risk arises from cash and cash equivalents, and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables. As part of its risk control procedures, an assessment of the credit quality of a new customer, taking into account its financial position, past experience and other factors is carried out. Individual credit risk limits are then set based on the assessments done. The utilisation of credit limits is regularly monitored. Sales to credit retail customers are settled in either cash or bank cheques.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash to meet its present obligations.

Management monitors rolling forecasts of the Company and the Group's liquidity reserve comprising cash and cash equivalents on the basis of expected cash flows.

4 FINANCIAL RISK MANAGEMENT – continued

(c) Liquidity risk – continued

The Group and Company's financial liabilities are analysed below into relevant maturity groupings based on the remaining period at balance sheet date to the contractual maturity date.

Group	Up to 1 year	1 to 2 years	2 to 5 years	Over 5	Total
	\$'000	\$'000	\$'000	Years	\$'000
				\$'000	
As at 30 June 2015					
Bank overdraft	26,690	-	-	-	26,690
Borrowings and interest	6,653	6,419	7,719	-	20,791
Trade and other payables	10,151	-	-	-	10,151
Amounts owing to related companies	559	-	-	-	559
Total	44,053	6,419	7,719	-	58,191

As at 30 June 2014					
Bank overdraft	13,948	-	-	-	13,948
Borrowings and interest	9,887	6,653	14,138	-	30,678
Trade and other payables	10,438	-	-	-	10,438
Amounts owing to related companies	94	-	-	-	94
Total	34,367	6,653	14,138	-	55,158

Company	Up to 1 year	1 to 2 years	2 to 5 years	Over 5	Total
	\$'000	\$'000	\$'000	Years	\$'000
				\$'000	
As at 30 June 2015					
Bank overdraft	9,301	-	-	-	9,301
Borrowings and interest	2,082	2,007	1,217	-	5,306
Trade and other payables	3,020	-	-	-	3,020
Amounts owing to related companies	2,280	-	-	-	2,280
Total	16,683	2,007	1,217	-	19,907

As at 30 June 2014					
Bank overdraft	10,056	-	-	-	10,056
Borrowings and interest	5,157	2,082	3,224	-	10,463
Trade and other payables	3,115	-	-	-	3,115
Amounts owing to related companies	2,527	-	-	-	2,527
Total	20,855	2,082	3,224	-	26,161

Letters of credit and guarantees are disclosed in the Note 29.

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 for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Group has a number of financial covenants to comply with as part of the terms of its borrowings. These financial covenants are managed as part of the Group's capital management. The Group has complied with all its externally imposed capital requirements.

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5 CAPITAL RISK MANAGEMENT - continued

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the balance sheet) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the balance sheet plus net debt.

The gearing ratios were as follows:

	2015 \$	2014 \$
Total borrowings (Note 22)	19,500,000	28,500,000
Cash, cash equivalents and bank overdraft (Note 11)	(3,037,834)	1,111,407
Net debt	<u>16,462,166</u>	<u>29,611,407</u>
Equity	<u>99,557,121</u>	<u>84,404,536</u>
Total capital	<u>\$ 116,019,287</u>	<u>\$ 114,015,943</u>
Gearing ratio	14%	26%

6 OTHER OPERATING INCOME

	Group		Holding Company	
	2015 \$	2014 \$	2015 \$	2014 \$
Gain on disposal of property, plant and equipment	448,781	92,783	73,913	72,784
Exchange gains	368,460	88,702	-	-
Dividend income	-	-	1,317,000	1,068,000
Other income	<u>169,868</u>	<u>183,308</u>	<u>711,180</u>	<u>750,799</u>
	<u>\$ 987,109</u>	<u>\$ 364,793</u>	<u>\$ 2,102,093</u>	<u>\$ 1,891,583</u>

7 NET FINANCE INCOME AND COST

	Group		Holding Company	
	2015 \$	2014 \$	2015 \$	2014 \$
Finance income				
Interest on term deposits	70,319	82,640	46,136	44,005
Interest on intercompany advance	<u>17,055</u>	-	<u>131,404</u>	<u>46,890</u>
	<u>87,374</u>	<u>82,640</u>	<u>177,540</u>	<u>90,895</u>
Finance costs				
Interest on intercompany advance	(8,879)	-	(501,976)	(283,404)
Interest on borrowings	<u>(1,157,257)</u>	<u>(1,452,140)</u>	<u>(375,824)</u>	<u>(460,612)</u>
	<u>(1,166,136)</u>	<u>(1,452,140)</u>	<u>(877,800)</u>	<u>(744,016)</u>
Net finance income and expense	<u>(\$ 1,078,762)</u>	<u>(\$ 1,369,500)</u>	<u>(\$ 700,260)</u>	<u>(\$ 653,121)</u>

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8 INCOME TAX EXPENSE

	Group		Holding Company	
	2015	2014	2015	2014
	\$	\$	\$	\$
Current tax:				
Current tax on profits for the year	1,970,005	3,744,546	316,723	1,307,310
Adjustments in respect of prior year	(1,307,563)	21,513	(1,214,439)	2,867
Total current tax	<u>662,442</u>	<u>3,766,059</u>	<u>(897,716)</u>	<u>1,310,177</u>
Deferred tax:				
Origination and reversal of temporary differences	491,726	(329,264)	596,774	(82,393)
Adjustments in respect of prior year	<u>831,219</u>	<u>7,830</u>	<u>695,483</u>	<u>(2,650)</u>
Total deferred tax	<u>1,322,945</u>	<u>(321,434)</u>	<u>1,292,257</u>	<u>(85,043)</u>
Income tax expense	<u>1,985,387</u>	<u>3,444,625</u>	<u>394,541</u>	<u>1,225,134</u>

The prima facie income tax payable on pre-tax accounting profit is reconciled to the income tax as follows:

	Group		Holding Company	
	2015	2014	2015	2014
	\$	\$	\$	\$
Profit before tax	<u>19,440,972</u>	<u>19,442,450</u>	<u>10,418,665</u>	<u>8,472,656</u>
Prima facie tax at 10% / 20% (2014: 18.5% / 20%)	2,591,699	3,732,097	1,041,867	1,567,441
Tax effects of:				
- Exempt dividends	-	-	(131,700)	(197,580)
- Non-deductible items (net)	46,405	59,889	22,862	38,696
- Export incentive	(110,006)	(222,419)	(19,532)	(82,177)
- Change in tax rate	-	(154,285)	-	(101,463)
- Income not subject to tax	(66,367)	-	-	-
Prior year adjustments	<u>(476,344)</u>	<u>29,343</u>	<u>(518,956)</u>	<u>217</u>
Income tax expense	1,985,387	3,444,625	394,541	1,225,134
Temporary differences	<u>(1,322,945)</u>	<u>321,434</u>	<u>(1,292,257)</u>	<u>85,043</u>
	662,442	3,766,059	(897,716)	1,310,177
Add: Opening current tax liabilities	786,115	12,144	148,714	28,944
Less: Taxes (paid) / refund	<u>(2,498,024)</u>	<u>(2,992,088)</u>	<u>400,773</u>	<u>(1,190,407)</u>
Current tax (assets) / liabilities	<u>(\$ 1,049,467)</u>	<u>\$ 786,115</u>	<u>(\$ 348,229)</u>	<u>\$ 148,714</u>

The Fijian company tax rate for listed companies was reduced from 18.5% to 10% effective from 1st January, 2014

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9 DEFERRED TAXES

Represented by the tax effect of the following temporary differences:

(a) Deferred tax assets

	Group			Total
	Tax losses	Property, plant & equipment	Other	
At 1 July 2013	300,122	157,479	207,059	664,660
Charged/ (credited) to profit or loss	(154,895)	(84,490)	20,227	(219,158)
At 30 June 2014	145,227	72,989	227,286	445,502
Charged/ (credited) to profit or loss	17,598	(72,989)	(51,178)	(106,569)
At 30 June 2015	\$ 162,825	\$ -	\$ 176,108	\$ 338,933

Holding Company

	Property, plant & equipment	Other	Total
At 1 July 2013	157,479	118,528	276,007
Charged/ (credited) to profit or loss	(84,490)	(30,300)	(114,790)
At 30 June 2014	72,989	88,228	161,217
Charged/ (credited) to profit or loss	(72,989)	(38,264)	(111,253)
At 30 June 2015	\$ -	\$ 49,964	\$ 49,964

(b) Deferred tax liabilities

	Group		
	Property, plant & equipment	Other	Total
At 1 July 2013	2,295,977	935,510	3,231,487
Charged/ (credited) to profit or loss	(22,694)	(517,898)	(540,592)
At 30 June 2014	2,273,283	417,612	2,690,895
Charged/ (credited) to profit or loss	953,201	263,175	1,216,376
At 30 June 2015	\$ 3,226,484	\$ 680,787	\$ 3,907,271

Holding Company

	Property, plant & equipment	Other	Total
At 1 July 2013	-	480,418	480,418
Charged/ (credited) to profit or loss	-	(199,833)	(199,833)
At 30 June 2014	-	280,585	280,585
Charged/ (credited) to profit or loss	1,176,134	4,870	1,181,004
At 30 June 2015	\$ 1,176,134	\$ 285,455	\$ 1,461,589

The Fijian company tax rate for listed companies was reduced from 18.5% to 10% effective from 1 January 2014.

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**NOTES TO AND FORMING PART OF
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FOR THE YEAR ENDED 30 JUNE 2015**
10 PROFIT BEFORE TAX

Included in profit before tax are the following items of revenues and expenses:

	Group		Holding Company	
	2015	2014	2015	2014
	\$	\$	\$	\$
Revenue				
Gain on disposal of property, plant and equipment	448,781	92,783	73,913	72,784
Exchange gain	368,460	88,702	-	-
Expenses				
Auditors' remuneration				
- PricewaterhouseCoopers	89,555	87,555	36,593	36,593
- Other auditors	25,900	25,900	-	-
Directors' emoluments				
- Directors' fees	16,000	15,000	16,000	15,000
Doubtful debts	73,823	585,661	10,558	276,015
Loss on disposal of property, plant and equipment	-	445,710	-	-
Depreciation and amortisation	6,830,976	6,227,437	2,900,848	2,002,457

11 CASH AND CASH EQUIVALENTS

(a) Cash at the end of the year as shown in the statements of cash flows is reconciled to the related items in the balance sheets as follows:

	Group		Holding Company	
	2015	2014	2015	2014
	\$	\$	\$	\$
Cash on hand and at bank	29,727,921	12,836,546	4,581,785	267,769
Bank overdraft	(26,690,087)	(13,947,953)	(9,301,248)	(10,056,270)
Cash and cash equivalents	\$ 3,037,834	(\$ 1,111,407)	(\$ 4,719,463)	(\$ 9,788,501)
	=====	=====	=====	=====

(b) Financing facilities

Bank overdraft facility from ANZ totalling \$15m (2014: \$15m) is available to the Group and interchangeable amongst the Group companies. One of the subsidiaries also has a bank overdraft facility from Bank of Baroda totalling \$6.25m (2014: \$6.25m). Refer to Note 21 for securities provided.

12 INVENTORIES

	Group		Holding Company	
	2015	2014	2015	2014
	\$	\$	\$	\$
Finished products	5,542,700	7,548,471	1,397,852	1,911,495
Raw materials	16,983,371	20,008,509	8,929,919	11,536,982
Packing materials	5,087,850	4,628,818	505,014	1,104,842
Consumables	354,692	540,409	221,790	93,023
Work in progress	221,433	206,672	2,581	87,392
Spares	2,537,448	2,261,716	1,062,896	1,151,760
	30,727,494	35,194,595	12,120,052	15,885,494
Goods in transit	2,500,485	2,318,394	-	180,047
	\$ 33,227,979	\$ 37,512,989	\$ 12,120,052	\$ 16,065,541
	=====	=====	=====	=====

FMF FOODS LIMITED AND SUBSIDIARIES

**NOTES TO AND FORMING PART OF
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13 TRADE RECEIVABLES

	2015	Group	2014	Holding Company	2014
	\$		\$	\$	\$
Trade receivables	26,308,056		28,726,307	7,770,928	9,314,673
Less: provision for impairment of trade receivables	(1,046,571)		(972,748)	(498,824)	(488,266)
Trade receivables - net	\$ 25,261,485		\$ 27,753,559	\$ 7,272,104	\$ 8,826,407
	=====		=====	=====	=====

As of 30 June 2015, trade receivables of \$14,847,766 (2014: \$17,865,012) for the Group and \$3,999,788 (2014: \$5,363,905) for the Company were fully performing. As of 30 June 2015, trade receivables as noted below were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

	2015	Group	2014	Holding Company	2014
	\$		\$	\$	\$
Over 1 month	6,956,857		7,670,930	2,032,742	2,835,396
Over 2 months	<u>3,456,862</u>		<u>2,217,617</u>	<u>1,239,574</u>	<u>627,106</u>
	\$ 10,413,719		\$ 9,888,547	\$ 3,272,316	\$ 3,462,502
	=====		=====	=====	=====

As of 30 June 2015, trade receivables as noted below were impaired and provided for. The individually impaired receivables mainly relate to balances that were in dispute or where the customer is facing financial difficulties. The ageing of these receivables is as follows:

	2015	Group	2014	Holding Company	2014
	\$		\$	\$	\$
Over 1 month	-		-	-	-
Over 2 months	<u>1,046,571</u>		<u>972,748</u>	<u>498,824</u>	<u>488,266</u>
	\$ 1,046,571		\$ 972,748	\$ 498,824	\$ 488,266
	=====		=====	=====	=====

Movement in the provision for impairment of trade receivables is as follows:

	2015	Group	2014	Holding Company	2014
	\$		\$	\$	\$
At 1 July	972,748		387,087	488,266	212,251
Provision for impaired receivables	73,823		586,222	10,558	276,015
Unused amounts reversed	<u>-</u>		(561)	<u>-</u>	<u>-</u>
At 30 June	\$ 1,046,571		\$ 972,748	\$ 498,824	\$ 488,266
	=====		=====	=====	=====

The maximum exposure to credit risk at the reporting date is the carrying value (which is also the fair value) as noted above. The Company and the Group do not hold any collateral as security.

FMF FOODS LIMITED AND SUBSIDIARIES**NOTES TO AND FORMING PART OF
THE FINANCIAL STATEMENTS - Cont'd
FOR THE YEAR ENDED 30 JUNE 2015****14 OTHER RECEIVABLES**

	Group		Holding Company	
	2015	2014	2015	2014
	\$	\$	\$	\$
Prepayments and other receivables	7,365,329	3,398,627	1,500,128	1,775,407
Less: provision for impairment of other receivables	(18,751)	(18,751)	-	-
	<u>\$ 7,346,578</u>	<u>\$ 3,379,876</u>	<u>\$ 1,500,128</u>	<u>\$ 1,775,407</u>
	=====	=====	=====	=====

Movement in the provision for impairment of other receivables is as follows:

	Group		Holding Company	
	2015	2014	2015	2014
	\$	\$	\$	\$
At 1 July	18,751	18,751	-	-
Provision for impaired receivables	-	-	-	-
Unused amounts reversed	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 30 June	<u>\$ 18,751</u>	<u>\$ 18,751</u>	<u>\$ -</u>	<u>\$ -</u>
	=====	=====	=====	=====

15 HELD-TO-MATURITY INVESTMENTS

	Group		Holding Company	
	2015	2014	2015	2014
	\$	\$	\$	\$
Term deposits	<u>\$ 7,056,200</u>	<u>\$ 7,005,450</u>	<u>\$ 4,645,000</u>	<u>\$ 4,596,300</u>
	=====	=====	=====	=====

The above term deposits are held with Bank of Baroda and are short term in nature. \$6.91m (2014: \$6.86m) of the term deposits are held as lien for the \$6.25m (2014: \$6.25m) bank overdraft facility with the bank. In case of default on the bank overdraft, the bank has the right to receive the cash flows from the term deposits.

FMF FOODS LIMITED AND SUBSIDIARIES

**NOTES TO AND FORMING PART OF
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FOR THE YEAR ENDED 30 JUNE 2015**

16 INVESTMENTS IN SUBSIDIARIES

- (a) Investments in subsidiaries are stated at cost less provision for impairment and comprise the following:

	% Interest	Country of Incorporation	2015 \$	Group 2014 \$	2015 \$	2014 \$
Unlisted Companies						
Pea Industries Limited	100	Fiji	-	-	128,250	128,250
Biscuit Company of (Fiji) Limited	100	Fiji	-	-	500,000	500,000
DHF Limited	100	Fiji	-	-	300,000	300,000
FMF Dairy Company Limited (non operating)	100	Fiji	-	-	999	999
FMF Investment Company Limited	100	Fiji	-	-	6,399,997	6,399,997
FMF Snax Limited	100	Fiji	-	-	2,000,000	2,000,000
Bakery Company (Fiji) Limited	100	Fiji	-	-	2,999,999	299,999
			-	-	12,329,245	9,629,245
Listed Companies						
The Rice Company of Fiji Limited (Market value as at 30.6.15 - \$15,300,000)	75	Fiji	-	-	2,250,000	2,250,000
Atlantic & Pacific Packaging Company Limited (Market value as at 30.6.15 - \$3,600,000)	60	Fiji	-	-	2,400,000	2,400,000
			\$ -	\$ -	\$16,979,245	\$ 14,279,245
			=====	=====	=====	=====

- (b) The financial statements of the subsidiaries, The Rice Company of Fiji Limited, FMF Snax Limited and FMF Investment Company Limited are audited by BDO Chartered Accountants.

- (c) Material non-controlling interests

The two material subsidiaries with non-controlling interests are The Rice Company of Fiji Limited (RCF) and Atlantic & Pacific Packaging Company Limited (ATPACK) with 25% and 40% ordinary shares held by non-controlling interest respectively.

The total non-controlling interest at year end was \$4,631,385 (2014: \$4,192,040), of which \$2,717,820 (2014: \$2,347,595) was for RCF and \$1,913,565 (2014: \$1,844,445) was attributed to ATPACK.

The profit allocated to non-controlling interest for the year was \$942,345 (2014: \$685,433), of which \$745,227 (2014: \$532,931) was for RCF and \$197,118 (2014: \$152,502) was attributed to ATPACK.

The dividends paid to non-controlling interest during the year was \$503,000 (2014: \$412,000), of which \$375,000 (2014: \$300,000) was for RCF and \$128,000 (2014: \$112,000) was attributed to ATPACK.

FMF FOODS LIMITED AND SUBSIDIARIES

**NOTES TO AND FORMING PART OF
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16 INVESTMENTS IN SUBSIDIARIES - continued

(c) Material non-controlling interests – continued

Set out below are the summarised financial information for each subsidiary that has non-controlling interests that are material to the Group.

Summarised balance sheets

	RCF		ATPACK	
	2015	2014	2015	2014
	\$	\$	\$	\$
<u>Current</u>				
Assets	12,258,269	11,513,090	4,659,011	4,138,513
Liabilities	<u>1,392,954</u>	<u>2,127,890</u>	<u>1,838,651</u>	<u>793,131</u>
Current net assets	<u>10,865,315</u>	<u>9,385,200</u>	<u>2,820,360</u>	<u>3,345,382</u>
<u>Non-current</u>				
Assets	5,957	5,166	2,104,842	1,340,557
Liabilities	<u>-</u>	<u>-</u>	<u>141,294</u>	<u>74,826</u>
Non-current net assets	<u>5,957</u>	<u>5,166</u>	<u>1,963,548</u>	<u>1,265,731</u>
Net assets	<u>10,871,272</u>	<u>9,390,366</u>	<u>4,783,908</u>	<u>4,611,113</u>

Summarised statements of profit or loss and other comprehensive income

	RCF		ATPACK	
	2015	2014	2015	2014
	\$	\$	\$	\$
Revenue	25,085,173	21,955,339	8,563,417	7,637,737
Profit before income tax	3,312,118	2,621,840	551,195	399,583
Income tax expense	<u>(331,212)</u>	<u>(490,117)</u>	<u>(58,400)</u>	<u>(18,326)</u>
Net profit	2,980,906	2,131,723	492,795	381,257
Other comprehensive income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income	<u>2,980,906</u>	<u>2,131,723</u>	<u>492,795</u>	<u>381,257</u>

Summarised cash flows

	RCF		ATPACK	
	2015	2014	2015	2014
	\$	\$	\$	\$
Cash flows generated from / (used in) operating activities	2,392,482	2,119,204	(917,425)	827,062
Net cash used in investing activities	-	-	(1,088,701)	(101,166)
Net cash used in financing activities	<u>(1,500,000)</u>	<u>(1,200,000)</u>	<u>(284,909)</u>	<u>(244,633)</u>
Net increase / (decrease) in cash and cash equivalents	892,482	919,204	(2,291,035)	481,263
Cash and cash equivalents at the beginning of the year	<u>4,356,770</u>	<u>3,437,566</u>	<u>1,140,721</u>	<u>659,458</u>
Cash and cash equivalents at the end of the year	<u>5,249,252</u>	<u>4,356,770</u>	<u>(1,150,314)</u>	<u>1,140,721</u>

FMF FOODS LIMITED AND SUBSIDIARIES

**NOTES TO AND FORMING PART OF
THE FINANCIAL STATEMENTS - Cont'd
FOR THE YEAR ENDED 30 JUNE 2015**

17 PROPERTY, PLANT AND EQUIPMENT

Group

	Leasehold land & building \$	Freehold land & building \$	Motor vehicles \$	Plant, furniture & equipment \$	Work-in progress \$	Total \$
As at 1 July 2013						
Cost	25,690,558	1,554,272	3,281,223	71,233,470	2,308,307	104,067,830
Accumulated depreciation	(6,313,028)	(467,328)	(2,197,406)	(49,987,293)	-	(58,965,055)
Net book amount	<u>19,377,530</u>	<u>1,086,944</u>	<u>1,083,817</u>	<u>21,246,177</u>	<u>2,308,307</u>	<u>45,102,775</u>
For the year ended 30 June 2014						
Opening net book amount	19,377,530	1,086,944	1,083,817	21,246,177	2,308,307	45,102,775
Additions	386,499	-	865,739	2,581,751	9,608,071	13,442,060
Disposals	-	-	-	(453,101)	-	(453,101)
Transfers	87,330	-	-	7,470,391	(7,557,721)	-
Depreciation charge	(472,683)	(38,053)	(476,433)	(5,239,192)	-	(6,226,361)
Closing net book amount	<u>19,378,676</u>	<u>1,048,891</u>	<u>1,473,123</u>	<u>25,606,026</u>	<u>4,358,657</u>	<u>51,865,373</u>
At 30 June 2014						
Cost	26,164,387	1,554,272	3,842,325	82,020,996	4,358,657	117,940,637
Accumulated depreciation	(6,785,711)	(505,381)	(2,369,202)	(56,414,970)	-	(66,075,264)
Net book amount	\$ 19,378,676	\$ 1,048,891	\$ 1,473,123	\$ 25,606,026	\$ 4,358,657	\$ 51,865,373
	=====	=====	=====	=====	=====	=====
For the year ended 30 June 2015						
Opening net book amount	19,378,676	1,048,891	1,473,123	25,606,026	4,358,657	51,865,373
Additions	722,515	-	666,227	3,156,359	6,749,666	11,294,767
Transfers	2,562,237	-	-	5,703,805	(8,266,042)	-
Depreciation charge	(526,773)	(38,053)	(622,812)	(5,642,261)	-	(6,829,899)
Closing net book amount	<u>22,136,655</u>	<u>1,010,838</u>	<u>1,516,538</u>	<u>28,823,929</u>	<u>2,842,281</u>	<u>56,330,241</u>
At 30 June 2015						
Cost	29,449,139	1,554,272	4,263,476	91,277,038	2,842,281	129,386,206
Accumulated depreciation	(7,312,484)	(543,434)	(2,746,938)	(62,453,109)	-	(73,055,965)
Net book amount	\$ 22,136,655	\$ 1,010,838	\$ 1,516,538	\$ 28,823,929	\$ 2,842,281	\$ 56,330,241
	=====	=====	=====	=====	=====	=====

FMF FOODS LIMITED AND SUBSIDIARIES

**NOTES TO AND FORMING PART OF
THE FINANCIAL STATEMENTS - Cont'd
FOR THE YEAR ENDED 30 JUNE 2015**

17 PROPERTY, PLANT AND EQUIPMENT – continued

Holding Company

	Leasehold land & building \$	Freehold land & building \$	Motor vehicles \$	Plant, furniture & equipment \$	Work-in progress \$	Total \$
As at 1 July 2013						
Cost	6,134,566	1,554,272	2,822,759	26,112,288	473,980	37,097,865
Accumulated depreciation	(3,567,594)	(467,328)	(1,953,719)	(20,243,037)	-	(26,231,678)
Net book amount	<u>2,566,972</u>	<u>1,086,944</u>	<u>869,040</u>	<u>5,869,251</u>	<u>473,980</u>	<u>10,866,187</u>
For the year ended 30 June 2014						
Opening net book amount	2,566,972	1,086,944	869,040	5,869,251	473,980	10,866,187
Additions	-	-	539,130	478,462	8,848,699	9,866,291
Transfers	-	-	-	7,292,638	(7,292,638)	-
Depreciation charge	(123,319)	(38,053)	(376,175)	(1,464,910)	-	(2,002,457)
Closing net book amount	<u>2,443,653</u>	<u>1,048,891</u>	<u>1,031,995</u>	<u>12,175,441</u>	<u>2,030,041</u>	<u>18,730,021</u>
At 30 June 2014						
Cost	6,134,566	1,554,272	3,146,160	33,883,388	2,030,041	46,748,427
Accumulated depreciation	(3,690,913)	(505,381)	(2,114,165)	(21,707,947)	-	(28,018,406)
Net book amount	<u>\$ 2,443,653</u>	<u>\$ 1,048,891</u>	<u>\$ 1,031,995</u>	<u>\$ 12,175,441</u>	<u>\$ 2,030,041</u>	<u>\$ 18,730,021</u>
=====						
For the year ended 30 June 2015						
Opening net book amount	2,443,653	1,048,891	1,031,995	12,175,441	2,030,041	18,730,021
Additions	-	-	463,964	1,532,130	3,673,764	5,669,858
Transfers	-	-	-	5,703,805	(5,703,805)	-
Depreciation charge	(135,913)	(38,053)	(451,488)	(2,275,394)	-	(2,900,848)
Closing net book amount	<u>2,307,740</u>	<u>1,010,838</u>	<u>1,044,471</u>	<u>17,135,982</u>	<u>-</u>	<u>21,499,031</u>
At 30 June 2015						
Cost	6,134,566	1,554,272	3,405,957	41,119,323	-	52,214,118
Accumulated depreciation	(3,826,826)	(543,434)	(2,361,486)	(23,983,341)	-	(30,715,087)
Net book amount	<u>\$ 2,307,740</u>	<u>\$ 1,010,838</u>	<u>\$ 1,044,471</u>	<u>\$ 17,135,982</u>	<u>\$ -</u>	<u>\$ 21,499,031</u>
=====						

**NOTES TO AND FORMING PART OF
THE FINANCIAL STATEMENTS - Cont'd
FOR THE YEAR ENDED 30 JUNE 2015**

FMF FOODS LIMITED AND SUBSIDIARIES

18 INVESTMENT PROPERTIES

(i) Investment properties have been included in the financial statements on the following bases:

	Group		Holding Company	
	2015 \$	2014 \$	2015 \$	2014 \$
Land - at cost	-	4,919	-	-
	-	4,919	-	-
Buildings - at cost	-	86,384	-	-
Less: Accumulated depreciation	-	31,528	-	-
	-	54,856	-	-
Total - at cost	-	91,303	-	-
Less: Accumulated depreciation	-	31,528	-	-
	\$ -	\$ 59,775	\$ -	\$ -
	=====	=====	=====	=====

(ii) Reconciliation of investment property - Group

	Land \$	Building \$	Total \$
Carrying amount at 1 July 2014	4,919	54,856	59,775
Depreciation expense	-	(1,077)	(1,077)
Disposal	(4,919)	(53,779)	(58,698)
Carrying amount at 30 June 2015	\$ -	\$ -	\$ -
	=====	=====	=====

**NOTES TO AND FORMING PART OF
THE FINANCIAL STATEMENTS - Cont'd
FOR THE YEAR ENDED 30 JUNE 2015**

FMF FOODS LIMITED AND SUBSIDIARIES

19 INTANGIBLE ASSETS

	Group		Holding Company	
	2015	2014	2015	2014
	\$	\$	\$	\$
F1 Audio Visual production	1,458,212	1,458,212	1,458,212	1,458,212
Provision for impairment	(1,458,212)	(1,458,212)	(1,458,212)	(1,458,212)
	\$ -	\$ -	\$ -	\$ -
	=====	=====	=====	=====

20 TRADE AND OTHER PAYABLES

	Group		Holding Company	
	2015	2014	2015	2014
	\$	\$	\$	\$
Trade payables	5,733,003	7,507,286	1,341,188	1,899,041
Other payables and accruals	3,218,167	2,303,177	915,153	821,781
Staff cost accruals	<u>1,199,960</u>	<u>627,323</u>	<u>763,512</u>	<u>393,956</u>
	\$ 10,151,130	\$ 10,437,786	\$ 3,019,853	\$ 3,114,778
	=====	=====	=====	=====

21 BANK OVERDRAFT AND BORROWING SECURITIES

The ANZ secured loans and bank overdrafts of the Group are secured by a first registered mortgage debenture over all the assets of the Group including uncalled capital and unpaid premiums, cross guarantees by the subsidiaries, and a negative pledge by a subsidiary Atlantic & Pacific Packaging Company Limited not to lend or grant security to another party.

The BSP Life loan was secured by unlimited debt and interest guarantee by FMF Foods Limited. This was repaid during the year.

The overdraft facility with Bank of Baroda is secured by the various term deposits held with Bank of Baroda.

FMF FOODS LIMITED AND SUBSIDIARIES

**NOTES TO AND FORMING PART OF
THE FINANCIAL STATEMENTS - Cont'd
FOR THE YEAR ENDED 30 JUNE 2015**

22 BORROWINGS

	Group		Holding Company	
	2015	2014	2015	2014
	\$	\$	\$	\$
Current				
BSP Life	-	3,000,000	-	3,000,000
ANZ Bank	<u>6,000,000</u>	<u>6,000,000</u>	<u>1,920,000</u>	<u>1,920,000</u>
	<u>\$ 6,000,000</u>	<u>\$ 9,000,000</u>	<u>\$ 1,920,000</u>	<u>\$ 4,920,000</u>
	=====	=====	=====	=====
Non-Current				
ANZ Bank	<u>\$ 13,500,000</u>	<u>\$ 19,500,000</u>	<u>\$ 3,120,000</u>	<u>\$ 5,040,000</u>
	=====	=====	=====	=====

The carrying amounts of borrowings approximate their fair values.

The security details on borrowings are disclosed in Note 21.

23 FINANCIAL INSTRUMENTS BY CATEGORY

a) Group

30 June 2015

	Loans & receivables \$	Held-to- maturity \$	Total \$
Assets as per balance sheet			
Cash on hand and at bank	29,727,921	-	29,727,921
Trade receivables	25,261,485	-	25,261,485
Other receivables	7,346,578	-	7,346,578
Held-to-maturity investments	-	7,056,200	7,056,200
Amounts owing by related companies	<u>25,905</u>	<u>-</u>	<u>25,905</u>
	<u>\$ 62,361,889</u>	<u>\$ 7,056,200</u>	<u>\$ 69,418,089</u>
	=====	=====	=====
		Financial liabilities at amortised cost \$	Total \$
Liabilities as per balance sheet			
Bank overdraft		26,690,087	26,690,087
Trade and other payables		10,151,130	10,151,130
Amounts owing to related companies		559,100	559,100
Borrowings - current		6,000,000	6,000,000
Borrowings - non-current		<u>13,500,000</u>	<u>13,500,000</u>
		<u>\$ 56,900,317</u>	<u>\$ 56,900,317</u>
		=====	=====

FMF FOODS LIMITED AND SUBSIDIARIES

**NOTES TO AND FORMING PART OF
THE FINANCIAL STATEMENTS - Cont'd
FOR THE YEAR ENDED 30 JUNE 2015**

23 FINANCIAL INSTRUMENTS BY CATEGORY - continued

a) Group - continued

30 June 2014

	Loans & receivables \$	Held-to maturity \$	Total \$
Assets as per balance sheet			
Cash on hand and at bank	12,836,546	-	12,836,546
Trade receivables	27,753,559	-	27,753,559
Other receivables	3,379,876	-	3,379,876
Held-to-maturity investments	-	7,005,450	7,005,450
Amounts owing by related companies	<u>2,016</u>	<u>-</u>	<u>2,016</u>
	\$ 43,971,997	\$ 7,005,450	\$ 50,977,447
	=====	=====	=====
		Financial liabilities at amortised cost \$	Total \$
Liabilities as per balance sheet			
Bank overdraft		13,947,953	13,947,953
Trade and other payables		10,437,786	10,437,786
Amounts owing to related companies		93,801	93,801
Borrowings - current		9,000,000	9,000,000
Borrowings - non-current		<u>19,500,000</u>	<u>19,500,000</u>
		\$ 52,979,540	\$ 52,979,540
		=====	=====

b) Company

30 June 2015

	Loans & receivables \$	Held-to maturity \$	Total \$
Assets as per balance sheet			
Cash on hand and at bank	4,581,785	-	4,581,785
Trade receivables	7,272,104	-	7,272,104
Other receivables	1,500,128	-	1,500,128
Held-to-maturity investments	-	4,645,000	4,645,000
Amounts owing by related companies	<u>132,439</u>	<u>-</u>	<u>132,439</u>
	\$ 13,486,456	\$ 4,645,000	\$ 18,131,456
	=====	=====	=====

23 FINANCIAL INSTRUMENTS BY CATEGORY - continued

b) Company - continued

30 June 2015

	Financial liabilities at amortised cost \$	Total \$
Liabilities as per balance sheet		
Bank overdraft	9,301,248	9,301,248
Trade and other payables	3,019,853	3,019,853
Amounts owing to related companies	2,279,910	2,279,910
Borrowings - current	1,920,000	1,920,000
Borrowings - non-current	<u>3,120,000</u>	<u>3,120,000</u>
	\$ 19,641,011	\$ 19,641,011
	=====	=====

30 June 2014

	Loans & receivables \$	Held-to maturity \$	Total \$
Assets as per balance sheet			
Cash on hand and at bank	267,769	-	267,769
Trade receivables	8,826,407	-	8,826,407
Other receivables	1,775,407	-	1,775,407
Held-to-maturity investments	-	4,596,300	4,596,300
Amounts owing by related companies	<u>1,186,963</u>	<u>-</u>	<u>1,186,963</u>
	\$ 12,056,546	\$ 4,596,300	\$ 16,652,846
	=====	=====	=====

	Financial liabilities at amortised cost \$	Total \$
Liabilities as per balance sheet		
Bank overdraft	10,056,270	10,056,270
Trade and other payables	3,114,778	3,114,778
Amounts owing to related companies	2,527,270	2,527,270
Borrowings - current	4,920,000	4,920,000
Borrowings - non-current	<u>5,040,000</u>	<u>5,040,000</u>
	\$ 25,658,318	\$ 25,658,318
	=====	=====

The carrying amounts of the financial assets and liabilities of the Company and the Group approximate their fair values.

FMF FOODS LIMITED AND SUBSIDIARIES

24 CREDIT QUALITY OF FINANCIAL ASSETS

The credit quality of cash and cash equivalents and held-to-maturity investments is as follows:

	2015	Group 2014	Holding Company	
	\$	\$	2015	2014
			\$	\$
Cash				
Bank A	<u>29,727,921</u>	<u>12,836,546</u>	<u>4,581,785</u>	<u>267,769</u>
	\$ 29,727,921	\$ 12,836,546	\$ 4,581,785	\$ 267,769
	=====	=====	=====	=====

Bank A - The Company and the Group have cash with the Fiji branch as well as the Australian branch of an international bank which has a credit rating of Aa2 (Moody's).

Held-to-maturity investments

Bank B	<u>7,056,200</u>	<u>7,005,450</u>	<u>4,645,000</u>	<u>4,596,300</u>
	\$ 7,056,200	\$ 7,005,450	\$ 4,645,000	\$ 4,596,300
	=====	=====	=====	=====

Bank B - The Company and the Group have held-to-maturity deposits with the Fiji branch of an international bank which has a credit rating of Baa3 (Moody's).

25 SHARE CAPITAL

	2015	Group 2014	Holding Company	
	\$	\$	2015	2014
			\$	\$
Authorised:				
250,000,000 ordinary shares of \$0.04 each	<u>\$ 10,000,000</u>	<u>\$ 10,000,000</u>	<u>\$ 10,000,000</u>	<u>\$ 10,000,000</u>
	=====	=====	=====	=====
Issued:				
150,000,000 ordinary shares of \$0.04 each fully paid	<u>\$ 6,000,000</u>	<u>\$ 6,000,000</u>	<u>\$ 6,000,000</u>	<u>\$ 6,000,000</u>
	=====	=====	=====	=====

The Company and the Group's capital (authorized and issued) comprises ordinary shares only and these carry the same rights, preferences and restrictions.

**NOTES TO AND FORMING PART OF
THE FINANCIAL STATEMENTS - Cont'd
FOR THE YEAR ENDED 30 JUNE 2015**

FMF FOODS LIMITED AND SUBSIDIARIES

26 DIVIDENDS

	2015 \$	Group 2014 \$	2015 \$	Holding Company 2014 \$
Interim dividend declared	\$ 2,303,000 =====	\$ 2,212,000 =====	\$ 1,800,000 =====	\$ 1,800,000 =====

27 EARNINGS PER SHARE

Earnings per share is calculated by dividing the profit after income tax expense attributable to equity holders of the Company and the Group by the number of ordinary shares as at balance sheet date.

Diluted earnings per share is the same as the basic earnings per share as there are no potential ordinary shares which are considered dilutive.

	2015 \$	Group 2014 \$	2015 \$	Holding Company 2014 \$
Operating profit after tax attributable to members of the holding company	16,513,240	15,312,392	10,024,124	7,247,522
Number of ordinary shares issued	150,000,000	150,000,000	150,000,000	150,000,000
Basic and diluted earnings per share (cents)	11.01 =====	10.21 =====	6.68 =====	4.83 =====

28 CAPITAL COMMITMENTS

	2015 \$	Group 2014 \$	2015 \$	Holding Company 2014 \$
Capital commitments	\$ 8,173,207 =====	\$ 2,864,489 =====	\$ - =====	\$ 2,254,477 =====

FMF FOODS LIMITED AND SUBSIDIARIES

29 CONTINGENCIES AND COMMITMENTS

	Group		Holding Company	
	2015	2014	2015	2014
	\$	\$	\$	\$
(a) Letters of credit	\$ 3,688,595	\$ 1,572,233	\$ -	\$ -
	=====	=====	=====	=====
(b) Guarantees and bonds	\$ 704,206	\$ 693,197	\$ 415,197	\$ 415,197
	=====	=====	=====	=====

30 RELATED PARTIES

(a) **Directors**

The following were directors of the Company at any time during the financial year and up to the date of this report:

- Hari Punja Order of Fiji, OBE - Chairman
- Ajai Punja
- Gary Callaghan
- Pramesh Sharma
- Leena Punja (Alternate director to Hari Punja)
- Rohit Punja (Alternate director to Hari Punja and Ajai Punja)
- Ram Bajekal (Managing Director) – Appointed on 12 February 2015

(b) **Immediate and ultimate holding company**

The immediate and penultimate holding company is Hari Punja and Sons Limited (HPS). The ultimate holding company is Hari Punja Nominees Limited.

(c) **Amounts owing by related companies**

	Group		Holding Company	
	2015	2014	2015	2014
	\$	\$	\$	\$
<u>Immediate Holding Company</u>				
Hari Punja & Sons Limited	25,905	-	25,905	-
<u>Subsidiaries</u>				
Biscuit Company of (Fiji) Limited	-	-	53,951	645,658
FMF Snax Limited	-	-	-	2,493
Pea Industries Limited	-	-	6,025	15,525
The Rice Company of Fiji Limited	-	-	25,185	20,349
DHF Limited	-	-	20,500	500,630
Bakery Company (Fiji) Limited	-	-	873	1,808
<u>Other related companies</u>				
Biodiesel Group (Fiji) Limited	-	1,938	-	500
Petroleum and Gas Co (Fiji) Limited	-	78	-	-
	\$ 25,905	\$ 2,016	\$ 132,439	\$ 1,186,963
	=====	=====	=====	=====

The receivables from related parties arise mainly from sale transactions and are due within two months after the date of sale. The receivables are unsecured in nature and bear no interest. No provisions are held against receivables from related parties (2014: \$Nil).

**NOTES TO AND FORMING PART OF
THE FINANCIAL STATEMENTS - Cont'd
FOR THE YEAR ENDED 30 JUNE 2015**

FMF FOODS LIMITED AND SUBSIDIARIES

30 RELATED PARTIES - continued

(d) **Amounts owing to related companies**

	2015	Group	2014	Holding Company	2015	2014
	\$		\$		\$	\$
<u>Immediate Holding Company</u>						
Hari Punja & Sons Limited	186,269		9,602		10,240	9,602
<u>Subsidiaries</u>						
The Rice Company of Fiji Limited	-		-		348,185	17,984
Atlantic & Pacific Packaging Company Limited	-		-		3,769	4,967
Pea Industries Limited	-		-		95,409	12,471
FMF Investments Limited	-		-		-	13,070
Biscuit Company of (Fiji) Limited	-		-		408,245	2,130,828
Bakery Company (Fiji) Limited	-		-		1,207,746	-
FMF Snax Limited	-		-		191,958	299,150
<u>Other related companies</u>						
Petroleum & Gas Co (Fiji) Limited	370,959		18,147		14,358	18,147
Biodiesel Group (Fiji) Limited	<u>1,872</u>		<u>66,052</u>		<u>-</u>	<u>21,051</u>
	<u>\$ 559,100</u>		<u>\$ 93,801</u>		<u>\$2,279,910</u>	<u>\$2,527,270</u>
	=====		=====		=====	=====

The payables to related parties bear no interest and payables arising from purchases are due within two months of purchases.

Biodiesel Group (Fiji) Limited and Petroleum & Gas Co (Fiji) Limited are subsidiaries of the Immediate Holding Company.

30 RELATED PARTIES - continued

(e) Related party transactions

The amounts included in the determination of operating profit that resulted from transactions with related parties were as follows:

	Group		Holding Company	
	2015	2014	2015	2014
	\$	\$	\$	\$
Income				
Sales	1,537	10,377	46,265,616	47,577,929
Administration fees	3,600	3,600	675,600	675,600
Dividends	-	-	1,317,000	1,068,000
Milling & other charges	-	19	112,643	116,535
Interest	17,055	10,403	131,404	46,890
Management fees	-	-	262,852	231,560
Expense recharges	432	120	756,365	722,132
Expenses				
Purchase of raw materials	-	-	121,409	119,255
Purchase of packaging materials	-	-	355,971	149,277
Interest	8,879	1,332	501,976	283,404
Lease	-	-	30,000	30,000
Rent	-	45,000	164,400	164,400
Management fees	2,151,776	1,904,895	102,000	102,000
Expense recharges	8,196	1,927	1,707	1,707

The management fee are paid to HPS by the Holding Company and its subsidiaries in accordance with a management agreement the entities have with HPS

During the year, advances were made amongst the holding company and subsidiary companies at an interest rate of 2.5%. These amounts had been settled in full at year end.

As noted in Note 22, the Company had borrowed from a shareholder, BSP Life (Fiji) Limited. The loan was payable on demand and was at normal trading terms. This was repaid during the year.

FMF FOODS LIMITED AND SUBSIDIARIES

**NOTES TO AND FORMING PART OF
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FOR THE YEAR ENDED 30 JUNE 2015**

30 RELATED PARTIES - continued

(f) Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

During the year the executives identified as key management personnel, with the greatest authority and responsibility for the planning, directing and controlling the activities of the Company were the Managing Director, the Group Chief Financial Officer (CFO) and the Group General Manager. The compensation of the key management personnel is borne by the Holding Company and the penultimate holding company (Hari Punja & Sons Limited).

The amount of compensation of the key management personnel borne by and included in the accounts of the Holding Company is as follows:

	2015	2014
	\$	\$
Salaries and other short term benefits	261,898	190,000
	=====	=====

31 SHARE REGISTER AND REGISTERED OFFICE

The company is incorporated and domiciled in the Republic of Fiji with limited liability.

Registered Office:
2 Leonidas Street
Walu Bay
Suva
Republic of Fiji

Share Register:
Central Share Registry
South Pacific Stock Exchange
Level 2, Plaza One, Provident Plaza
33 Ellery Street
GPO Box 11689
Suva, Fiji

The company's shares are listed on the South Pacific Stock Exchange.

FMF FOODS LIMITED AND SUBSIDIARIES**NOTES TO AND FORMING PART OF
THE FINANCIAL STATEMENTS - Cont'd
FOR THE YEAR ENDED 30 JUNE 2015****32 OPERATING LEASES**

The Company and the Group have leased various land under the crown lease agreements ranging from 60 to 99 years from the Government of Republic of Fiji for which the total commitments are as follows:

	Group		Holding Company	
	2015	2014	2015	2014
	\$	\$	\$	\$
Payable not later than 1 year	157,128	157,600	68,900	68,900
Payable later than 1 year but not later than 5 years	628,512	630,400	275,600	275,600
Payable later than 5 years	<u>13,816,757</u>	<u>14,019,125</u>	<u>5,876,725</u>	<u>5,945,625</u>
	<u>\$ 14,602,397</u>	<u>\$ 14,807,125</u>	<u>\$ 6,221,225</u>	<u>\$ 6,290,125</u>
	=====	=====	=====	=====

33 EVENTS SUBSEQUENT TO BALANCE DATE

No charge on the assets of the Company and the Group has arisen since the end of the financial year to the date of this report to secure the liabilities of any other person.

No contingent liability has arisen since the end of the financial year to the date of this report.

No contingent or other liability has become enforceable or is likely to become enforceable within a period of twelve months after the end of the financial year which, in the opinion of the directors, will or may affect the ability of the Company and the Group to meet its obligations when they fall due.

34 SEGMENT INFORMATION**(a) Secondary reporting – geographical segments**

The Group operates only in the geographical segment of Fiji.

FMF FOODS LIMITED AND SUBSIDIARIES**NOTES TO AND FORMING PART OF
THE FINANCIAL STATEMENTS - Cont'd
FOR THE YEAR ENDED 30 JUNE 2015****34 SEGMENT INFORMATION - continued****(b) Primary reporting - business segments 2015**

	Food products	Packaging materials	Properties	Inter-segment elimination	Total
	\$	\$	\$	\$	\$
External sales	<u>214,710,653</u>	<u>3,668,769</u>	<u>-</u>	<u>-</u>	<u>218,379,422</u>
Sales	263,055,157	8,563,417	-	(53,239,152)	218,379,422
Other income	<u>2,950,525</u>	<u>55,584</u>	<u>2,167,600</u>	<u>(4,186,600)</u>	<u>987,109</u>
	<u>\$ 266,005,682</u>	<u>\$ 8,619,001</u>	<u>\$ 2,167,600</u>	<u>(\$ 57,425,752)</u>	<u>\$ 219,366,531</u>
	=====	=====	=====	=====	=====
Segment result before income tax and finance costs	19,634,879	563,407	1,638,448	(1,317,000)	20,519,734
Net finance costs	(815,460)	(12,212)	(251,090)	-	(1,078,762)
Profit before income tax expense	18,819,419	551,195	1,387,358	(1,317,000)	19,440,972
Income tax expense	(1,616,869)	(58,400)	(310,118)	-	(1,985,387)
Net profit	<u>\$ 17,202,550</u>	<u>\$ 492,795</u>	<u>\$ 1,077,240</u>	<u>(\$ 1,317,000)</u>	<u>\$ 17,455,585</u>
	=====	=====	=====	=====	=====

FMF FOODS LIMITED AND SUBSIDIARIES

**NOTES TO AND FORMING PART OF
THE FINANCIAL STATEMENTS - Cont'd
FOR THE YEAR ENDED 30 JUNE 2015**

34 SEGMENT INFORMATION - continued

(b) Primary reporting - business segments 2015 - continued

	Food products \$	Packaging materials \$	Properties \$	Inter-segment elimination \$	Total \$
Segment assets	148,660,734	6,749,084	24,053,900	(19,437,942)	160,025,776
Deferred tax assets	<u>322,739</u>	<u>14,769</u>	<u>1,425</u>	<u>-</u>	<u>338,933</u>
Total assets	\$ 148,983,473 =====	\$ 6,763,853 =====	\$24,055,325 =====	(\$ 19,437,942) =====	\$ 160,364,709 =====
Segment liabilities	12,329,201	687,837	152,887	(2,459,695)	10,710,230
Deferred tax liabilities	2,090,147	141,294	1,675,830	-	3,907,271
Secured loans	15,195,000	-	4,305,000	-	19,500,000
Bank overdraft	<u>21,250,955</u>	<u>1,150,814</u>	<u>4,288,318</u>	<u>-</u>	<u>26,690,087</u>
Total liabilities	\$ 50,865,303 =====	\$ 1,979,945 =====	\$10,422,035 =====	(\$ 2,459,695) =====	\$ 60,807,588 =====
Acquisition of property, plant and equipment	\$ 7,126,946 =====	\$ 1,099,136 =====	\$ 3,068,685 =====	\$ - =====	\$ 11,294,767 =====
Depreciation and amortisation expense	\$ 6,097,863 =====	\$ 342,104 =====	\$ 391,009 =====	\$ - =====	\$ 6,830,976 =====
Net cash inflows / (outflows) from operating activities	\$ 28,905,498 =====	(\$ 917,425) =====	1,943,732 =====	\$ 850,718 =====	\$ 30,782,523 =====

**NOTES TO AND FORMING PART OF
THE FINANCIAL STATEMENTS - Cont'd
FOR THE YEAR ENDED 30 JUNE 2015**

FMF FOODS LIMITED AND SUBSIDIARIES

34 SEGMENT INFORMATION - continued

(b) **Primary reporting - business segments 2014**

	Food products \$	Packaging materials \$	Properties \$	Inter-segment elimination \$	Total \$
External sales	<u>208,267,016</u>	<u>3,556,386</u>	-	-	<u>211,823,402</u>
Sales	256,245,701	7,637,737	-	(52,060,036)	211,823,402
Other income	<u>2,096,923</u>	<u>37,870</u>	<u>2,157,600</u>	<u>(3,927,600)</u>	<u>364,793</u>
	\$ 258,342,624 =====	\$ 7,675,607 =====	\$ 2,157,600 =====	(\$ 55,987,636) =====	\$ 212,188,195 =====
Segment result before income tax and finance costs	19,771,592	373,374	1,734,984	(1,068,000)	20,811,950
Net finance costs	<u>(1,107,010)</u>	<u>26,209</u>	<u>(288,699)</u>	-	<u>(1,369,500)</u>
Profit before income tax expense	18,664,582	399,583	1,446,285	(1,068,000)	19,442,450
Income tax expense	<u>(3,138,801)</u>	<u>(18,326)</u>	<u>(287,498)</u>	-	<u>(3,444,625)</u>
Net profit	\$ 15,525,781 =====	\$ 381,257 =====	\$ 1,158,787 =====	(\$ 1,068,000) =====	\$ 15,997,825 =====

**NOTES TO AND FORMING PART OF
THE FINANCIAL STATEMENTS - Cont'd
FOR THE YEAR ENDED 30 JUNE 2015**

FMF FOODS LIMITED AND SUBSIDIARIES

34 SEGMENT INFORMATION - continued

(b) **Primary reporting - business segments 2014 - continued**

	Food products \$	Packaging materials \$	Properties \$	Inter-segment elimination \$	Total \$
Segment assets	131,473,122	5,471,554	21,747,267	(18,276,359)	140,415,584
Deferred tax assets	<u>309,489</u>	<u>7,516</u>	<u>128,497</u>	<u>-</u>	<u>445,502</u>
Total assets	\$ 131,782,611 =====	\$ 5,479,070 =====	\$21,875,764 =====	(\$ 18,276,359) =====	\$ 140,861,086 =====
Segment liabilities	13,382,926	790,946	355,831	(3,998,116)	10,531,587
Deferred tax liabilities	939,878	74,826	1,676,191	-	2,690,895
Current tax liabilities	961,436	2,185	(177,506)	-	786,115
Secured loans	23,055,000	-	5,445,000	-	28,500,000
Bank overdraft	<u>11,927,755</u>	<u>-</u>	<u>2,020,198</u>	<u>-</u>	<u>13,947,953</u>
Total liabilities	\$ 50,266,995 =====	\$ 867,957 =====	\$ 9,319,714 =====	(\$ 3,998,116) =====	\$ 56,456,550 =====
Acquisition of property, plant and equipment	\$ 12,287,288 =====	\$ 121,166 =====	\$ 1,033,606 =====	\$ - =====	\$ 13,442,060 =====
Depreciation and amortisation expense	\$ 5,533,927 =====	\$ 321,822 =====	\$ 371,688 =====	\$ - =====	\$ 6,227,437 =====
Net cash inflows from operating activities	\$ 17,783,322 =====	\$ 827,062 =====	\$ 1,761,097 =====	\$ 5,357,579 =====	\$ 25,729,060 =====

FMF FOODS LIMITED

**LISTING REQUIREMENTS OF SOUTH PACIFIC STOCK EXCHANGE
(UNAUDITED AND NOT INCLUDED ELSEWHERE IN THE ANNUAL REPORT)**

(a) Schedule of each class of equity security in compliance with listing requirements 6.31(iv):

	NAME	Number of Shares	%
1	HARI PUNJA & SONS LIMITED	105,997,210	70.66%
2	UNIT TRUST OF FIJI (TRUSTEE COMPANY) LTD	8,187,006	5.46%
3	FIJI NATIONAL PROVIDENT FUND	6,717,975	4.48%
4	REDDY'S ENTERPRISES LIMITED	2,113,050	1.41%
5	BSP LIFE (FIJI) LIMITED	1,988,840	1.33%
6	GARY CALLAGHAN	1,700,225	1.13%
7	CARLISLE (FIJI) LIMITED	1,314,740	0.88%
8	FIJIAN HOLDINGS LTD	1,298,200	0.87%
9	JITENDRA KUMAR M NARSEY	1,090,450	0.73%
10	VENILAL MAGANLAL NARSEY	675,950	0.45%
11	PRAFUL PATEL INVESTMENTS PTY LTD < P & A PATEL SUPERFUND A/C >	604,601	0.40%
12	JAYANTILAL RATANJI NARSEY	582,825	0.39%
13	BECHARBHAI HOLDINGS LTD	499,950	0.33%
14	JITENDRA THAKORLAL NARSEY	388,437	0.26%
15	KANTI LAL PUNJA	375,000	0.25%
16	INDRAVADAN NARSEY	369,937	0.25%
17	HARI KRISHNA NARSEY	369,937	0.25%
18	JAGMOHANLAL JIWAN NARSEY	358,275	0.24%
19	DAYABHAI NATHUBHAI PATEL	318,700	0.21%
20	LAKSHMIKANT DHARAMSI SAMPAT	300,000	0.20%

(b) Schedule of each class of equity security in compliance with listing requirements 6.31(v):

Distribution of ordinary shareholders:

No. of Holders	Holding	Total % Holding
11	less than 500 shares	0.00
95	501 to 5,000 shares	0.24
79	5,001 to 10,000 shares	0.44
80	10,001 to 20,000 shares	0.86
43	20,001 to 30,000 shares	0.72
19	30,001 to 40,000 shares	0.48
23	40,001 to 50,000 shares	0.75
40	50,001 to 100,000 shares	2.07
48	100,001 to 1,000,000 shares	7.49
9	Over 1,000,000 shares	86.95
447	Total	100.00

FMF FOODS LIMITED

**LISTING REQUIREMENTS OF SOUTH PACIFIC STOCK EXCHANGE
(UNAUDITED AND NOT INCLUDED ELSEWHERE IN THE ANNUAL REPORT) - continued**

(c) Disclosure under section 6.31 (viii):

Segment / Subsidiaries information :		
Names of the subsidiaries dealing in food products	1	Biscuit Company of (Fiji) Limited
	2	Pea Industries Limited
	3	DHF Limited
	4	FMF Snax Limited
	5	The Rice Company of Fiji Limited
	6	Bakery Company (Fiji) Limited
Name of the subsidiary dealing in packaging materials		Atlantic & Pacific Packaging Company Limited
Name of the subsidiary having property investments		FMF Investment Company Limited
Principal country of operation - For all the above entities		Republic of Fiji
Country of incorporation - For all the above entities		Republic of Fiji

	Food products \$	Packaging materials \$	Properties \$
Turnover	149,148,638	8,563,417	-
Other income	<u>1,542,561</u>	<u>90,675</u>	<u>2,198,932</u>
	<u>150,691,199</u>	<u>8,654,092</u>	<u>2,198,932</u>
Depreciation	(3,197,015)	(342,104)	(391,009)
Interest expense	(809,329)	(47,303)	(282,422)
Other expenses	(138,284,098)	(7,713,490)	(138,143)
Profit before tax	8,400,757	551,195	1,387,358
Income tax expense	(<u>1,222,328</u>)	(<u>58,400</u>)	(<u>310,118</u>)
Net profit after tax	\$ 7,178,429 =====	\$ 492,795 =====	\$ 1,077,240 =====
Total assets	\$ 79,855,496 =====	\$ 6,763,853 =====	\$ 24,055,325 =====
Total liabilities	\$ 29,762,703 =====	\$ 1,979,945 =====	\$ 10,422,035 =====
Shareholders' equity	\$ 50,092,793 =====	\$ 4,783,908 =====	\$ 13,633,290 =====

FMF FOODS LIMITED

**LISTING REQUIREMENTS OF SOUTH PACIFIC STOCK EXCHANGE
(UNAUDITED AND NOT INCLUDED ELSEWHERE IN THE ANNUAL REPORT) - continued**

(d) Disclosure under Section 6.31 (xii):

Summary of key financial results for the previous five years for the Group:

	2015	2014	2013	2012	2011	2010
Net Profit after Tax	17,455,585	15,997,825	11,560,892	12,931,110	11,636,486	11,600,980
Current Assets	103,695,535	88,490,436	91,909,788	69,820,441	75,636,782	78,044,016
Non - Current Assets	56,669,174	52,370,650	45,828,286	46,321,677	53,300,173	58,379,500
Total Assets	160,364,709	140,861,086	137,738,074	116,142,118	128,936,955	136,423,516
Current Liabilities	43,400,317	34,265,655	40,387,876	20,513,741	31,710,598	41,161,307
Non - Current Liabilities	17,407,271	22,190,895	26,731,487	34,658,558	47,725,648	56,273,486
Total Liabilities	60,807,588	56,456,550	67,119,363	55,172,299	79,436,246	97,434,793
Shareholders' Equity	99,557,121	84,404,536	70,618,711	60,969,819	49,500,709	38,988,723

Summary of key financial results for the previous five years for the Holding Company:

	2015	2014	2013	2012	2011	2010
Net Profit after Tax	10,024,124	7,247,522	5,627,479	7,054,446	6,612,031	4,386,433
Current Assets	30,599,737	32,718,387	39,730,295	23,260,691	33,410,785	23,942,493
Non - Current Assets	38,528,240	33,170,483	25,121,440	22,714,384	25,189,102	26,074,414
Total Assets	69,127,977	65,888,870	64,851,735	45,975,075	58,599,887	50,016,907
Current Liabilities	16,521,011	20,767,032	23,697,586	6,394,773	21,150,261	16,697,394
Non - Current Liabilities	4,581,589	5,320,585	6,800,418	9,354,050	13,077,820	14,659,738
Total Liabilities	21,102,600	26,087,617	30,498,004	15,748,823	34,228,081	31,357,132
Shareholders' Equity	48,025,377	39,801,253	34,353,731	30,226,252	24,371,806	18,659,775

FMF FOODS LIMITED**LISTING REQUIREMENTS OF SOUTH PACIFIC STOCK EXCHANGE
(UNAUDITED AND NOT INCLUDED ELSEWHERE IN THE ANNUAL REPORT) - continued****(e) Disclosure under Section 6.31 (xiii) (a) :****Dividend declared per share:**

	2015	2014	2013	2012	2011	2010
Cents per share	1.20	1.20	1.00	0.80	0.60	0.40

(f) Disclosure under Section 6.31 (xiii) (b) :**Earnings per share (Group):**

	2015	2014	2013	2012	2011	2010
Cents per share	11.01	10.21	7.28	8.18	7.46	7.39

Earnings per share (Holding Company):

	2015	2014	2013	2012	2011	2010
Cents per share	6.68	4.83	3.75	4.70	4.41	2.92

(g) Disclosure under Section 6.31 (xiii) (c) :**Net tangible assets per share (Group):**

	2015	2014	2013	2012	2011	2010
Cents per share	66.37	56.27	47.08	40.65	33.00	25.99

Net tangible assets per share (Holding Company):

	2015	2014	2013	2012	2011	2010
Cents per share	32.02	26.53	22.90	20.15	16.25	12.44

(h) Disclosure under Section 6.31 (xiii) (d) :

Share price during the year	2015 \$	2014 \$
Highest	0.65	0.48
Lowest	0.48	0.41
On 30th June	0.65	0.48

FMF Foods Limited (Formerly Flour Mills of Fiji Limited)

Minutes of the Forty Second Annual General Meeting of the Members of the Company, held at 3.30 p.m. on the 31st October 2014 at the Training Room of Atlantic & Pacific Packaging Company Limited, Bounty Street , Walu Bay , Suva .

.....

PRESENT

- | | | | |
|----|--------------------|----|---|
| 1. | Mr. Hari Punja | .. | Chairman |
| 2. | Mr. Gary Callaghan | .. | Director |
| 3. | Mr. Pramesh Sharma | .. | Director |
| 4. | Mr. Ram Bajekal | .. | Chief Executive Officer |
| 5. | Mr. Chirk Yam | .. | Representing the Auditors, M/s PricewaterhouseCoopers |

Nineteen other shareholders / proxy holders were present in person.

APOLOGIES

Mr. Ajai Punja (Director)
Mr. Kumar Shankar (Company Secretary)

SHARE REGISTER & STATUTORY REGISTERS

The Share Register containing all the relevant details of the Shareholders of the company and the Statutory Register were placed on the Table and remained open for inspection during the meeting

QUORUM

The required quorum being present, the Chairman declared the meeting open.

CONFIRMATION OF THE MINUTES OF THE PREVIOUS ANNUAL GENERAL MEETING HELD ON 31ST OCTOBER 2013

Proposed by: Mr. Anuj Patel
Seconded by: Mr. Hari Raj Naicker

The motion as proposed and seconded by the above named persons was put to vote.
By a show of hands, the meeting approved the motion and confirmed the minutes of the previous Annual General Meeting held on 31st October 2013 without any objection.

MATTERS ARISING OUT OF EARLIER MINUTES

Nil

TO RECEIVE AND ADOPT THE AUDITED BALANCE SHEETS AND PROFIT AND LOSS STATEMENTS AND THE REPORTS OF THE DIRECTORS AND AUDITORS FOR THE YEAR ENDED 30TH JUNE 2014.

Proposed by : Mr. Hari Raj Naicker
Seconded by : Mr. Satya Narayan

The motion as proposed and seconded by the above named persons was put for discussion.
By a show of hands, the meeting approved the motion and adopted the Audited Balance Sheets and Profit and Loss Statements and the reports of the Directors and Auditors for the year ended 30th June 2014 without any objection

Minutes ... (Contd.)

TO ELECT, IN ACCORDANCE WITH ARTICLE 86, MR. PRAMESH SHARMA AS A DIRECTOR OF THE COMPANY.

Proposed by: Mr. Hari Punja
Seconded by: Mr. Hari Raj Naicker

The motion as proposed and seconded by the above named persons was put to vote. By a show of hands, the meeting approved the motion and re-elected Mr. Pramesh Sharma as a Director of the company without any objection.

TO APPOINT AUDITORS FROM THE CONCLUSION OF THIS MEETING UNTIL THE CONCLUSION OF THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY.

Proposed by: Mr. Hari Punja
Seconded by: Mr. Maganlal Mohanlal

The motion as proposed and seconded by the above named persons was put to vote. By a show of hands, the meeting approved the motion and confirmed, without any objection, the appointment of the Retiring Auditors, M/s PricewaterhouseCoopers as Auditors of the Company to hold the office from the conclusion of this meeting until the conclusion of the next Annual General Meeting at a fee to be negotiated by the Directors.

General

The Chairman read out sections from the Chairman's Report and there was a general discussion on the operations of the Company where the Chief Executive Officer briefed the Members.

Vote of Thanks to the Chair:

Proposed by: Mr. Hari Raj Naicker

Thereafter the Chairman declared the meeting as closed.

**Sd/-
Chairman**

FMF FOODS LIMITED (Formerly FLOUR MILLS OF FIJI LIMITED)

PROXY FORM

Share Folio No.

No. of shares held

The Company Secretary
FMF Foods Limited
P O Box 977,
Suva, Fiji.

I/WE.....

Of

Being a member(s) of **FMF FOODS LIMITED** (Formerly FLOUR MILLS OF FIJI LIMITED) hereby

appoint

of.....

or failing him/her.....

of.....

as my/our proxy to vote on my/our behalf at the Annual General Meeting of the company, to be held at 4.00 p.m. on 30th October 2015 and at any adjournment thereof.

As witness to my/our hands this.....day of2015, at

Signed by the said member (s)

In the presence of (Witnessed by).....

In the case of a body corporate, this form should be under its Seal or be signed by an officer or an attorney duly authorized by it.

Proxies must be received at the Registered Office of the Company no less than **48 hours** prior to the time appointed for holding of the meeting.

As per Article 70 of the company, a member may appoint not more than two proxies. If one proxy is appointed, that proxy shall be entitled to vote on a show of hands. If two proxies are appointed, neither shall be entitled to vote on a show of hands and the appointment shall be of no effect unless each proxy is appointed to represent a specified proportion of the members voting rights.

For office use only:

Proxy received on _____ at _____ am / pm by _____