Ravensdown

Driven.
For your success

2015 Annual Report

Key Insights

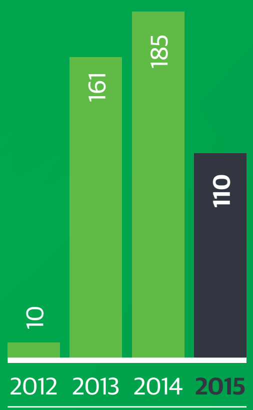
Balance sheet strength allows record rebate to be paid.

Strategy is working and enabling support for shareholders when they need it.

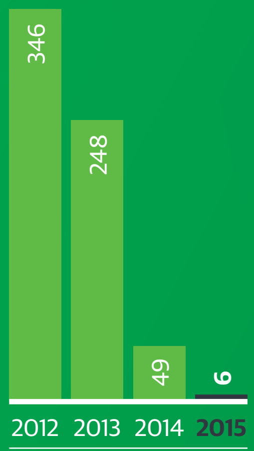
Investment in infrastructure continues for improved product quality.

Financial Highlights

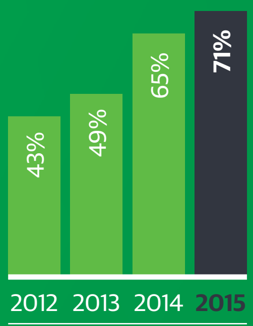
In New Zealand Dollars



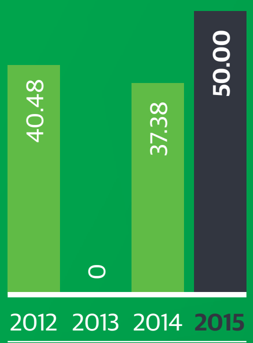
Operating cashflow ($m)



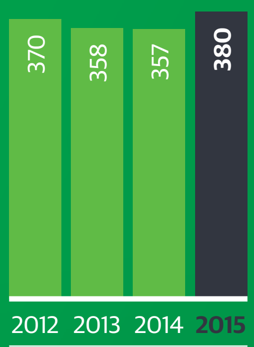
Net bank debt ($m)



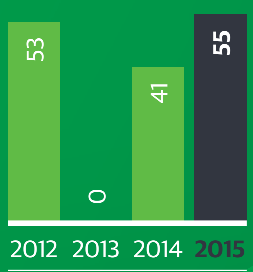
Equity ratio (%)
(including hedging reserve)



Shareholder return ($/t)
(including tax credits)



Total equity ($m)
(includes hedging reserve)



Total distributed to shareholders ($m)

Contents

Report from the Chairman

2015

In the year 2013-14, the plan that your board conveyed for the ensuing 12 months was one of consolidation and prudent financial management, with a focus on customer service and sound scientific advice.

While we were thrilled with the company's progress to that point, the board was of the view that we still had some way to go towards returning our company to a financially strong and customer focused organisation.

It was for that reason that while we did pay a cash rebate in 2013-14, some of the year's profit was returned as bonus share capital. We are pleased that for 2014-15, we can now report to you that that retention has helped the company to report a very strong performance for its year to 31 May 2015 with:

- An equity ratio over 70%;
- A record rebate of $50 per tonne on all qualifying tonnes of fertiliser purchased by transacting shareholders;
- A positive operating cash-flow of $110 million dollars; and
- Virtually no debt at 31 May 2015.

This result has illustrated the wisdom of previous years' decisions and has enabled us to pay out to our transacting shareholders all of our operating profit with our best ever rebate while preserving an equity ratio north of 70%. It also now stands us in good stead to weather the chilly winds of the dairy down-turn and other bumps that may appear on the agricultural highway.

Our company exists for the benefit of our transacting shareholders and it is particularly satisfying for me to see that the business decisions made by our board and management have been so fruitful for you and the company alike.

While the sheep and beef sectors are showing signs of strength, agriculture is prone to volatile business cycles and, unless the companies that service your industry maintain their financial health, the entire sector suffers. As a board, we are confident that we are well placed to deal with the challenges ahead of us. Our company is strong financially, our team is motivated and the morale of the company is very high. While there is no doubt room for improvement, considerable progress has been made.

We have entered 2016 with debt levels that equate only to working capital requirements, a decade high equity ratio and no significant capital expenditure requirements ahead of us.

Investment

While we have strengthened our financials in the past 12 months, the company has not neglected its responsibility to maintain and/or improve its asset base.

Last year $33 million was invested in capital improvements as part of its infrastructure upgrade programme. We will continue with our capital development programme this year to further improve the health and safety and efficiency of our stores and manufacturing network. These improvements are vital if we are to improve our delivery to you of high-quality product matching our advice in a timely and efficient manner.

We have budgeted to continue with improvements to our dispatch, blending and storage facilities but, in doing so, will live within our means. Those improvements will be financed from cash-flow, without a major call on our banks or our shareholders for additional funding. Our plans are ambitious but we are resolved that they will be effected without call for outside cash.

Our fertiliser tonnages remained steady last year by comparison to the previous year but a slight reduction in our margins did result as a consequence of our deliberate policy of passing on price reductions to our shareholders as soon as we could throughout the year. Many products are at historically-low prices, such as urea which is at an eight-year low.

Our company's operating profit was achieved despite our pricing policy and one-off costs associated with the closure of our Waikaretu lime quarry due to safety concerns.

Write-downs involved with our withdrawal from the Ruralco joint venture and the remaining two unsold buildings in Australia also had a negative impact on our bottom line result.

Total revenue for the company reduced to $711 million for the year, but this was expected as lower fertiliser prices were passed on during the year and following withdrawal from a number of poorly performing ventures. This reflects our strategy to withdraw from activities that do not deliver adequate returns. We are a company focused on profitability and cashflow, not purely turnover.

Supply chain and manufacturing

Ravensdown's focus on trying to achieve as much supply chain control as is possible means that our company is now well positioned to influence product quality, availability and pricing.

By way of example, significant effort was invested by our management team in establishing industry-leading biosecurity screening of imported products. It was very pleasing for our team that in an independent assessment of those systems, they were rated as operating to a 100% level and were described by one MPI official as being "second to none".

We also continue to focus on the efficient production of high-quality superphosphate and have improvement programmes in place for our Napier, Christchurch and Dunedin manufacturing plants. Superphosphate continues to play a pivotal role in soil fertility in New Zealand and represents core business for us.

Subsidiaries and investments

It has been very satisfying to see strong contributions were made by Ravensdown Aerowork, C-Dax, ARL and our groundspreading ventures like Spreading Sandford, Spreading Canterbury and ASL.

Report from the Chairman

Continued.

2016

While the first three-quarters of last year saw above-average demand for fertiliser, demand did soften in April and May. We are adopting a cautious approach to this coming year, in light of current market uncertainties, especially in the dairy sector.

Our Agri Managers, trained agronomists and certified advisors are all aware of the demands that this season will bring and are focused on bringing to our customers value-for-money solutions. It is gratifying that in a recent customer survey, 92% of the survey respondents stated they trusted the advice that they received from Ravensdown and rated very highly our Customer Centre and Agri Manager service and product quality.

While our animal health, agchem and seed businesses generated returns for us, there remains scope for these businesses to expand and grow further. They provide great value to our customers. They offer value-for-money products and in the current climate we would encourage our shareholders to consider the commercially-appealing opportunities they provide.

Board structure

As I explained in last year's annual report, the Ravensdown board has been reduced to a ten-member board from one that, in previous years, had had fourteen members.

This was achieved by disbanding the Australian ward, thus two directors. In addition, New Zealand reduced to eight wards as opposed to ten that we had previously.

As from last year's annual meeting three changes occurred to our board. Jason Dale joined us as one of our two independent directors, with his focus being on audit and risk. Kate Alexander was elected as the new director for our northern ward.

While Jason and Kate have now both been with us for almost 12 months, I take this opportunity to publically welcome them to our board.

Chris Dennison, who had been director for area 2 was a casualty of our policy to reduce ward numbers. I would like to take this opportunity to thank Chris for the very valuable contribution he made to Ravensdown during his tenure. Chris was elected in 2005 and held roles on our Audit, Remuneration and Hugh Williams Scholarship committees during that period. At the time of his departure from the board, Chris was also Board Deputy Chairman. Chris was a valued and respected member of our board whose clarity of thought will be missed. Thank you Chris for your input.

As was also prefaced last year, we have initiated a review of our Constitution, which we have broken into a two-staged process. The first stage of the process was to undertake a number of housekeeping amendments to our Constitution. One of the changes that we are proposing as a result of that process is to change the tenure of elected directors. To date, an elected director's tenure has been for a three-year term but that is problematic with a board comprising eight elected members. Additionally, it provides additional expense in running elections. A board of eight lends itself to a tenure of four years and will reduce the number of elections held each year and thus the cost. It will also add stability to our board with only 25% of the board involved in an election process each year.

There has also been an anomaly in our Constitution that requires a newly-elected director who has replaced a retiring director to serve out only the balance of the term of the director retiring. On two or three occasions in recent years this has resulted in newly-elected directors having to stand for re-election in the year following their initial election.

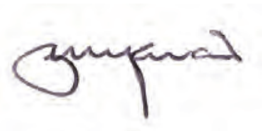
We are therefore putting to this year's annual meeting a constitutional change allowing for a four-year term for each elected director and abolishing the requirement that newly-elected directors replacing retiring directors serve only the balance of the retiring director's term before re-standing. Thus a newly-elected director would receive a four-year term from the outset.

Stage Two of the process will involve a closer look at structural issues with our co-operative and will be addressed in this coming year.

In conclusion, I am pleased to be able to report to you that Ravensdown has successfully continued on the course that we shadowed at last year's annual meeting. To continue on this path as we have has taken a large amount of effort from your board, from management and from the rest of the Ravensdown team. I would like to take this opportunity to thank them all for their energy, loyalty and commitment during the year. They are a quality team and we are all now reaping the rewards of their dedication, resilience and commitment to customer focus. The CEO, Greg Campbell, and senior team deserve enormous credit for their leadership and focus.

I am confident that with our energised team, strong fundamentals and sound strategy, your company is well placed to provide the products, customer service and value that you require and to benefit shareholders in particular and the agri-sector in general during these times of uncertainty.

Last but not least, I would also like to take this opportunity to thank those who supported us with their business throughout the year. The loyalty of shareholders to the company has been humbling. That the company has been able to reward that loyalty as it has is in no small measure due to that shareholder commitment.



Thank you.

A year in the words of others

"The Customer Centre is really good – we call and they deliver. **It's very helpful!**"

Taranaki shareholder **Rob Willcox** *on the direct-to-your-farm model.*

"I saw it as a **great opportunity to learn** from and work with the leaders in their particular field of the primary sector."

Te Reimana Marumaru *on receiving his Ravensdown/PKW university scholarship for sons and daughters of the Taranaki-based Maori Incorporation Parininihi Ki Waitotara members.*

"The research we are doing will **improve grazing and stock management** strategies for hill country farmers."

Pip McVeagh, *PhD student at the Precision Agriculture Centre in Massey University comments on the importance of Ravensdown's Primary Growth Partnership.*

"Donations like Ravensdown's were very generous and **absolutely essential** to help get and keep the trucks moving."

Julie Jonker *of the Northland Rural Support Trust on the co-operative's support for the Northland Flood Relief effort.*

"One of the best changes has been where you used to have to type certain information in, like who you wanted to transport the product **now you click and go**."

Sheep and beef farmer **Daniel Newport** *on the drop down menus in MyRavensdown's online ordering.*

"It's not always about selling product. Building **long lasting relationships** can be just as important."

Dairy farmer **Kirsten Watson** *on what she wants from her co-operative.*

"Smart Maps is helping make sure we **improve grass performance**."

Canterbury farmer **Scott Lovelock** *on the internationally award winning tool.*

"He has the **expertise to help make decisions** and it's all part of the service."

Shareholder **Mohi Aupouri** *comments on his Agri Manager.*

"We know this **will spark an interest** in science and agriculture,"

Chair of the Fertiliser Quality Council **Anders Crofoot** *on an educational resource for children in year 5 – year 8 which Ravensdown is supporting.*

"They have an **excellent understanding** of environmental and regulatory constraints and deliver reports which are well respected by Regional Councils."

Beef & Lamb NZ Director, **Phil Smith**, *on Ravensdown's specialist environmental team.*

"Ordering through **MyRavensdown is getting easier**. If I can do it, anyone can."

Shareholder **Leanne Browne** *on giving online ordering a go.*

"The efficient use of fertiliser is a huge issue for New Zealand and Ravensdown's expertise and **advice is vital** in this area."

Kate Alexander *new director and Northland dairy farmer outlines Ravensdown's connection to NZ performance.*

"It's really great to have somebody with that **enthusiasm involved in your business**."

Eketahuna sheep and beef farmer **Doug McKenzie** *on his Agri Manager.*

"We've gone through soil tests paddock by paddock, so I'm comfortable that the money I'm spending now is **adding to my bottom line**."

Dairy farmer **Brendan Attrill** *on the financial benefits of knowing their nutrient status.*

"Maintenance fertiliser is important. It can take a long time to **get your NPKS levels right**."

Invercargill farmer **Tony van Gool** *on the long-term importance of nurturing soils.*

"I like going and seeing monthly spend and **details of quantities**."

Farmer **Grant Early** *on using MyRavensdown as part of a 'no surprises' policy.*

"**Smart Maps is straightforward** without being too technical."

Gisborne shareholder **Jackie Hair**.

Report from the Chief Executive

Assured supply and adding value

The journey so far

The year ending 31 May 2015 was the second complete year of our long-term strategy of concentrating on essential farm inputs and value-adding advice for the New Zealand agri-sector.

While there's much to do, the "right sizing" of the business has made the continuing business much more resilient to the kind of economic challenges currently facing the rural sector.

The strategic priorities throughout this journey have remained the same. There are three equal legs to the investment stool: infrastructure, people and product.

While our commitment to attracting and keeping great people has been strong in recent years, it is fair to say that our extensive network of stores, quarries and manufacturing plants was in need of improvement.

This started in earnest in this financial year and we are already seeing product quality rated highly in our regular customer surveys.

In 2014-15, we invested in aspects that contribute to customer service for example, the stores, mobile fleet such as loaders, equipment, technology and training.

On the international stage for fertiliser, we continued to focus on buying well for the benefit of our shareholders.

We used our supplier relationships, procurement process, shipping venture and logistics network to ensure the right amount of the right product is available when needed.

The year saw several disruptions in terms of global supply which included sinkholes in Russia, blizzards in Canada and storms off the coast of Morocco. Throughout all the challenges, our shipping venture and logistics teams worked hard to keep the supply lines open.

New Zealand manufacturing of superphosphate is a capital-intensive exercise, but brings several real benefits to a sector that is and will continue to be dependent on pasture-based farming.

Simplifying the business

A central part of the new strategy was the renewed focus on financial returns from any of our activities.

This resulted in two changes in 2014-15. First, exiting the business for PKE (which was only available in the North Island). Second, the exit from the Ruralco joint venture that was formed with ATS. Both these initiatives had been introduced before the new strategy had come into effect.

While North Island farmers did benefit from access to a cheaper supplier of PKE and South Island farmers are benefitting from meaningful discounts at participating Ruralco suppliers, neither of these activities were going to deliver returns to the level we expect without significant further investment.

Ravensdown will continue its single-minded focus in the area of nutrient management services, quality fertiliser and other essential farm inputs.

Top Left: Proud winners at the Hornby works show off the Champion Canterbury Large Manufacturer Award.

Bottom Left: Training Manager Gordon McCormick (right) puts new recruits through their paces during a new intern programme.

Right: Te Teko consignment store opened to provide a local service for key products including Supreme Lime.

Delivering the support farmers need

Putting people first

As a farmer-owned co-operative, shareholders count on our people to keep the latest industry knowledge in mind and their interests at heart as we help them to achieve their goals.

In 2014-15, we restructured the regional teams to deliver more local technical support out in the field.

Animal Health Technical Managers and Agronomists complemented the Agri Managers throughout the country. This was so customers could receive "joined up", value-adding advice on animal health, agrichemicals, seeds and fertiliser as well as quality, competitively-priced products shipped direct to farm.

We also developed a new induction scheme for new joiners to ensure they learn the ropes from more experienced field-based staff members as well as going through the thorough training regime.

We expanded our dedicated environmental consultancy which helps farmers grapple with emerging compliance and regulatory frameworks.

This expertise has already proved valuable for many farmers facing consenting issues with their regional councils and who are wanting to improve their environmental performance, establish their nutrient losses before a sale or system change.

The nutrient stewardship of New Zealand farmers is second to none and, in a competitive global market for food, Ravensdown has a role to play in keeping that way. Ravensdown became the team with the highest number of nutrient advisors who are able to use the certified badge with pride.

The industry's Sustainable Nutrient Management Adviser scheme gives peace of mind to farmers who can easily see those who are formally qualified to advise them on nutrient decisions and those who are not.

Our two-yearly survey of staff engagement shows our people feel that they work in an environment which aligns with other high-performing organisations globally; ultimately improving their ability to deliver high quality service throughout the network.

Health and Safety prioritised

Ravensdown led the industry with its SafeMax bag system innovation to reduce the very real risk posed by frayed handles and worn down bags.

Certain assets such as at the Waikaretu lime quarry could not be operated safely without massive additional expenditure, so we made the difficult decision to close the facility.

The health and safety of our people, contractors, customers and suppliers is just too important.

As new workplace safety legislation becomes law, we will be taking a pragmatic approach and working with customers, suppliers, employees and contractors so that we all go home unharmed.

Left: Experienced agronomists like Chris Lowe joined the new field-based team.

Top Right: Nutrient management is about more than OVERSEER. Advisors learn the skills to "read the paddock" and provide valuable nutrient budgets as part of the service.

Bottom Right: New Safemax bags reduce risk of injury caused by frayed or damaged handles.

Investing in improvement

Investing in infrastructure

In 2013-14's report we promised we would start a long-term infrastructure upgrade programme to improve the stores network, despatch systems and manufacturing capability.

Because the balance sheet strength continued into 2014-15, we launched the RISE programme (for Ravensdown Investing in Service Excellence). See opposite for examples of progress on this journey.

Benefits like efficiency, reliability and flexibility will help us match and exceed customer expectations.

New blending plants, new loaders, new buildings, new materials handling systems will all take time because we have a large and extensive network.

We have to make smart decisions so that any capital investment is assured of the right returns and "best bang for your buck". These decisions are already paying dividends in terms of product quality compared to previous years. But we are determined to take the necessary steps to ensure that, when it comes to the supply of fertiliser and other essential inputs, New Zealand's farmers are given a great service in the decades to come.

Investing in technology

Award-winning Smart Maps continues to lead the field, with ongoing improvements made in the last year, based on customer feedback.

In particular, a summer upgrade linked together our online ordering system and our Smart Maps tool. Customers choose a product and indicate where they want the product applied without leaving the Smart Maps tool, planned versus actual application maps, variable rate display and bookmarking for multiple farms.

Thousands of farmers now have their farm loaded on the Smart Maps system and are benefitting from convenient and visual control of their input information.

We developed new pasture tools to help our farmers look to, and plan for the future, including a predictive feedwedge, developed through a new collaboration with Farmax, and a strategic feed budget for monitoring seasonal highs and lows, as well as demand tracking for animal feed required.

Our state-of-the-art laboratory, ARL delivered 8% more soil test results than the previous year. This reflects the trend of farmers wanting to base their important soil nutrient decisions on hard data.

ARL's water testing kits are also popular and the facility recently received IANZ accreditation for its microbiological testing of Total Coliforms and E.coli.

This is important because most local and regional councils require any microbiological analysis that is being used for audit or resource consent purposes, to be performed by an accredited laboratory.

Research on whole-farm testing conducted by ARL showed that the variability in soil fertility meant there were savings to be had with a more precise approach.

We continued to invest in OVERSEER nutrient modelling software in collaboration with Foundation for Arable Research, MPI and AgResearch.

Ravensdown subsidiary C-Dax won the Kiwinet Commercialisation Award for its ground-breaking PastureMeter, while the Cropmark joint venture delivered a new cultivar of ryegrass called Blade exclusively for shareholders.

Top Left: C-Dax launched a predictive feedwedge and a strategic feed budget tool for Smart Maps to help farmers meet their challenges head on.

Bottom Left: A new instrument at ARL cuts analysis of sulphur in fertiliser from 12-14 hours to 10-12 minutes.

Right: Our groundspreading fleet was busy with over a million hectares spread and 29,545 proof of placement maps produced.

Infrastructure upgrades delivering returns

Real change for a real difference

Whether large or small upgrades, the idea behind RISE (Ravensdown Investing in Service Excellence) is that they all add up to make a positive difference in terms of product quality, efficiency and safety. In the past year alone, Ravensdown has delivered:

NEW quarry access and plant

The Dipton lime quarry benefitted from a $3.5m upgrade to improve service and efficiency.

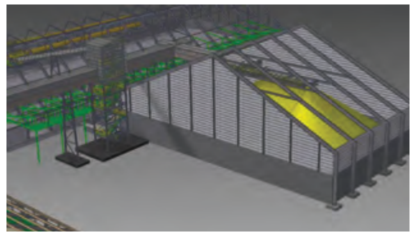
NEW roading

New roading and access at the Matawhero store.

NEW roofs and doors

The Seadown store near Timaru has been given new roof and roller doors to keep out the elements.

NEW store



Hornby's sulphur store makes way for the new one.

NEW loaders

New loaders were delivered to several stores and are seen in action here at Hornby and Ravensbourne.

NEW cladding

The Waipukurau bulk store benefits from a spruced up exterior.

NEW laboratory

The new laboratory in Ravensbourne enables more efficient phosphate rock and process sample testing compared to the old lab that was built in 1933.

Investing in science and innovation

World-leading innovation

During the year, the Ministry for Primary Industries formally signed the multi-million dollar contract to provide funding for the Ravensdown research initiative into transforming hill country farming.

The study to investigate methods of aerial soil sensing and more precise topdressing will have several flow-on benefits throughout its lifetime. For now, an Aerowork plane has already been equipped with targeted rate aerial spreading map technology and computer-controlled hopper doors.

Buffer zones can also be set around waterways or areas with stock and can be adapted to fit with localised rules or regulations.

Automation also makes life safer for the pilot, who can now concentrate solely on flying.

All this is not just a first for New Zealand. Because we are unique in our pastoral systems and hill country aerial spreading, it is a world-first.

As well as close working relationships with Massey and Lincoln universities and AgResearch, last year we supported organisations to develop agrisector innovation:

- New Zealand Society of Soil Science
- New Zealand Grasslands Association
- Fertiliser and Lime Research Centre
- Horticulture New Zealand
- Southern Dairy Hub
- Plant and Food
- Precision Agriculture Association of New Zealand
- New Zealand Grain & Seed Association
- Groundspreaders' Association
- New Zealand Institute of Primary Industries Management
- South Island Dairy Event
- Pasture Renewal Charitable Trust
- South Island Dairying Development Centre
- Foundation for Arable Research
- PotatoesNZ

Out in the community

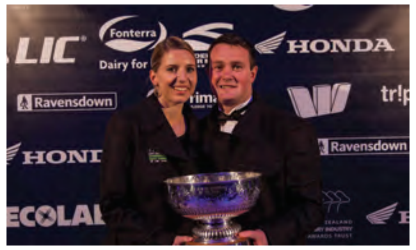
Shareholders came to learn from Ravensdown experts like Dr Ants Roberts at Waipawa and Teresa Tarr in Te Kuiti.

Top Left: Mahoenui farmer Victoria Kjestrup has a close look at the systems inside an Aerowork Cresco aeroplane fitted with the latest variable rate fertiliser hopper.

Bottom Left: Differential application will reduce environmental risk because the doors will auto close when flying over marked waterways and slopes.

Right: Ravensdown Chairman, John Henderson, Minister for Primary Industries Nathan Guy and GM for Innovation and Strategy Mike Manning at Limestone Downs to see the new technologies helping transform hill country application.

Supporting and celebrating rural success



Supporting the future of farming

Throughout the year, scholarships were awarded to several young students including Braydon Schroder (top) who won the Hugh Williams Ravensdown Memorial Scholarship to study agriculture at Massey.

Massey University Pro Vice Chancellor and head of the College of Sciences, Professor Ray Geor presents doctoral students Ahmed Elwan and Aldrin Rivas with Ravensdown scholarships of $5,000 for their studies into nutrient loss beyond the root zone.

Supporting farming excellence

Winner of the 2014 ANZ Young Farmer Contest David Kidd is seen here with $14,000 prize while Justin and Melissa Slattery won the 2015 New Zealand Sharemilker/Equity Farmers of the Year and the Ravensdown Pasture Performance Award.

Supporting young farming

Fans of Ravensdown can sometimes be said to "bleed green", but during the recent ultimate fan competition at the ANZ Young Farmer Contest, wearing green was enough.

Outlook

The business is more resilient now than it has been in five years and this coincides with an uncertain outlook for the economy as a whole and some of our dairy customers in particular.

The global market for fertilisers is hard to predict as there are so many complex factors in play not least of which is the exchange rate. However, we will refine our supply chain to provide agri-nutrients in the right amount, place and timeframe that shareholders need.

As a co-operative our focus is on protecting your equity so we are there when you need us. The long-term viability of the co-operative is central to our decisions. Rest assured, your management team is not making any knee-jerk reactions and is focusing on the long-term fundamentals of the business. For example, we will be redoubling our devotion to customer service, our drive to help farmers achieve their goals, doing our bit to support rural communities and agriscience and assisting in the protection of your right to farm.

Like-minded farmers started Ravensdown with a pioneering spirit and a belief that strength comes from pulling together. In the year ahead, we will all get the chance to show the kind of resolve and can-do attitude of those founders.

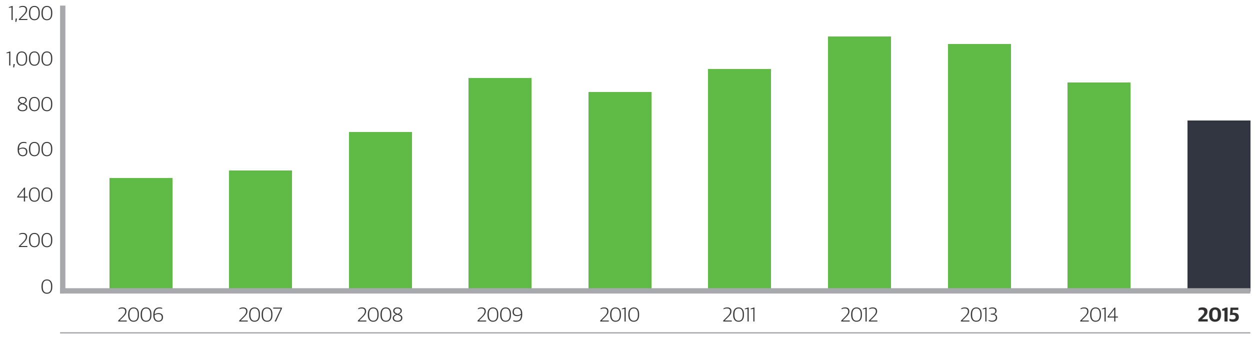
New products will be launched, nutrient budgets will be prepared, new discoveries will be made and customers will be helped. Together, we will be driven for your success.

Greg Campbell
Chief Executive

Finance at a Glance

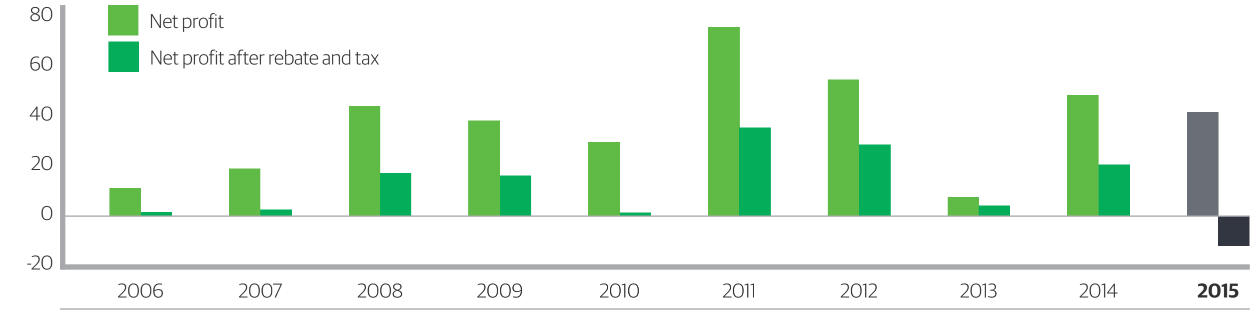
In New Zealand Dollars

Sales Revenue ($million)
Total sales made by Ravensdown after removing inter-company transactions.



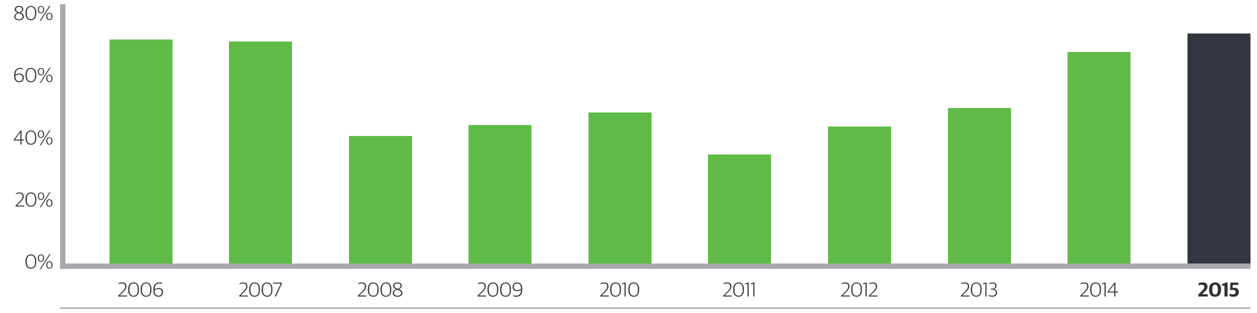
(Including results from discontinuing operations)

Net profit compared with net profit after rebate and tax ($ million)
Compares the profit achieved by Ravensdown prior to rebate distribution and tax with the profit retained by Ravensdown.



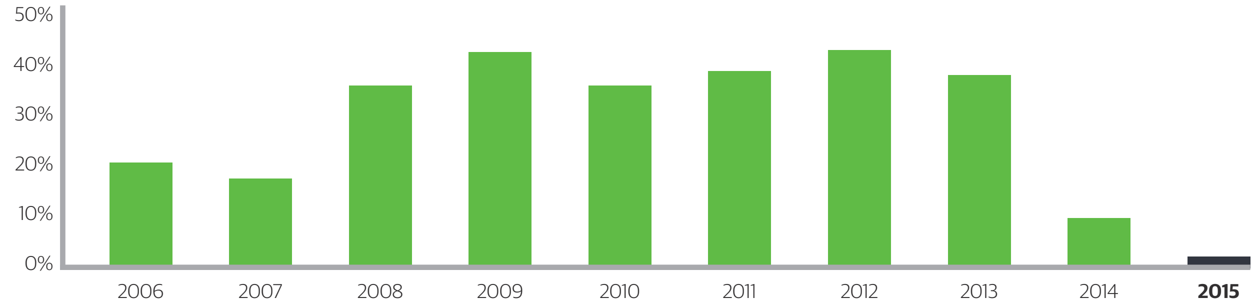
(2007 onwards in accordance with NZIFRS)
(Including results from discontinuing operations)

Equity Ratio (%)
The ratio of equity to total assets compares the money creditors contribute to the business with the money owners contribute.

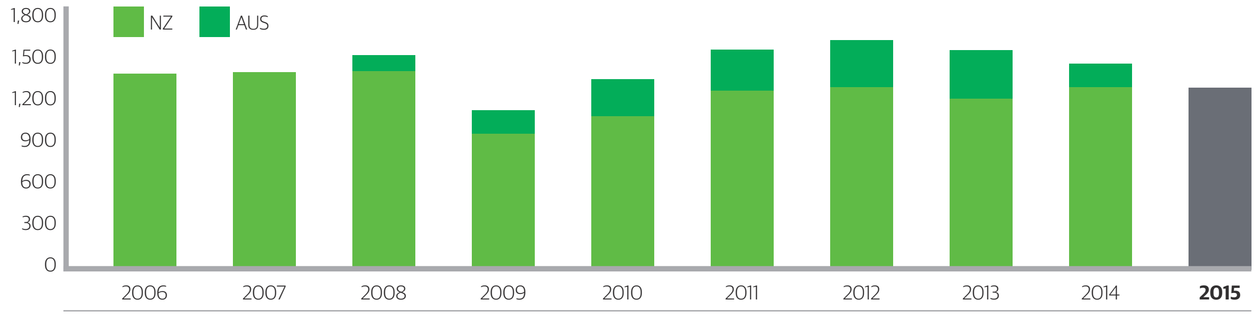


(including hedging reserve)

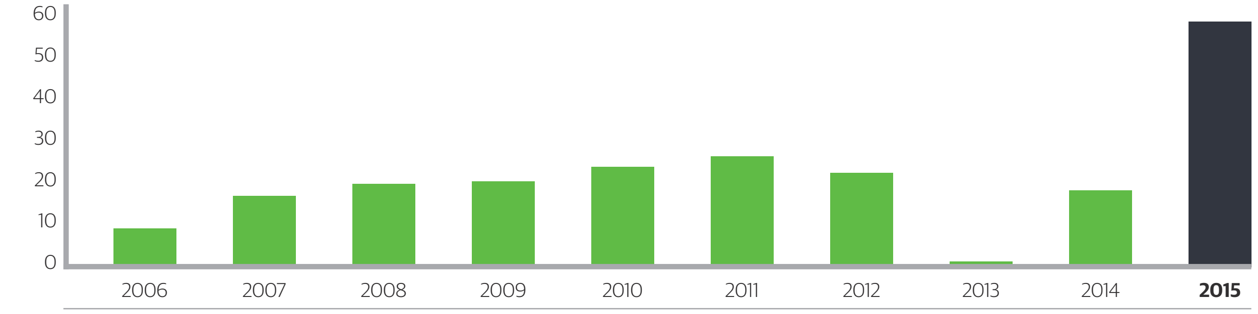
Debt Ratio (%)
Bank debt divided by total tangible assets - illustrates how much bank debt is used to fund assets.



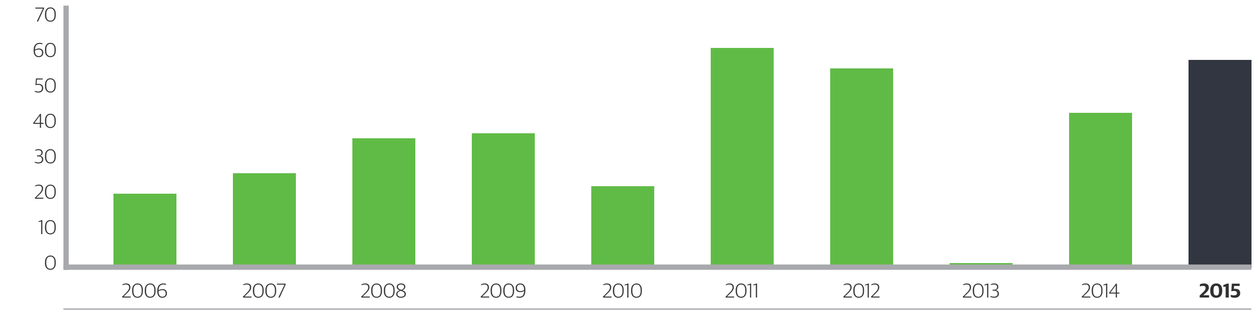
Fertiliser Sales (thousand tonnes)
Total fertiliser purchases.



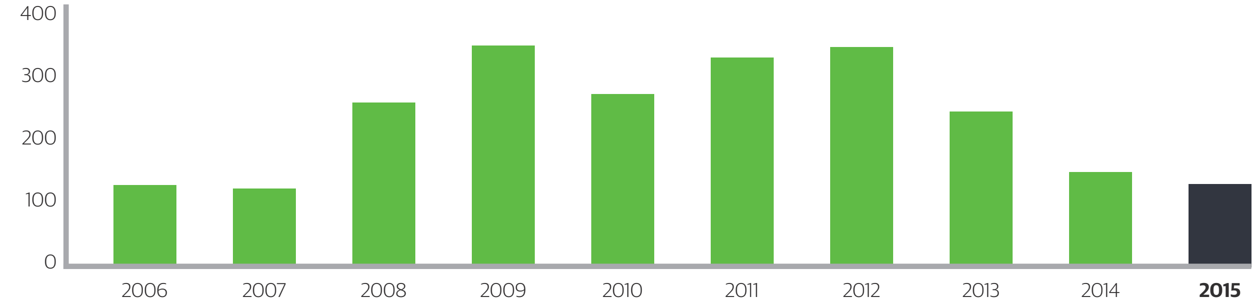
Value of Rebate to Shareholders ($million)
Total dollar of distribution to shareholders comprising rebates.



Value of Distribution to Shareholders ($million)
Total dollar value of distribution to shareholders comprising rebates and bonus issues.

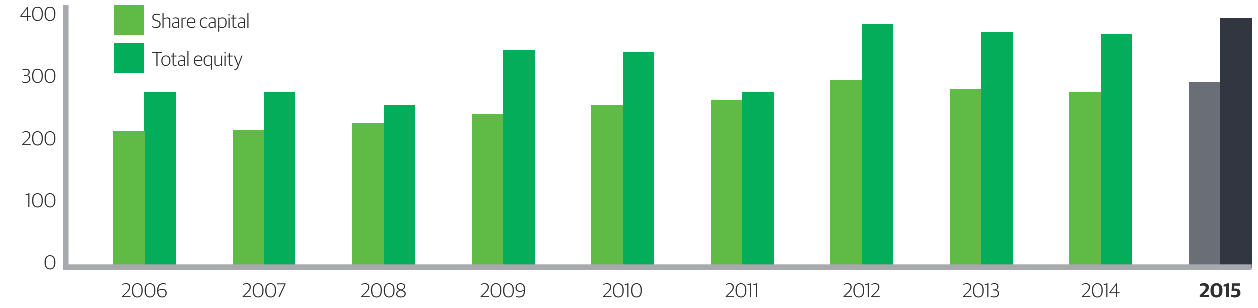


Inventory ($million)
Total inventory held by Ravensdown including manufactured product, raw materials, stock in transit at balance date and spare parts.



(Including inventory reclassified as "Assets held for Sale")

Share Capital Relative to Total Equity ($million)
Total dollar value contributed by owners compared to total equity.



Corporate Governance Policy

The Board and management of Ravensdown are committed to maintaining the highest standards of corporate governance. This report outlines the policies and procedures under which Ravensdown is governed.

Code of Business Conduct

Ravensdown expects its employees and directors to maintain high ethical standards and has published the Code of Business Conduct to guide management and employees in carrying out their duties. The code sets out policies relating to discrimination, sensitive transactions, conflicts of interest, confidentiality of company information and proper recording of transactions. Separate policies also set out high standards for environmental and health and safety performance. These policies are embodied in Ravensdown's procedures and processes and are enforced by disciplinary action where necessary.

Responsibility of the Board of Directors

The Board is elected by and responsible to the shareholders for the performance of the Co-operative.

The Board's role is to:

- Establish the strategic direction and objectives of the company
- Set the policy framework within which the company will operate
- Appoint the Chief Executive Officer
- Delegate appropriate authority to the Chief Executive for the day-to-day management of the company
- Approve the company's systems of internal financial control; monitor and approve budgets; monitor monthly financial performance and approve rebates

Board committees

The Board has four standing committees, described below. Special project committees are formed when required.

Audit & Risk Committee

The committee comprises five directors one of whom is appointed chair and has appropriate financial experience and qualifications.

The meetings are attended by the Chief Executive and Chief Financial Officer. The external auditor attends by invitation of the Chair - along with the Manager Legal & Risk and the internal auditor for Ravensdown. The committee meets a minimum of four times each year and its main responsibilities are:

- Review the annual budgets, financial statements, proposed rebates and distribution
- Advise the Board on accounting policies, practices and disclosure
- Review the scope and outcome of the external audit
- Review the effectiveness of the organisation's internal control environment
- Review the resourcing and scope of the internal audit function
- Review the risk management framework and the legislative compliance system and ensure there are adequate controls in place

The committee reports the proceedings of each of its meetings to the full Board.

Board Appointments & Remuneration Committee

The committee comprises four directors. It meets as required to:

- Review the remuneration packages of the Chief Executive and senior managers
- Make recommendations in relation to director remuneration
- Conduct the recruitment process for a new Chief Executive

Remuneration packages are reviewed annually. Independent external surveys and advice are used as a basis for establishing remuneration packages.

Share Surrenders Committee

This committee comprises three directors. It meets prior to each Board meeting as required to consider and make recommendations to the Board regarding surrender, allotment and transfer applications from shareholders.

Hugh Williams Scholarship Committee

This committee comprises three directors. The Hugh Williams Ravensdown Memorial Scholarship is offered annually to Ravensdown New Zealand shareholders' sons and daughters and aims to encourage undergraduate study in an agricultural or horticultural degree.

Founded jointly in 2000 by Ravensdown and the Williams family, the scholarship commemorates the late Hugh Williams, a Director of the co-operative from 1987 to 2000. Applicants are shortlisted from an initial essay and application, and then interviewed by the committee.

Directors' independence and performance

During the past financial year, the Board comprised of 13 directors, until the Annual Meeting in September 2014, when it was reduced to 10 directors following the removal of the Australian area and the merging of the previous areas 1 and 2. It is now comprised of eight shareholder elected directors and two independent directors.

The Constitution currently requires that one third of the shareholder-elected directors must retire every year at the Annual Meeting and elections for the vacant positions are held prior to that meeting. The two independent directors are appointed by the Board to bring additional experience and skills. The Chief Executive Officer is not a member of the Board.

All directors' performances are evaluated using the Institute of Directors Evaluation System. The evaluation is designed to measure performance through peer review and self-assessment, and appropriate strategies for personal development are then agreed and actioned. The evaluation system also gives feedback on the Chairman's performance.

Risk identification and management

The company has developed a comprehensive risk management framework to identify, assess and monitor new and existing risks. Annual risk updates are performed and risk improvement plans created and acted on. The Chief Executive and the leadership team are required to report on major risks affecting the business and to develop strategies to mitigate these risks. Additionally as part of this work, management is also responsible for ensuring an appropriate insurance programme exists.

External auditor independence

To ensure that the independence of the company's external auditor is maintained, the Board has agreed the external auditor should not provide any services which could affect its ability to perform the audit impartially. This is monitored by the Audit Committee which also reviews the quality and effectiveness of the external auditor.

Stakeholder relations

The company is committed to acting in a socially responsible manner with all stakeholders, including the wider community. The company constantly strives to lessen the environmental impact of its manufacturing and other sites. Staff are seen as key to the company's success and the company facilitates the development and training of its staff and actively pursues a policy of internal promotion where possible. All material contracts and purchases are awarded on a competitive bid basis where possible and the company aims to treat all potential suppliers fairly.

Duty to shareholders

Ravensdown keeps shareholders informed of all major developments affecting their company through regular communications.

Shareholders' input and participation is actively encouraged at the annual meeting and regional meetings. As shareholders make up the majority of the company's customers, individual interactions and communications with shareholders happen regularly.

Directors' meetings

The table below sets out the number of meetings and attendance for the Board and main committees throughout the financial year.

	BOARD OF DIRECTORS		AUDIT & RISK		BOARD APPOINTMENTS & REMUNERATION		SURRENDERS		HUGH WILLIAMS SCHOLARSHIP	
	Eligible to Attend	Attended	Eligible to Attend	Attended	Eligible to Attend	Attended	Eligible to Attend	Attended	Eligible to Attend	Attended
John Henderson	9	9	4	3	3	3				
Stuart Wright	9	9	2	2					1	1
Pete Moynihan	9	9					8	8		
Tony Howey	9	8			1	1				
Tony Reilly	9	9	2	1	3	3				
Patrick Willock	9	8	2	2	3	3				
Scott Gower	9	9					8	8	1	1
Glen Inger	9	8	4	4						
Liz Coutts	3	3	1	1						
Kate Alexander (Appointed Sep 2014)	4	4					5	5	1	1
Jason Dale (Appointed Sep 2014)	5	5	3	3						
Chris Dennison (Resigned Sep 2014)	4	4	1	1	2	2				
Rhys Turton (Resigned Sep 2014)	4	4					2	2		
Gary Cosgrove (Resigned Sep 2014)	4	4								

Board of Directors

John Henderson LLB
Chairman
6

John Henderson has a legal practice in Marton, which specialises in farm conveyancing, overseas investment, estate planning, trust work and commercial law. John also runs a large sheep and beef operation. John has been on the Ravensdown Board since 2004, and was elected Chairman in February 2014.

Committees: Audit & Risk, Board Appointments & Remuneration

Tony Howey
2

Tony Howey is an arable, vegetable and berry fruit grower from Timaru and a director on the Horticulture New Zealand Board. Tony was elected to the Ravensdown Board in 2006.

Committees: Board Appointments & Remuneration

Stuart Wright B.Ag.Com
Deputy Chairman
3

Stuart Wright runs a dryland mixed arable, seed potato and lamb-finishing operation at Sheffield, west of Christchurch. Stuart has been on the Ravensdown Board since 2007, and was elected Deputy Chairman in December 2014.

Committees: Audit & Risk, Hugh Williams Scholarship

Tony Reilly B.Agr.Com
4

Tony Reilly is a dairy farmer from Takaka with additional dairy interests in Southland. He is a Fellow of the Institute of Directors and a Nuffield Scholar. Tony was elected to the Ravensdown Board in 2004.

Committees: Audit & Risk

Peter Moynihan B.Ag.Sc
1

Pete Moynihan is an Invercargill-based Agribusiness Area Manager for a prominent bank. He also has farming interests specialising in dairying in New Zealand and has a farming investment in Chile. Pete was elected to the Ravensdown Board in 2013.

Committees: Share Surrenders, Board Appointments & Remuneration

Patrick Willock MNZM, J.P.
5

Patrick Willock is a retired sheep, beef and agroforestry farmer from Gisborne and is a chartered member of the Institute of Directors in New Zealand. Patrick was elected to the Ravensdown Board in 2000 and served as Deputy Chairman from September 2005 to February 2014.

Committees: Board Appointments & Remuneration

Scott Gower
7

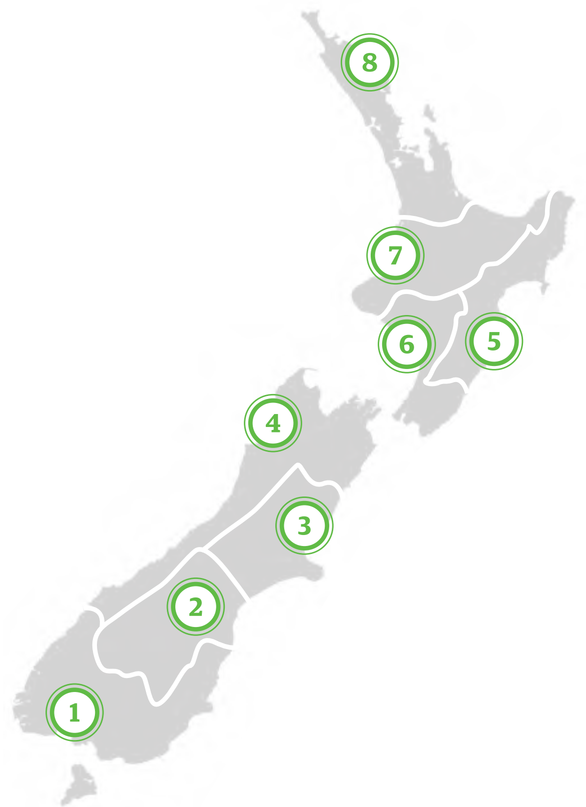
Scott Gower is a sheep and beef farmer in Ohura and is also a member of the Institute of Directors in New Zealand. Scott was elected to the Ravensdown Board in 2006.

Committees: Share Surrenders

Kate Alexander
8

Kate Alexander owns a dairy farm in Dargaville and is Chair of the Rural Support Trust - Northland. Kate holds a Diploma in Agribusiness Management and is a member of the Institute of Directors. Kate was elected to the Ravensdown Board in 2014.

Committees: Share Surrenders, Hugh Williams Scholarship



Independent Directors

Glen Inger

Glen Inger was a founding director of The Warehouse Group, is an entrepreneur and a Northland dairy, beef, sheep, mushroom and forestry farmer. He joined the Ravensdown Board in 2007.

Committees: Audit & Risk

Jason Dale

Jason Dale is Head of Education for Chartered Accountants Australia and New Zealand and Audit Chair of Taranaki Investments Management Limited. Jason joined the Ravensdown Board in 2014.

Committees: Audit & Risk

Directors who retired at the Annual Meeting in September 2014: Chris Dennison, Rhys Turton, Gary Cosgrove. Liz Coutts retired on 31 August 2014

Leadership Team

Greg Campbell
MBA(Dist), FNZIM, MIoD

Chief Executive

Greg started with Ravensdown in 2013 and was formerly Chief Executive of Ngai Tahu Holdings. Greg has been Managing Director of Transpacific New Zealand, a director of various companies and a past director of PGG Wrightsons.

"Our purpose here is to support our customers' financial and environmental performance, so there is a lot to do. Health and safety is paramount for all of us - it's just too important to take any shortcuts."

Sean Connolly
B.Com, C.A

Chief Financial Officer

Sean started with Ravensdown in 2004 and has been CFO since 2005.

"A healthy balance sheet tops the list. We seek to improve our debt position, equity ratios and costs leading to an improved bottom line so we can reward shareholders' faith in us. Profitability and return on assets employed will be the focus rather than top line revenue growth."

Kevin Gettins
General Manager Operations

Kevin started with Ravensdown in 1984 and became Awatoto works manager in 2005. He has been in charge of all manufacturing operations across the three sites since 2011.

"Manufacturing quality superphosphate efficiently is a capital-intensive exercise. As a complex, highly technical process, we also need to be reducing our environmental impact and complying with the relevant resource consents."

Bryan Inch
General Manager Customer Relationships

Bryan started with Ravensdown in early 2014 and was previously CEO of Canterbury Building Society and held senior roles with Rabobank.

"Our relationships are built on having high quality people who are driven and who are using their science-based knowledge to add value to our customers' business."

Mark McAtamney
B.Com

Chief Information Officer

Mark started with Ravensdown in 2001 and for the last 10 as CIO has developed leading technologies that transformed the precision of our spreading services and interaction with customers.

We'll be ensuring comprehensive and efficient capture of farm nutrient management information with tools like Smart Maps and enabling farmers to optimise their farm input expenditure whilst boosting their environmental performance."

Mike Manning
B.Ag.Sc, CP Ag

General Manager Innovation and Strategy

Mike started with Ravensdown in 1981 and has held a variety of roles in marketing, sales supply and R&D.

"We'll be implementing the research phase of our Primary Growth Partnership into transforming hill country farming through remote testing and more precise aerial spreading. We'll also be building advanced nutrient budget capability with other signatories of the Sustainable Dairying: Water Accord."

Mike Whitty
B. Com.Ag, C.A

General Manager Supply Chain

Mike started with Ravensdown in 1997 and has held a variety of roles in finance, sales, marketing, manufacturing and now the supply chain.

"Quality and service is key. We're investing in our stores to improve service and implementing rigorous process in terms of fertiliser procurement and quality. Success will enable more integration between logistics, stores and customers delivering improved quality value for money and enhanced traceability."

Tracey Paterson
B.A, Dip. PR, Dip Comm

General Manager Organisational Development

Tracey started with Ravensdown in 2002 and her previous role was with meat processing company AFFCO and prior to that with the health sector.

"To achieve our strategy, we rely on the skills and knowledge of our people. So my focus is on systems and culture in order to attract, develop and retain a highly skilled and competent workforce which is focused on realising the goals and strategy of the cooperative."

2015 Financial Statements

Directors' declaration

In the opinion of the directors of Ravensdown Fertiliser Co-operative Limited, the financial statements and notes, on pages 20 to 80:

- comply with New Zealand generally accepted accounting practice and give a true and fair view of the financial position of the Company and the Group as at 31 May 2015 and the results of their operations and cash flows for the year ended on that date
- have been prepared using appropriate accounting policies, which have been consistently applied and supported by reasonable judgements and estimates.

The directors believe that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of the Company and the Group and facilitate compliance of the financial statements with the Financial Reporting Act 1993.

The directors consider that they have taken adequate steps to safeguard the assets of the Company and the Group, and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide a reasonable assurance as to the integrity and reliability of the financial statements.

The directors are pleased to present the financial statements of Ravensdown Fertiliser Co-operative Limited for the year ended 31 May 2015.

For and on behalf of the Board of Directors:

J F C Henderson
Director

A S Wright
Director

Date: 12 August 2015

Income statement

For the year ended 31 May

In thousands of New Zealand dollars	*Note*	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Continuing operations					
Revenue	8	711,492	770,098	684,501	749,710
Cost of sales	9	(601,645)	(637,626)	(582,690)	(617,651)
Gross profit		109,847	132,472	101,811	132,059
Sales and marketing		(25,026)	(21,710)	(23,989)	(20,805)
Administrative expenses	10	(29,565)	(27,121)	(25,836)	(22,722)
Other operating expenses		(3,373)	(3,497)	(3,100)	(3,255)
Results from operating activities		51,883	80,144	48,886	85,277
Finance income		352	29	773	346
Finance expenses		(6,877)	(11,151)	(6,877)	(11,148)
Net finance costs	12	(6,525)	(11,122)	(6,104)	(10,802)
Share of profit of equity accounted investees (after tax)	17	2,594	3,264	-	-
(Loss)/gain on disposal of equity accounted investees	5	(2,322)	1,051	(2,322)	-
Profit before rebate and income tax		45,630	73,337	40,460	74,475
Rebates		(55,488)	(16,641)	(55,488)	(16,641)
		(9,858)	56,696	(15,028)	57,834
Income tax benefit/(expense)	13	3,582	(13,840)	4,252	(13,281)
(Loss)/profit for the year before bonus share issue		**(6,276)**	**42,856**	**(10,776)**	**44,553**
Bonus share issue		-	(18,366)	-	(18,366)
(Loss)/profit for the year from continuing operations		**(6,276)**	**24,490**	**(10,776)**	**26,187**
Discontinued operations					
Loss after rebate and tax for the year	6	(5,214)	(23,937)	(4,899)	(17,935)
(Loss)/profit for the year attributable to the equity holders of the Company		**(11,490)**	**553**	**(15,675)**	**8,252**

Statement of comprehensive income

For the year ended 31 May

In thousands of New Zealand dollars	*Note*	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
(Loss)/profit for the year		**(11,490)**	**553**	**(15,675)**	**8,252**
Foreign currency translation differences for foreign operations	13	(102)	(404)	(96)	293
Revaluation of non current assets		1,271	4,924	1,222	716
Gain arising on amalgamation of subsidiary		-	-	885	-
Effective portion of changes in fair value of cash flow hedges		30,837	(21,903)	30,837	(21,903)
Net change in fair value of cash flow hedges transferred to inventory		(5,053)	24,060	(5,053)	24,060
Net change in fair value of cash flow hedges transferred to profit or loss		779	1,378	779	1,378
Income tax on income and expense recognised directly in equity	13	(11,599)	1,314	(11,599)	1,314
Other comprehensive income for the year		**16,133**	**9,369**	**16,975**	**5,858**
Total comprehensive income for the year		**4,643**	**9,922**	**1,300**	**14,110**
Attributable to:					
Continuing operations		9,937	33,160	6,293	30,655
Discontinued operations	6	(5,294)	(23,238)	(4,993)	(16,545)
		4,643	**9,922**	**1,300**	**14,110**

The notes on pages 31 to 80 are an integral part of these financial statements.

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Statement of financial position

As at 31 May

In thousands of New Zealand dollars	*Note*	**GROUP 2015**	**GROUP 2014**	**COMPANY 2015**	**COMPANY 2014**
Assets					
Property, plant and equipment	14	258,705	246,660	230,814	216,688
Intangible assets	15	11,257	9,831	10,481	9,059
Mining deposits	16	14,158	14,958	14,158	14,958
Investments in equity accounted investees	17	13,100	13,821	7,669	8,662
Other assets	18	-	-	27,723	47,040
Total non-current assets		297,220	285,270	290,845	296,407
Inventories	20	118,239	136,905	116,483	130,741
Other financial assets	18	15,359	969	15,359	969
Taxation receivable		7,011	-	7,269	-
Trade and other receivables	21	82,265	101,950	82,168	103,551
Cash and cash equivalents	25	4,617	1,223	3,294	-
Assets held for sale	7	8,530	19,488	133	3,520
Total current assets		236,021	260,535	224,706	238,781
Total assets		533,241	545,805	515,551	535,188

The notes on pages 31 to 80 are an integral part of these financial statements.

Statement of financial position (continued)

As at 31 May

In thousands of New Zealand dollars	*Note*	**GROUP 2015**	**GROUP 2014**	**COMPANY 2015**	**COMPANY 2014**
Liabilities					
Share capital of discontinued operations	23	10,000	19,587	10,000	19,587
Deferred tax liabilities	19	19,424	12,352	16,792	7,264
Total non-current liabilities		29,424	31,939	26,792	26,851
Cash and cash equivalents	25	-	-	-	1,696
Loans and borrowings	26	10,217	50,026	10,217	50,026
Share capital of discontinued operations	23	11,197	14,849	10,372	10,417
Trade and other payables	29	45,442	42,589	43,011	41,370
Other financial liabilities	27	1,558	14,276	1,351	14,065
Current tax liabilities		-	1,777	-	5,059
Provision for rebate and bonus share issue	28	55,480	33,282	55,480	33,282
Liabilities held for sale	7	64	496	64	496
Total current liabilities		123,958	157,295	120,495	156,411
Total liabilities		153,382	189,234	147,287	183,262
Net assets		**379,859**	**356,571**	**368,264**	**351,926**
Equity					
Share capital	22	282,479	267,441	282,479	267,441
Redeemable preference shares	24	9,282	5,675	-	-
Reserves		61,857	46,147	56,229	42,584
Retained earnings		26,241	37,308	29,556	41,901
Equity attributable to owners of the company		**379,859**	**356,571**	**368,264**	**351,926**
Total equity		**379,859**	**356,571**	**368,264**	**351,926**

The notes on pages 31 to 80 are an integral part of these financial statements.

Statement of changes in equity

For the year ended 31 May

In thousands of New Zealand dollars	GROUP (ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY)						
	CO-OPERATIVE SHARES	REDEEMABLE PREFERENCE SHARES	TRANSLATION RESERVE	HEDGING RESERVE	REVALUATION RESERVE	RETAINED EARNINGS	TOTAL EQUITY
Balance at 1 June 2013	**274,610**	**10,322**	**819**	**(11,986)**	**49,957**	**34,743**	**358,465**
Profit for the year	**-**	**-**	**-**	**-**	**-**	**553**	**553**
Foreign currency translation differences for foreign operations	-	-	(404)	-	-	-	**(404)**
Revaluation of property, plant and equipment, net of tax	-	-	-	-	5,772	-	**5,772**
Revaluation reserve transferred to retained earnings on disposal of property, plant and equipment	-	-	-	-	(2,012)	2,012	**-**
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	-	(14,314)	-	-	**(14,314)**
Net change in fair value of cash flow hedges transferred to inventory, net of tax	-	-	-	17,323	-	-	**17,323**
Net change in fair value of cash flow hedges transferred to profit or loss, net of tax	-	-	-	992	-	-	**992**
Total other comprehensive income	**-**	**-**	**(404)**	**4,001**	**3,760**	**2,012**	**9,369**
Total comprehensive income for the year	**-**	**-**	**(404)**	**4,001**	**3,760**	**2,565**	**9,922**
Co-operative shares issued	37	-	-	-	-	-	**37**
Co-operative shares surrendered	(7,206)	-	-	-	-	-	**(7,206)**
Redeemable preference shares surrendered	-	(215)	-	-	-	-	**(215)**
Reclassification of redeemable preference share capital on discontinued operations	-	(4,432)	-	-	-	-	**(4,432)**
Total contributions by and distributions to owners	**(7,169)**	**(4,647)**	**-**	**-**	**-**	**-**	**(11,816)**
Balance at 31 May 2014	**267,441**	**5,675**	**415**	**(7,985)**	**53,717**	**37,308**	**356,571**
Balance at 1 June 2014	**267,441**	**5,675**	**415**	**(7,985)**	**53,717**	**37,308**	**356,571**
Loss for the year	**-**	**-**	**-**	**-**	**-**	**(11,490)**	**(11,490)**
Foreign currency translation differences for foreign operations	-	-	(102)	-	-	-	**(102)**
Revaluation of property, plant and equipment, net of tax	-	-	-	-	21	-	**21**
Revaluation reserve transferred to retained earnings on disposal of property, plant and equipment	-	-	-	-	(423)	423	**-**
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	-	19,291	-	-	**19,291**
Net change in fair value of cash flow hedges transferred to inventory, net of tax	-	-	-	(3,638)	-	-	**(3,638)**
Net change in fair value of cash flow hedges transferred to profit or loss, net of tax	-	-	-	561	-	-	**561**
Total other comprehensive income	**-**	**-**	**(102)**	**16,214**	**(402)**	**423**	**16,133**
Total comprehensive income for the year	**-**	**-**	**(102)**	**16,214**	**(402)**	**(11,067)**	**4,643**
Co-operative shares issued	7,095	-	-	-	-	-	**7,095**
Co-operative shares surrendered	(8,775)	-	-	-	-	-	**(8,775)**
Co-operative shares allotted on bonus issue	16,718	-	-	-	-	-	**16,718**
Redeemable preference shares surrendered	-	-	-	-	-	-	**-**
Reclassification of redeemable preference share capital on discontinued operations	-	3,607	-	-	-	-	**3,607**
Total contributions by and distributions to owners	**15,038**	**3,607**	**-**	**-**	**-**	**-**	**18,645**
Balance at 31 May 2015	**282,479**	**9,282**	**313**	**8,229**	**53,315**	**26,241**	**379,859**

The notes on pages 31 to 80 are an integral part of these financial statements.

The notes on pages 31 to 80 are an integral part of these financial statements.

Statement of changes in equity (continued)

For the year ended 31 May

	COMPANY					
In thousands of New Zealand dollars	**CO-OPERATIVE SHARES**	**TRANSLATION RESERVE**	**HEDGING RESERVE**	**REVALUATION RESERVE**	**RETAINED EARNINGS**	**TOTAL EQUITY**
Balance at 1 June 2013	**274,610**	**1,426**	**(11,986)**	**49,298**	**31,637**	**344,985**
Profit for the year	**-**	**-**	**-**	**-**	**8,252**	**8,252**
Foreign currency translation differences for foreign operations	-	293	-	-	-	**293**
Revaluation of property, plant and equipment, net of tax	-	-	-	1,564	-	**1,564**
Revaluation reserve transferred to retained earnings on disposal of property, plant and equipment	-	-	-	(2,012)	2,012	**-**
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	(14,314)	-	-	**(14,314)**
Net change in fair value of cash flow hedges transferred to inventory, net of tax	-	-	17,323	-	-	**17,323**
Net change in fair value of cash flow hedges transferred to profit or loss, net of tax	-	-	992	-	-	**992**
Total other comprehensive income	**-**	**293**	**4,001**	**(448)**	**2,012**	**5,858**
Total comprehensive income for the year	**-**	**293**	**4,001**	**(448)**	**10,264**	**14,110**
Co-operative shares issued	37	-	-	-	-	**37**
Co-operative shares surrendered	(7,206)	-	-	-	-	**(7,206)**
Total contributions by and distributions to owners	**(7,169)**	**-**	**-**	**-**	**-**	**(7,169)**
Balance at 31 May 2014	**267,441**	**1,719**	**(7,985)**	**48,850**	**41,901**	**351,926**
Balance at 1 June 2014	**267,441**	**1,719**	**(7,985)**	**48,850**	**41,901**	**351,926**
Loss for the year	**-**	**-**	**-**	**-**	**(15,675)**	**(15,675)**
Foreign currency translation differences for foreign operations	-	(96)	-	-	-	**(96)**
Revaluation of property, plant and equipment, net of tax	-	-	-	(28)	-	**(28)**
Revaluation reserve transferred to retained earnings on disposal of property, plant and equipment	-	-	-	(423)	423	**-**
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	19,291	-	-	**19,291**
Net change in fair value of cash flow hedges transferred to inventory, net of tax	-	-	(3,638)	-	-	**(3,638)**
Net change in fair value of cash flow hedges transferred to profit or loss, net of tax	-	-	561	-	-	**561**
Effect of amalgamation of subsidiaries	-	-	-	(2,022)	2,907	**885**
Total other comprehensive income	**-**	**(96)**	**16,214**	**(2,473)**	**3,330**	**16,975**
Total comprehensive income for the year	**-**	**(96)**	**16,214**	**(2,473)**	**(12,345)**	**1,300**
Co-operative shares issued	7,095	-	-	-	-	**7,095**
Co-operative shares surrendered	(8,775)	-	-	-	-	**(8,775)**
Co-operative shares allotted on bonus issue	16,718	-	-	-	-	**16,718**
Total contributions by and distributions to owners	**15,038**	**-**	**-**	**-**	**-**	**15,038**
Balance at 31 May 2015	**282,479**	**1,623**	**8,229**	**46,377**	**29,556**	**368,264**

The notes on pages 31 to 80 are an integral part of these financial statements.

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Statement of cash flows

For the year ended 31 May

In thousands of New Zealand dollars	*Note*	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Cash flows from operating activities					
Cash was provided from					
Cash receipts from customers		737,637	923,046	708,195	846,552
Dividend received		2,314	1,364	295	8,090
		739,951	924,410	708,490	854,642
Cash was applied to					
Cash paid to suppliers and employees		621,284	733,018	600,117	685,553
Income tax paid		8,923	6,043	13,276	5,151
		630,207	739,061	613,393	690,704
Net cash from operating activities		**109,744**	**185,349**	**95,097**	**163,938**
Cash flows from investing activities					
Cash was provided from					
Proceeds from discontinued operations		-	46,371	-	46,371
Proceeds from sale of shares in associates		-	1,051	-	-
Proceeds from sale of property, plant and equipment		4,101	1,151	660	619
Proceeds from shares in subsidiaries		-	-	-	929
Cash received from held-to-maturity investments		-	522	-	-
Loans repaid by subsidiaries		-	-	28,452	68,292
Loans repaid by equity accounted investees		128	13,977	128	1,324
		4,229	63,072	29,240	117,535
Cash was applied to					
Acquisition of property, plant and equipment		28,692	18,191	26,650	11,609
Acquisition of other non-current assets		5,090	3,727	5,066	3,687
Purchase of investments		107	166	107	166
Acquisition of shares in subsidiary, net of cash acquired		-	-	-	334
Loans advanced to subsidiaries		-	-	13,688	42,741
Loans advanced to equity accounted investees		1,350	9,225	1,350	580
		35,239	31,309	46,861	59,117
Net cash (used in)/from investing activities		**(31,010)**	**31,763**	**(17,621)**	**58,418**

The notes on pages 31 to 80 are an integral part of these financial statements.

Statement of cash flows (continued)

For the year ended 31 May

In thousands of New Zealand dollars	*Note*	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Cash flows from financing activities					
Cash was provided from					
Interest received		525	576	1,500	1,337
Proceeds from issue of share capital		43	40	43	40
		568	616	1,543	1,377
Cash was applied to					
Interest paid		7,253	13,452	7,253	13,452
Repay share capital		19,148	7,810	19,148	7,810
Repay redeemable preference shares		-	557	-	-
Payment of rebates		9,528	-	9,528	-
Net movements in bank credit facility		39,617	217,379	39,617	217,379
		75,546	239,198	75,546	238,641
Net cash used in financing activities		**(74,978)**	**(238,582)**	**(74,003)**	**(237,264)**
Net increase/(decrease) in cash and cash equivalents		3,756	(21,470)	3,473	(14,908)
Cash and cash equivalents at 1 June		1,223	20,637	(1,696)	11,055
Effect of amalgamation of subsidiary		-	-	1,304	-
Effect of exchange rate fluctuations on cash held		(362)	2,056	213	2,157
Cash and cash equivalents at 31 May	25	**4,617**	**1,223**	**3,294**	**(1,696)**

The notes on pages 31 to 80 are an integral part of these financial statements.

Reconciliation of the profit for the period with the net cash from operating activities

In thousands of New Zealand dollars	*Note*	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
(Loss)/profit for the year after bonus issue		(11,490)	553	(15,675)	8,252
Adjustments for:					
Items classified as investing or financing activities					
Rebates to shareholders		55,488	16,651	55,488	16,641
Interest income		(525)	(576)	(1,500)	(1,337)
Interest expense		7,253	13,452	7,253	13,452
Proceeds from sale of shares in associates		-	(1,051)	-	-
Losses on sale of shares in associates	5	1,822	-	1,822	-
Items not involving cash flows					
Depreciation and loss (gain) on disposals		18,742	25,645	15,549	22,822
Amortisation of intangible assets		2,884	2,447	2,864	2,405
Amortisation of deferred income		-	(2,864)	-	(2,864)
Net loss/(gain) on financial instruments		-	(29)	-	(29)
(Increase)/Decrease in deferred taxation		(4,528)	4,495	(2,208)	(405)
Revaluation of Government Bond		-	(2)	-	-
Impairment of subsidiary investments		-	-	1,676	5,667
Impairment of loans to associates	5	500	-	500	-
Impairment of mining deposits		689	-	689	-
Provision for bonus share issue		-	18,366	-	18,366
Provision of doubtful debts		(1,988)	-	(809)	-
Revaluation of fixed assets		3,691	574	824	446
Implied interest on discontinued share capital		848	2,166	848	2,166
Equity accounted (profits)/losses from associated companies		(280)	(1,901)	-	-
Income tax expense		(8,791)	(135)	(12,758)	3,791
Decrease in inventories		18,575	68,530	13,947	45,685
Decrease in trade and other receivables, prepayments and advances		24,998	49,177	26,288	39,037
Increase/(decrease) in trade and other payables, deferred income		1,856	(10,149)	299	(10,157)
Net cash from operating activities		**109,744**	**185,349**	**95,097**	**163,938**

Notes to the financial statements

1. Reporting entity

Ravensdown Fertiliser Co-operative Limited (the "Company") is a company domiciled in New Zealand, registered under the Companies Act 1993, the New Zealand Co-operative Companies Act 1996, the Australian Corporations Act 2001 and the Western Australia Companies Co-operative Act 1943. The Company is an issuer in terms of the Financial Reporting Act 1993.

These consolidated financial statements are for the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in associates and joint ventures as at and for the year-ended 31 May 2015.

Ravensdown Fertiliser Co-operative Limited is primarily involved in the supply of inputs and services to the agricultural sectors in New Zealand and is a profit-oriented entity.

2. Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with New Zealand International Financial Reporting Standards ("NZ IFRS"), and other applicable Financial Reporting Standards, as appropriate for profit-oriented entities.

The financial statements also comply with International Financial Reporting Standards ("IFRS").

From 1 April 2014, the Financial Markets Conduct Act 2013 ("FMCA 2013") came into force. The FMCA 2013 will ultimately supersede the Group's current financial reporting obligations as prescribed under the Financial Reporting Act 1993 ("FRA 93"). However, under the transitional provisions of the FMCA 2013, the Company remains an issuer and within the scope of the FRA 93 until its 31 May 2017 reporting date, unless it elects to opt-in earlier. With the exception of eliminating the requirement to present Company financial statements, there are no financial reporting differences between the FRA 2013 and FRA 1993.

The financial statements were approved by the Board of Directors on 4 August 2015.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following:

- derivative financial instruments are measured at fair value
- certain items of property, plant and equipment that are revalued in accordance with the Group's policy of revaluation
- available for sale assets are measured at the lower of fair value less costs to sell and carrying value

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on inputs used in the valuation techniques as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The methods used to measure fair values are disclosed further in note 4.

(c) Functional and presentation currency

These financial statements are presented in New Zealand dollars ($), which is the Company's functional currency. All financial information presented in New Zealand dollars has been rounded to the nearest thousand unless otherwise noted.

(d) Use of estimates and judgements

In the application of NZ IFRS management are required to make judgements, 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 on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The following notes contain balances subject to significant estimates and judgements:

- Fair value of land and buildings (note 14)
- Trade receivables (note 21)
- Share capital of discontinued operations (note 23)
- Fair value of derivatives (note 30)

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by Group entities.

The balance sheet for 2014 has been re-presented to reflect a change in the accounting policy relating to the classification of spare parts that have an economic life greater than one year. Those spare parts have been reclassified from inventories to property, plant and equipment. The effect on the 2014 balance sheet is an increase in the value of property, plant and equipment of $5.7 million for the Group and $4.2 million for the Company. The value of inventories have decreased by the corresponding amounts.

The balance sheet for 2014 has been re-presented to reflect a change in the accounting policy relating to the classification of software. Software has been reclassified from property, plant and equipment to intangible assets. The effect on the 2014 balance sheet is an increase in the value of intangible assets of $2.8 million for the Group and Company. The value of property, plant and equipment has decreased by the corresponding amount.

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists 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. Power arises when the Group has existing rights to direct the relevant activities of the investee, i.e. those that significantly affect the investee's returns. Subsidiaries are consolidated from the point at which control is transferred to the Group and until such point as that control ceases. Control is assessed on a continuous basis.

The notes on pages 31 to 80 are an integral part of these financial statements.

Notes to the financial statements (continued)

Acquisition related costs are expensed as incurred. On an acquisition-by-acquisition basis, the Group recognises non-controlling interests at either their fair value or proportionate share of the acquiree's net assets. Transactions with non-controlling interests that do not result in a change of control are recognised in equity.

(ii) Common control transactions
Business combinations in which all of the combining entities or businesses ultimately are controlled by the same party or parties both before and after the combination are recognised as common control transactions. In common control transactions by way of short form amalgamation, the applies predecessor values accounting.

Under this method, the carrying amounts of the amalgamating company are transferred at book value to the amalgamated company.

(iii) Associates and joint ventures (equity accounted investees)
Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies.
Joint ventures are those arrangements in which the Group has contractually agreed joint control and has rights to the net assets of the venture rather than having rights to assets and obligations for its liabilities. Associates and joint ventures are accounted for using the equity method (equity accounted investees).
The consolidated financial statements include the Group's share of the income and expenses of equity accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

(iv) Transactions eliminated on consolidation
Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.
Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee.
Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currency

(i) Foreign currency transactions
Transactions in foreign currencies are translated to the functional currency of the Group at exchange rates at the dates of the transactions.
Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date.
Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.
Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of a financial liability designated as a hedge of the net investment in a foreign operation (see (iii) below).

(ii) Translation of financial information into presentation currency
The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to New Zealand dollars at exchange rates at the reporting date.
The income and expenses of foreign operations are translated to New Zealand dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in the foreign currency translation reserve (FCTR). When a foreign operation is disposed of, in part or in full, the relevant amount in the FCTR is transferred to profit or loss as an adjustment to the profit or loss on disposal.

(iii) Hedge of net investment in foreign operation
Foreign currency differences arising on the retranslation of a financial liability designated as a hedge of a net investment in foreign operation are recognised in other comprehensive income and presented within equity, in the FCTR, to the extent that a hedge is effective. To the extent that the hedge is ineffective, such differences are recognised in profit or loss. When the hedged net investment is disposed of, the cumulative amount in FCTR is transferred to profit or loss as an adjustment to the profit or loss on disposal.

(c) Financial instruments

(i) Non-derivative financial assets
The Group initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Held-to-maturity financial assets
If the Group has the positive intent and ability to hold debt securities to maturity, then such financial assets are classified as held-to-maturity. Held-to-maturity financial assets are recognised initially at fair value plus any directly attributable transaction costs.

Subsequent to initial recognition held-to-maturity financial assets backing insurance liabilities are measured at fair value. The movement in fair value is recognised in the income statement. Any sale or reclassification of a more than insignificant amount of held-to-maturity investments not close to their maturity would result in the reclassification of all held-to-maturity investments as available-for-sale, and prevent the Group from classifying investment securities as held-to-maturity for the current and the following two financial years.

Loans and receivables
Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Cash and cash equivalents
Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows. Advances and repayments in the banking facilities are reported in the statement of cash flows on a net basis because the turnover is quick, the amounts are large and the maturities are short.

Investments in equity securities
Investments in equity securities of subsidiaries, associates and joint ventures are measured at cost in the separate financial statements of the Company.

Available for sale financial assets
Available for sale financial assets are non-derivative financial assets that are designated as available for sale or are not classified in any of the above categories of financial assets. Available for sale financial assets are recognised initially at fair value plus any directly attributable transaction costs.

(ii) Non-derivative financial liabilities
The Group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group has the following non-derivative financial liabilities: loans and borrowings, bank overdrafts, and trade and other payables.

Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

(iii) Share capital
Ordinary shares
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

Preference share capital
Preference shares rank in priority to any other class of share but are limited to the surplus assets or profits of Ravensdown Fertiliser Australia Limited, whether in a winding up or otherwise. Puttable instruments are considered each year to determine if they meet the definition of financial liability or equity instrument and are classified accordingly.

(iv) Derivative financial instruments
The Group uses derivative financial instruments to hedge its exposure to foreign exchange and interest rate risks arising from operational and financing activities.

In accordance with its treasury policy, the Group does not hold or issue derivative financial instruments for trading purposes. However derivatives that do not qualify for hedge accounting are accounted for as held-for-trading instruments.

Derivative financial instruments are recognised initially at fair value and transaction costs are expensed immediately. Subsequent to initial recognition, derivative financial instruments are stated at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the hedging relationship (see below).

Cash flow hedges
Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognised directly in equity to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognised in profit or loss.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognised in equity remains there until the forecast transaction occurs. When the hedged item is a non-financial asset, the amount recognised in equity is transferred to the carrying amount of the asset when it is recognised. In other cases the amount recognised in equity is transferred to profit or loss in the same period that the hedged item affects profit or loss. In the event that a hedging instrument is sold, terminated or exercised prior to maturity and the original forecast transaction is no longer forecast to occur, the resultant gain/loss is recognised immediately in the profit or loss.

Notes to the financial statements (continued)

(d) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, except for land and buildings which are revalued with changes in fair value recognised directly in equity.

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

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

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

(ii) Subsequent costs

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

(iii) Depreciation

Depreciation is recognised in profit or loss to allocate the cost or revalued amount of an asset, less any residual value, over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated.

The estimated useful lives and the depreciation methodology for the current and comparative periods are as follows:

Land
indefinite

Land Improvements
25 years Diminishing value

Buildings and fitout
30 years Straight line

Fixed plant and equipment
15 years Straight line

Mobile plant and motor vehicles
5 years Diminishing value

Office equipment
2-10 years Diminishing value

Fixed wing aircraft
33 years Straight line

Rotary aircraft
13 years Straight line

Depreciation methods, useful lives and residual values are reassessed at the reporting date.

Aircraft are subject to ongoing maintenance programmes which include the use of rotable assets held as spare parts.

(e) Intangible assets

(i) Resource consents

Costs incurred in obtaining resource consents for the three manufacturing sites owned by the Company are capitalised and amortised from the granting of the consent on a straight-line basis for the period of the consent.

(ii) Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in profit or loss when incurred.

Development costs are capitalised if they can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset.

(iii) Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

(iv) Software

Software is stated at cost, less accumulated amortisation and impairment losses. Amortisation is charged to profit or loss on a straight-line basis over 2 to 8 years.

The amortisation rates are reviewed annually.

(v) Other intangible assets

Other intangible assets that are acquired by the Group, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses.

(vi) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss when incurred.

(vii) Amortisation

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use.

The estimated useful lives for the current and comparative periods are as follows:

Patents and registrations	6-20 years
Resource consents	14-35 years
Software	2-8 years

(f) Leased assets

Leases where the Group assumes substantially all the risks and rewards of ownership are classified as finance leases.

Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments.

Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. Leases that are not finance leases are classified as operating leases, refer to note 31.

(g) Inventories

Inventories are measured at the lower of cost and net realisable value. The Group has used both the first-in first-out principle and the weighted average cost formulas to assign costs to inventories. The same cost formula has been used for all inventories having a similar nature or use to the Group.

The cost includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Inventories in the Financial Statements are reported as either finished goods or raw material. All inventories are considered a finished good unless they are to be utilised in the production of superphosphate or its related products.

(h) Impairment

The carrying amounts of the Group's assets, with the exception of inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any objective evidence of impairment.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses directly reduce the carrying amount of assets and are recognised in the income statement.

(i) Impairment of receivables

The recoverable amount of the Group's receivables carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate (i.e., the effective interest rate computed at initial recognition of these financial assets). Receivables with a short duration are not discounted.

Impairment losses on an individual basis are determined by an evaluation of the exposures on an instrument by instrument basis.

(ii) Non-financial assets

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

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash inflows that are largely independent from other assets and groups. Impairment losses are recognised in profit or loss, except to the extent they are used to offset a credit balance previously recognised directly in equity as a revaluation surplus. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(i) Non-current assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, that are expected to be recovered primarily through sale or distribution rather than through continuing use, are classified as held for sale. Immediately before classification as held for sale, the assets or components of a disposal group are remeasured in accordance with the Group's accounting policies. Thereafter generally the assets, or disposal group are measured at the lower of their carrying amount and fair value less costs of disposal. Any impairment loss on a disposal group is first allocated to goodwill, and then to remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets or employee benefit assets which continue to be measured in accordance with the Group's accounting policies. Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

(j) Employee benefits

(i) Defined contribution plans

Obligations for contributions to defined contribution pension plans are recognised as an expense in profit or loss when they are due.

(ii) Long-term employee benefits

The Group provides certain employees with long service leave. An accrual is recognised on an actuarial basis over the period of service. The discount rate applied is the Government Bond rate for terms equivalent to the expected utilisation of the long service leave. Actuarial gains and losses are recognised in the profit or loss in the period in which they arise.

(k) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Notes to the financial statements (continued)

(l) Revenue

(i) Goods sold
Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances and trade discounts.
Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

(ii) Services
Revenue from services rendered is recognised in profit or loss at the date when the service is rendered.

(iii) Dividends received
Dividend income is recognised on the date that the right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

(m) Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

(n) Finance income and expenses

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues, using the effective interest method.

Finance expenses comprise interest expense on borrowings, unwinding of the discount on provisions and gains or losses on interest rate hedging instruments that are recognised in profit or loss. All borrowing costs other than those relating to hedging instruments are recognised in profit or loss using the effective interest method.

(o) Discontinued operations

Classification as a discontinued operation occurs on disposal or when the operation meets the criteria to be classified as held for sale (note 3i). When an operation is classified as a discontinued operation, the comparative income statement is re-presented as if the operation had been discontinued from the start of the comparative year.

(p) Income tax expense

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity.

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

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries and equity accounted investees to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(q) Mining deposits

The Group owns various lime quarries throughout New Zealand. The Group operates a mixed model whereby in some instances the resource is owned by the Group in others the resource is acquired on a royalty basis. The quarries are measured at either fair value on acquisition or the costs associated with developing existing quarries to extend their economic life. Available resource is considered on a tonnage basis. The resources are amortised on a per tonne of extraction basis.

Rehabilitation of lime quarry sites is provided for on an annual basis. The provision reflects the estimated life of the quarry and the potential rehabilitation cost.

(r) Rebates and bonus share issues

Rebates are provided for based on the qualifying tonnage sold for the year at a rate determined by the Board. Shareholders who hold less than the quota shareholding as determined by the Board may have a portion of their rebate paid in shares. For financial reporting purposes rebates are treated as an expense in the income statement.

Bonus share issues are provided for based on the qualifying tonnage sold for the year at a rate determined by the Board. For financial reporting purposes bonus share issues are treated as an expense in the income statement. Co-operative shares allotted on bonus issue are disclosed in the statement of changes in equity.

(s) New standards and interpretations adopted

There have been no new standards that have been adopted by the Group for the first time for the financial year beginning on or after 1 June 2014.

(t) New standards and interpretations adopted early

There have been no standards or interpretations adopted early for the year ended 31 May 2015.

(u) New standards and interpretations not yet adopted

New and amended standards that could be expected to have a material impact on the Group's financial statements, which were available for early adoption but have not been adopted, are stated below. At this time it is not possible to reasonably estimate the impact of the adoption of these standards.

- NZ IFRS 9 Financial Instruments addresses the classification, measurement and derecognition of financial assets, financial liabilities, impairment of financial assets and hedge accounting.
- NZ IFRS 15 Revenue from Contracts with Customers establishes a single comprehensive framework for revenue recognition.

There are no other new or amended standards that are issued but not yet effective that would be expected to have a material impact on the Group.

4. Determination of fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement dates.

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities.
Fair values have been determined for measurement and/or disclosure purposes based on the following methods.
Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(a) Property, plant and equipment

The fair value of property, plant and equipment is based on market values. The market value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. External valuations are obtained to determine fair value.

(b) Inventory

The fair value of inventory acquired in a business combination is determined based on its estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventory.

(c) Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

(d) Derivatives

The fair value of forward exchange contracts is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate (based on government bonds).

The fair value of interest rate swaps is based on broker quotes. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

(e) Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows discounted at the market rate of interest at the reporting date.

5. Disposal of business

In August 2011 a Heads of Agreement was signed between Ravensdown and Ashburton Trading Society (ATS) for the purpose of establishing a joint venture. In July 2013 Ravensdown purchased 50% of the share capital of the joint venture company, Ruralco NZ Limited. In May 2015 Ravensdown entered into an agreement with ATS to terminate the joint venture and the related service agreement. Ravensdown disposed of its interests in RuralCo NZ Limited through the income statement. The loss recognised as a result of this disposal was $2.3 million.

6. Discontinued operations

Ravensdown Australia Properties is a 100% subsidiary that was set up as a holding company for property owned in Australia. The one remaining fertiliser shed and associated equipment is currently classified as held for sale. These operations are discontinued as part of the overall plan to exit this market.

In May 2013, the decision was made to exit operations in Western Australia and sell the Ravensdown Western Australian business. As part of this exit the co-operative shares held by Western Australia members have been reclassified from share capital to current and non current liabilities. The share capital is discounted to its present value (note 23).

In May 2014 the Board of Ravensdown Fertiliser Australia Limited ("RFA") announced the planned orderly wind down of the Queensland based business. As at balance date the business has ceased trading and the assets of the business are available for sale with expressions of interest currently being sought. While it has been over a year, it is still considered appropriate that the assets of the business be held for sale as they are being actively marketed and at a price that is considered appropriate.

Notes to the financial statements (continued)

6. Discontinued operations (continued)

Loss for the year from discontinued operations

In thousands of New Zealand dollars	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Revenue (note 8)	4,854	107,354	45	73,006
Cost of sales (note 9)	(5,803)	(115,970)	(229)	(82,025)
Impairments* (note 9)	(1,965)	(1,387)	(420)	(5,829)
Audit fees (note 10)	(68)	(84)	-	(8)
Personnel expenses (note 11)	(184)	(3,918)	(30)	(2,251)
Net finance costs (note 12)	(1,051)	(3,906)	(498)	(3,450)
Other expenses	(1,811)	(9,454)	(1,197)	(2,115)
Loss before rebate and tax	(6,028)	(27,365)	(2,329)	(22,672)
Rebate and share bonus issue	-	(10)	-	-
Loss before tax	(6,028)	(27,375)	(2,329)	(22,672)
Attributable income tax benefit/(expense) (note 13)	814	3,438	(2,570)	4,737
Loss after rebate and tax for the year from discontinued operations	**(5,214)**	**(23,937)**	**(4,899)**	**(17,935)**
Loss after rebate and tax for the year from discontinued operations	(5,214)	(23,937)	(4,899)	(17,935)
Foreign currency translation differences for foreign operations	(80)	(399)	(94)	292
Income tax on income and expense recognised directly in equity	-	1,098	-	1,098
Income and expense recognised directly in equity	(80)	699	(94)	1,390
Total comprehensive income attributable to discontinued operations	**(5,294)**	**(23,238)**	**(4,993)**	**(16,545)**

*Included are fair value impairments to receivables, property, plant and equipment and inventory.

Cash flows from discontinued operations

In thousands of New Zealand dollars	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Net cash flow from operating activities	11,258	48,678	6,741	36,873
Net cash flow from investing activities *	6,951	53,209	10,672	66,894
Net cash flow from financing activities	(18,794)	(111,037)	(18,182)	(110,205)
Net cash flows	**(585)**	**(9,150)**	**(769)**	**(6,438)**

* Includes proceeds from sale of property, plant, equipment and inventory of $3.4 million (2014: $46.4 million).

7. Disposal group held for sale

The following assets and liabilities represent the reclassifications made as part of the discontinued operations discussed in Note 6.

Assets classified as held for sale

In thousands of New Zealand dollars	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Property, plant and equipment	8,397	15,968	-	-
Inventories	-	68	-	68
Trade and other receivables	133	3,452	133	3,452
	8,530	**19,488**	**133**	**3,520**

Liabilities classified as held for sale

In thousands of New Zealand dollars	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Trade and other payables	64	467	64	467
Employee entitlements	-	29	-	29
	64	**496**	**64**	**496**

Notes to the financial statements (continued)

8. Revenue

In thousands of New Zealand dollars	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Sales	714,625	870,759	683,050	807,378
Dividends received	1	1	302	8,098
Other revenue	1,720	6,692	1,194	7,240
Total revenues	**716,346**	**877,452**	**684,546**	**822,716**
Attributable to:				
Continuing operations	711,492	770,098	684,501	749,710
Discontinued operations (note 6)	4,854	107,354	45	73,006
	716,346	**877,452**	**684,546**	**822,716**

9. Cost of sales

In thousands of New Zealand dollars	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Costs relating to sales during the period	608,608	754,059	582,553	705,460
Write-down of inventories to net realisable value (note 20)	805	924	786	45
Total cost of sales	**609,413**	**754,983**	**583,339**	**705,505**
Attributable to:				
Continuing operations	601,645	637,626	582,690	617,651
Discontinued operations (includes impairments disclosed separately in note 6)	7,768	117,357	649	87,854
	609,413	**754,983**	**583,339**	**705,505**

10. Administrative expenses

The following items of expenditure are included in administrative expenses:

In thousands of New Zealand dollars	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Auditor's remuneration to KPMG comprises:				
Audit of financial statements	185	223	117	147
Other non-audit services	15	-	15	-
Total auditor's remuneration	**200**	**223**	**132**	**147**

Audit of financial statements includes costs associated with the interim review required of Ravensdown Fertiliser Australia Limited. Other non-audit services relate to an internal controls review encompassing the segregation of duties.

Attributable to:				
Continuing operations	132	139	132	139
Discontinued operations (note 6)	68	84	-	8
	200	**223**	**132**	**147**

11. Personnel expenses

In thousands of New Zealand dollars	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Wages and salaries	56,251	54,977	48,137	44,321
Superannuation - defined contribution	2,934	3,015	2,658	2,625
Increase/(decrease) in liability for long-service leave	149	(240)	149	(240)
Total personnel expenses	**59,334**	**57,752**	**50,944**	**46,706**
Attributable to:				
Continuing operations	59,150	53,834	50,914	44,455
Discontinued operations (note 6)	184	3,918	30	2,251
	59,334	**57,752**	**50,944**	**46,706**

Notes to the financial statements (continued)

12. Finance income and expense

In thousands of New Zealand dollars	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Net change in fair value of derivatives designated at fair value through profit or loss	-	29	-	29
Intercompany interest	-	-	1,181	1,273
Interest income other	525	565	377	65
Finance income	525	594	1,558	1,367
Interest expense on financial liabilities measured at amortised cost	(6,474)	(12,078)	(6,533)	(12,075)
Fair value of cash flow hedges transferred from equity	(779)	(1,378)	(779)	(1,378)
Implied interest on discontinued share capital	(848)	(2,166)	(848)	(2,166)
Finance expense	(8,101)	(15,622)	(8,160)	(15,619)
Net finance costs	**(7,576)**	**(15,028)**	**(6,602)**	**(14,252)**
Net finance costs				
Continuing operations	(6,525)	(11,122)	(6,104)	(10,802)
Discontinued operations (note 6)	(1,051)	(3,906)	(498)	(3,450)
	(7,576)	**(15,028)**	**(6,602)**	**(14,252)**

13. Income tax expense in the income statement

In thousands of New Zealand dollars	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Current tax expense				
Current period	(403)	5,703	(764)	8,706
Adjustment for prior periods	601	(41)	1,201	66
	198	5,662	437	8,772
Deferred tax expense				
Origination and reversal of temporary differences	(4,594)	4,280	(2,119)	(161)
Adjustment for prior periods	-	460	-	(67)
	(4,594)	4,740	(2,119)	(228)
Total income tax (benefit)/expense	**(4,396)**	**10,402**	**(1,682)**	**8,544**
Attributable to:				
Continuing operations	(3,582)	13,840	(4,252)	13,281
Discontinued operations (note 6)	(814)	(3,438)	2,570	(4,737)
	(4,396)	**10,402**	**(1,682)**	**8,544**

Notes to the financial statements (continued)

13. Income tax expense in the income statement (continued)

Reconciliation of tax expense

In thousands of New Zealand dollars	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
(Loss)/profit for the year - continuing operations	(6,276)	24,490	(10,776)	26,187
Loss for the year - discontinued operations	(5,214)	(23,937)	(4,899)	(17,935)
Total bonus share issue	-	18,366	-	18,366
Total income tax (benefit)/expense	(4,396)	10,402	(1,682)	8,544
(Loss)/profit before tax	(15,886)	29,321	(17,357)	35,162
Income tax using the Company's domestic tax rate of 28%	(4,448)	8,210	(4,860)	9,845
Non-deductible expenses	3,195	822	1,941	820
Derecognition of previously recognised deferred tax	(3,041)	1,509	-	-
Tax exempt income	-	-	-	(2,519)
Share of post tax earnings of equity accounted investees	(726)	(914)	-	-
Other non-deductible items	23	356	36	399
Under/(over) provided in prior periods	601	419	1,201	(1)
Total income tax (benefit)/expense	**(4,396)**	**10,402**	**(1,682)**	**8,544**

Income tax recognised directly in equity

In thousands of New Zealand dollars	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Derivatives	10,349	(466)	10,349	(466)
Revaluation of property, plant and equipment	1,250	(848)	1,250	(848)
Total income tax recognised directly in equity	**11,599**	**(1,314)**	**11,599**	**(1,314)**

Income tax recognised directly in other comprehensive income

	GROUP 2015			GROUP 2014		
In thousands of New Zealand dollars	BEFORE TAX	TAX (EXPENSE) / BENEFIT	NET OF TAX	BEFORE TAX	TAX (EXPENSE) / BENEFIT	NET OF TAX
Foreign currency translation differences for foreign operations	(102)	-	(102)	(404)	-	(404)
Net change in revaluation reserve	1,271	(1,250)	21	4,924	848	5,772
Effective portion of changes in fair value of cash flow hedges	30,837	(11,546)	19,291	(21,903)	7,589	(14,314)
Net change in fair value of cash flow hedges transferred to inventory	(5,053)	1,415	(3,638)	24,060	(6,737)	17,323
Net change in fair value of cash flow hedges transferred to profit or loss	779	(218)	561	1,378	(386)	992
	27,732	**(11,599)**	**16,133**	**8,055**	**1,314**	**9,369**

	COMPANY 2015			COMPANY 2014		
In thousands of New Zealand dollars	BEFORE TAX	TAX (EXPENSE) / BENEFIT	NET OF TAX	BEFORE TAX	TAX (EXPENSE) / BENEFIT	NET OF TAX
Foreign currency translation differences for foreign operations	(96)	-	(96)	293	-	293
Net change in revaluation reserve	1,222	(1,250)	(28)	716	848	1,564
Effective portion of changes in fair value of cash flow hedges	30,837	(11,546)	19,291	(21,903)	7,589	(14,314)
Net change in fair value of cash flow hedges transferred to inventory	(5,053)	1,415	(3,638)	24,060	(6,737)	17,323
Effect of amalgamation of subsidiary	885	-	885	-	-	-
Net change in fair value of cash flow hedges transferred to profit or loss	779	(218)	561	1,378	(386)	992
	28,574	**(11,599)**	**16,975**	**4,544**	**1,314**	**5,858**

Imputation credits

In thousands of New Zealand dollars	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Imputation credits available for use in subsequent periods	42,539	38,585	41,428	37,695

Notes to the financial statements (continued)

14. Property, plant and equipment

GROUP

In thousands of New Zealand dollars	LAND AND IMPROVEMENTS	BUILDINGS AND IMPROVEMENTS	PLANT, MACHINERY & VEHICLES	CAPITAL WORKS IN PROGRESS	TOTAL
Cost or valuation					
Balance at 1 June 2013	40,577	80,456	267,980	15,451	404,464
Acquisitions through business combinations	-	-	1,833	16	1,849
Additions	103	7,996	8,044	4,851	20,994
Transfer from capital works in progress	47	6	9,876	(9,929)	-
Revaluations	3,613	(1,433)	-	-	2,180
Disposals	-	(102)	(7,035)	-	(7,137)
Reclassification to assets held for sale	-	(8,912)	(2,429)	-	(11,341)
Effect of movements in exchange rates	-	(543)	(67)	(50)	(660)
Balance at 31 May 2014	**44,340**	**77,468**	**278,202**	**10,339**	**410,349**
Balance at 1 June 2014	44,340	77,468	278,202	10,339	410,349
Additions	328	1,332	2,727	24,178	28,565
Transfer from capital works in progress	453	2,772	12,829	(16,054)	-
Revaluations	(63)	(844)	-	-	(907)
Disposals	(120)	(1,278)	(4,947)	-	(6,345)
Balance at 31 May 2015	**44,938**	**79,450**	**288,811**	**18,463**	**431,662**

14. Property, plant and equipment (continued)

GROUP

In thousands of New Zealand dollars	LAND AND IMPROVEMENTS	BUILDINGS AND IMPROVEMENTS	PLANT, MACHINERY & VEHICLES	CAPITAL WORKS IN PROGRESS	TOTAL
Depreciation and impairment losses					
Balance at 1 June 2013	-	71	155,002	-	155,073
Acquisitions through business combinations	-	-	1,183	-	1,183
Depreciation for the year	2	2,725	13,909	-	16,636
Revaluations	(2)	(2,479)	-	-	(2,481)
Disposals	-	(13)	(5,815)	-	(5,828)
Reclassification to assets held for sale	-	(563)	(277)	-	(840)
Effect of movements in exchange rates	-	365	(419)	-	(54)
Balance at 31 May 2014	**-**	**106**	**163,583**	**-**	**163,689**
Balance at 1 June 2014	-	106	163,583	-	163,689
Depreciation for the year	24	2,575	13,729	-	16,328
Revaluations	(291)	(2,487)	-	-	(2,778)
Disposals	-	(14)	(4,268)	-	(4,282)
Balance at 31 May 2015	**(267)**	**180**	**173,044**	**-**	**172,957**
Carrying amounts					
At 1 June 2013	40,577	80,385	112,978	15,451	249,391
At 31 May 2014	**44,340**	**77,362**	**114,619**	**10,339**	**246,660**
At 1 June 2014	44,340	77,362	114,619	10,339	246,660
At 31 May 2015	**45,205**	**79,270**	**115,767**	**18,463**	**258,705**

Notes to the financial statements (continued)

14. Property, plant and equipment (continued)

COMPANY					
In thousands of New Zealand dollars	LAND AND IMPROVEMENTS	BUILDINGS AND IMPROVEMENTS	PLANT, MACHINERY & VEHICLES	CAPITAL WORKS IN PROGRESS	TOTAL
Cost or valuation					
Balance at 1 June 2013	40,140	71,347	225,866	14,599	351,952
Additions	103	4,161	5,033	4,414	13,711
Transfer from capital works in progress	47	8	9,121	(9,176)	-
Disposals	-	(90)	(4,877)	-	(4,967)
Revaluations	3,613	(1,528)	-	-	2,085
Balance at 31 May 2014	**43,903**	**73,898**	**235,143**	**9,837**	**362,781**
Balance at 1 June 2014	43,903	73,898	235,143	9,837	362,781
Effect of amalgamation	-	811	3,468	322	4,601
Additions	328	1,332	600	24,122	26,382
Transfer from capital works in progress	453	2,772	12,651	(15,876)	-
Disposals	(120)	(1,286)	(4,810)	-	(6,216)
Revaluations	(63)	(844)	-	-	(907)
Balance at 31 May 2015	**44,501**	**76,683**	**247,052**	**18,405**	**386,641**

14. Property, plant and equipment (continued)

COMPANY					
In thousands of New Zealand dollars	LAND AND IMPROVEMENTS	BUILDINGS AND IMPROVEMENTS	PLANT, MACHINERY & VEHICLES	CAPITAL WORKS IN PROGRESS	TOTAL
Depreciation and impairment losses					
Balance at 1 June 2013	-	44	138,424	-	138,468
Depreciation for the year	2	2,457	11,613	-	14,072
Revaluations	(2)	(2,429)	-	-	(2,431)
Disposals	-	(2)	(4,014)	-	(4,016)
Balance at 31 May 2014	**-**	**70**	**146,023**	**-**	**146,093**
Balance at 1 June 2014	-	70	146,023	-	146,093
Depreciation for the year	24	2,584	11,694	-	14,302
Revaluations	(291)	(2,487)	-	-	(2,778)
Disposals	-	(14)	(4,211)	-	(4,225)
Effect of amalgamation	-	29	2,406	-	2,435
Balance at 31 May 2015	**(267)**	**182**	**155,912**	**-**	**155,827**
Carrying amounts					
At 1 June 2013	40,140	71,303	87,442	14,599	213,484
At 31 May 2014	**43,903**	**73,828**	**89,120**	**9,837**	**216,688**
At 1 June 2014	43,903	73,828	89,120	9,837	216,688
At 31 May 2015	**44,768**	**76,501**	**91,140**	**18,405**	**230,814**

Revaluations

New Zealand land and buildings were independently valued as at 31 May 2015 by Mr H Doherty SNZPI, ANZIV, AREINZ of Harcourts Team Wellington.

Australian land and buildings were independently valued as at 31 May 2015 by Mark Klenke of Aon Global Risk Consulting.

The methods used by the valuer are described in note 4.

Had the Group's land and buildings been measured on a historical cost basis, their carrying amount would have been as follows:

In thousands of New Zealand dollars	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Land	19,381	18,829	18,830	18,271
Buildings	42,187	40,444	40,277	37,854

Notes to the financial statements (continued)

15. Intangible assets

	GROUP				
In thousands of New Zealand dollars	PATENTS AND REGISTRATIONS	RESOURCE CONSENTS	GOODWILL	SOFTWARE	TOTAL
Cost					
Balance at 1 June 2013	2,709	5,714	770	4,157	13,350
Acquisitions through business combinations	-	-	5	-	5
Other acquisitions	622	-	-	2,912	3,534
Balance at 31 May 2014	**3,331**	**5,714**	**775**	**7,069**	**16,889**
Balance at 1 June 2014	3,331	5,714	775	7,069	16,889
Other acquisitions	24	-	-	3,998	4,022
Balance at 31 May 2015	**3,355**	**5,714**	**775**	**11,067**	**20,911**
Amortisation					
Balance at 1 June 2013	809	1,626	48	2,415	4,898
Amortisation for the year (Cost of sales)	30	317	5	1,808	2,160
Balance at 31 May 2014	**839**	**1,943**	**53**	**4,223**	**7,058**
Balance at 1 June 2014	839	1,943	53	4,223	7,058
Amortisation for the year (Cost of sales)	57	316	-	2,223	2,596
Balance at 31 May 2015	**896**	**2,259**	**53**	**6,446**	**9,654**
Carrying amounts					
At 1 June 2013	1,900	4,088	722	1,742	8,452
At 31 May 2014	**2,492**	**3,771**	**722**	**2,846**	**9,831**
At 1 June 2014	2,492	3,771	722	2,846	9,831
At 31 May 2015	**2,459**	**3,455**	**722**	**4,621**	**11,257**

15. Intangible assets (continued)

	COMPANY				
In thousands of New Zealand dollars	PATENTS AND REGISTRATIONS	RESOURCE CONSENTS	GOODWILL	SOFTWARE	TOTAL
Cost					
Balance at 1 June 2013	1,786	5,714	722	4,157	12,379
Other acquisitions	587	-	-	2,912	3,499
Balance at 31 May 2014	**2,373**	**5,714**	**722**	**7,069**	**15,878**
Balance at 1 June 2014	2,373	5,714	722	7,069	15,878
Other acquisitions	-	-	-	3,998	3,998
Balance at 31 May 2015	**2,373**	**5,714**	**722**	**11,067**	**19,876**
Amortisation					
Balance at 1 June 2013	645	1,626	-	2,415	4,686
Amortisation for the year (Cost of sales)	8	317	-	1,808	2,133
Balance at 31 May 2014	**653**	**1,943**	**-**	**4,223**	**6,819**
Balance at 1 June 2014	653	1,943	-	4,223	6,819
Amortisation for the year (Cost of sales)	37	316	-	2,223	2,576
Balance at 31 May 2015	**690**	**2,259**	**-**	**6,446**	**9,395**
Carrying amounts					
At 1 June 2013	1,141	4,088	722	1,742	7,693
At 31 May 2014	**1,720**	**3,771**	**722**	**2,846**	**9,059**
At 1 June 2014	1,720	3,771	722	2,846	9,059
At 31 May 2015	**1,683**	**3,455**	**722**	**4,621**	**10,481**

Notes to the financial statements (continued)

15. Intangible assets (continued)

Total research and development expense recognised in profit and loss is $3.4 million (2014: $2.9 million)

Patents and registrations
Costs associated with acquiring patents and registrations are capitalised and amortised over the life of the assets. The assets primarily comprise patents and registrations that enable the Group to distribute animal health and agrochemical products throughout New Zealand and Australia.

Resource consents
Costs incurred in obtaining resource consents for the Group's three manufacturing sites are capitalised and amortised from the granting of the consent on a straight line basis for the period of the consent. The remaining life of the resource consents range between 6 years and 34 years.

Goodwill
Goodwill arising on the step acquisition of Ravensdown Supreme Limited was determined based on its value in use. The key assumptions used to calculate the value in use include tonnes sold, price per tonne sold and average cost per tonne produced. Tonnes sold for the year are based on the 2016 budget which management view as a normalised year for the purposes of forecasting. The resulting cash flows are discounted at the average rate of borrowing.

Software
Costs associated with acquiring software are capitalised and amortised over the life of the assets. The assets primarily comprise software costs for the Group's operating and information technology systems based around farm management systems.

16. Mining Deposits

Movements in carrying value of mining deposits:

In thousands of New Zealand dollars	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Balance at 1 June	14,958	14,959	14,958	14,959
Other additions	1,067	246	1,067	246
Impairment recognised in the income statement	(689)	-	(689)	-
Impairment recognised in the statement of comprehensive income	(890)	-	(890)	-
Amortisation for the year (cost of sales)	(288)	(247)	(288)	(247)
Balance at 31 May	**14,158**	**14,958**	**14,158**	**14,958**

Amortisation of the mining deposits is on a per tonne extracted basis.

17. Equity accounted investees

In thousands of New Zealand dollars	*Note*	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Interests in joint ventures	*(a)*	9,860	10,735	5,020	6,120
Interests in associates	*(b)*	3,240	3,086	2,649	2,542
		13,100	**13,821**	**7,669**	**8,662**

(a) Joint ventures

Movements in carrying value of joint ventures:

In thousands of New Zealand dollars	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Balance at 1 June	10,735	13,500	6,120	6,398
Share of profit after tax	2,353	2,884	-	-
Dividends received from joint ventures	(2,127)	(1,215)	-	-
Movements in loans to joint ventures	(1,101)	(4,434)	(1,100)	(278)
Balance at 31 May	**9,860**	**10,735**	**5,020**	**6,120**

Summary financial information for joint ventures, not adjusted for the interest held by the Group:

	100%			
In thousands of New Zealand dollars	TOTAL ASSETS	TOTAL LIABILITIES	REVENUES	PROFIT
2014 Equity accounted investments - joint ventures	43,655	28,550	206,289	8,076
2015 Equity accounted investments - joint ventures	23,290	8,119	76,352	6,471

Notes to the financial statements (continued)

17. Equity accounted investees (continued)

b) Associates

Movements in carrying value of associates:

In thousands of New Zealand dollars	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Balance at 1 June	3,086	3,290	2,542	3,074
Share of profit after tax	241	380	-	-
Associate becoming subsidiary in the year	-	(167)	-	(270)
Associate capital supplied in the year	107	166	107	166
Dividends received from associates	(194)	(155)	-	-
Movements in loans to associates	-	(428)	-	(428)
Balance at 31 May	**3,240**	**3,086**	**2,649**	**2,542**

Summary financial information for associates, not adjusted for the interest held by the Group:

	100%			
In thousands of New Zealand dollars	TOTAL ASSETS	TOTAL LIABILITIES	REVENUES	PROFIT
2014 Equity accounted investments - associates	10,476	3,003	17,378	898
2015 Equity accounted investments - associates	9,169	1,552	15,459	1,040

18. Other assets

In thousands of New Zealand dollars	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Investments in subsidiaries	-	-	5,238	7,731
Financial assets				
Loans to subsidiaries	-	-	22,485	39,309
Other assets - non-current	**-**	**-**	**27,723**	**47,040**
Financial assets				
Derivatives	15,359	969	15,359	969
Other assets - current	**15,359**	**969**	**15,359**	**969**

19. Deferred tax assets and liabilities

Unrecognised deferred tax assets

In the prior year a deferred tax asset of $1.2 million relating to RFA was derecognised as the Group will be unable to utilise the future tax benefits following the planned orderly wind down of RFA.

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	GROUP					
In thousands of New Zealand dollars	ASSETS 2015	ASSETS 2014	LIABILITIES 2015	LIABILITIES 2014	NET 2015	NET 2014
Property, plant and equipment	-	-	14,015	14,144	14,015	14,144
Derivatives	-	(5,126)	3,766	-	3,766	(5,126)
Inventories	(37)	(101)	-	-	(37)	(101)
Trade and other payables	(1,829)	(1,615)	-	-	(1,829)	(1,615)
Other items	(1,406)	(605)	4,915	5,655	3,509	5,050
Tax (assets)/liabilities	**(3,272)**	**(7,447)**	**22,696**	**19,799**	**19,424**	**12,352**

	COMPANY					
In thousands of New Zealand dollars	ASSETS 2015	ASSETS 2014	LIABILITIES 2015	LIABILITIES 2014	NET 2015	NET 2014
Property, plant and equipment	-	-	10,767	11,101	10,767	11,101
Derivatives	-	(5,126)	3,766	-	3,766	(5,126)
Inventories	(37)	(101)	-	-	(37)	(101)
Trade and other payables	(1,642)	(1,432)	-	-	(1,642)	(1,432)
Other items	(977)	(2,832)	4,915	5,654	3,938	2,822
Tax (assets)/liabilities	**(2,656)**	**(9,491)**	**19,448**	**16,755**	**16,792**	**7,264**

Notes to the financial statements (continued)

19. Deferred tax assets and liabilities (continued)

Movement in temporary differences during the year

GROUP

In thousands of New Zealand dollars	PROPERTY, PLANT AND EQUIPMENT	DERIVATIVES	PAYABLES	OTHER	TOTAL
Balance 1 June 2013	14,765	(4,661)	(2,052)	819	8,871
Recognised in profit or loss	287	-	424	4,029	4,740
Recognised in other comprehensive income	(849)	(465)	-	-	(1,314)
Effect of movements in exchange rates	(59)	-	13	101	55
Balance 31 May 2014	**14,144**	**(5,126)**	**(1,615)**	**4,949**	**12,352**
Recognised in profit or loss	(439)	(1,455)	(231)	(2,469)	(4,594)
Recognised in other comprehensive income	311	10,349	-	939	11,599
Effect of movements in exchange rates	(1)	(2)	17	53	67
Balance 31 May 2015	**14,015**	**3,766**	**(1,829)**	**3,472**	**19,424**

COMPANY

In thousands of New Zealand dollars	PROPERTY, PLANT AND EQUIPMENT	DERIVATIVES	PAYABLES	OTHER	TOTAL
Balance 1 June 2013	11,972	(4,661)	(1,759)	3,131	8,683
Recognised in profit or loss	37	-	314	(579)	(228)
Recognised in other comprehensive income	(849)	(465)	-	-	(1,314)
Effect of movements in exchange rates	(59)	-	13	169	123
Balance 31 May 2014	**11,101**	**(5,126)**	**(1,432)**	**2,721**	**7,264**
Recognised in profit or loss	(644)	(1,455)	(210)	190	(2,119)
Recognised in other comprehensive income	311	10,349	-	939	11,599
Effect of movements in exchange rates	(1)	(2)	-	51	48
Balance 31 May 2015	**10,767**	**3,766**	**(1,642)**	**3,901**	**16,792**

20. Inventories

In thousands of New Zealand dollars	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Finished goods	84,993	113,390	83,237	107,226
Raw materials	33,246	23,515	33,246	23,515
	118,239	**136,905**	**116,483**	**130,741**

At May 2015 an impairment to inventory of $0.8 million was recognised (2014: $0.9 million). Of this amount $0.76 million (2014: nil) related to the full impairment of the remaining Eco n and associated raw material inventories.

21. Trade and other receivables

In thousands of New Zealand dollars	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Trade receivables	80,011	97,973	76,792	93,888
Trade receivables from related parties	262	267	3,717	6,511
Prepayments	1,992	3,710	1,659	3,152
	82,265	**101,950**	**82,168**	**103,551**

Information about the Group's exposure to credit and market risks, and impairment losses for trade and other receivables is included in note 30.

Notes to the financial statements (continued)

22. Share capital and reserves

The movement in co-operative shares for the Company and Group is as follows:

Share capital
Ordinary co-operative shares

	ORDINARY CO-OPERATIVE SHARES	
In thousands of shares	**2015**	**2014**
On issue at 1 June	299,311	307,080
Shares allotted on bonus issue	16,718	-
Shares allotted during the year	7,095	41
Less: shares surrendered during the year	(8,834)	(7,810)
Less: share capital on discontinued operations - reclassified to liabilities	(31,239)	-
On issue at 31 May	**283,051**	**299,311**
Attributable to:		
Continuing operations	283,051	268,072
Discontinued operations - reclassified to liabilities	-	31,239
	283,051	**299,311**
Partly paid ordinary co-operative shares		
Partly paid up	290	279
Unpaid	572	631
Total partly paid and unpaid	**862**	**910**

22. Share capital and reserves (continued)

Value of ordinary co-operative shares

In thousands of New Zealand dollars	**2015**	**2014**
Ordinary co-operative shares	283,051	299,311
Less: unpaid shares	(572)	(631)
Less: share capital on discontinued operations - reclassified to liabilities	-	(31,239)
Value of share capital	**282,479**	**267,441**

Voting rights are held by transacting shareholders being entitled to one vote per share held. For votes on Area issues no transacting shareholder shall vote more than 3.5% of the total number of shares held by transacting shareholders in respect of the relevant Area. On other issues no transacting shareholder shall vote more than that number of shares which equates to 0.125% of the shares held by all transacting shareholders.

The Company may redeem shares in accordance with the Companies Act 1993. Upon winding up, shares rank equally with regard to the Company's residual assets. The share qualification quota is 234 shares per tonne. The shares have a value of $1.

The co-operative shares are repayable under certain conditions, and will mature when shares are redeemable by the shareholder. Co-operative shares may be repaid when there is a deceased estate or when the shareholder has ceased farming. Shares may also be repaid if there has been a 5 year time lapse since the last transaction.

Reserves

Foreign currency translation reserve
The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations as well as from the translation of liabilities that hedge the Company's net investment in a foreign branch.

Hedging reserve
The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

Revaluation reserve
The revaluation reserve relates to the revaluation of freehold land and freehold buildings in accordance with accounting policies stated in note 3.

Notes to the financial statements (continued)

23. Share capital of discontinued operations

Non current liabilities

In thousands of New Zealand dollars	GROUP & COMPANY 2015	GROUP & COMPANY 2014
Co-operative share capital of discontinued operations		
Balance at 1 June	19,587	24,764
Change in implied interest on discontinued share capital	857	2,185
Less: shares reclassified to current liabilities	(10,444)	(7,362)
Balance at 31 May	**10,000**	**19,587**

Current liabilities

In thousands of New Zealand dollars	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Co-operative share capital of discontinued operations	10,372	10,417	10,372	10,417
Redeemable preference share capital of discontinued operations	825	4,432	-	-
	11,197	**14,849**	**10,372**	**10,417**

In thousands of New Zealand dollars	GROUP & COMPANY 2015	GROUP & COMPANY 2014
Co-operative share capital of discontinued operations		
Balance at 1 June	10,417	3,650
Less: shares surrendered during the year	(10,489)	(595)
Plus: shares reclassified from non current liabilities	10,444	7,362
Balance at 31 May	**10,372**	**10,417**

At May 2013 the co-operative share capital of discontinued operations was reclassified as a liability following the Board's decision to exit operations and sell the Ravensdown Western Australian business.

As required by section 8.2(b) of the company constitution the co-operative shares are obliged to be surrendered to shareholders over the next five years, dependant on when they last transacted with the Company. Following a meeting of the Company's Board in May 2014 a decision was made to redeem all of the Western Australian members shares and for payment to be made in three equal installments on 9 July 2014, July 2015 and July 2016. During the year, $10.5 million was paid. The liability is recorded at its present value discounted by an appropriate risk free rate of 3.14% (2014: 3.67%).

23. Share capital of discontinued operations (continued)

Current liabilities

In thousands of New Zealand dollars	GROUP 2015	GROUP 2014
Redeemable preference share capital of discontinued operations		
Balance at 1 June	4,432	-
Movement in liability of redeemable preference shares	(3,607)	4,432
Balance at 31 May	**825**	**4,432**

A portion of the redeemable preference share capital of discontinued operations has been reclassified as a liability following the RFA Board's decision to commence a planned orderly wind down. The amount of redeemable preference shares classified as a liability is the fair value of the financial liability as measured at the date of reclassification.

24. Redeemable preference shares

	REDEEMABLE PREFERENCE SHARES	
In thousands of shares	2015	2014
On issue at 1 June	7,836	8,022
Less: shares surrendered during the year	-	(186)
On issue at 31 May	**7,836**	**7,836**

In thousands of New Zealand dollars	GROUP 2015	GROUP 2014
Balance at 1 June	5,675	10,322
Less: shares surrendered during the year	-	(215)
Redeemable preference share capital of discontinued operations - reclassified from/(to) liabilities (note 23)	3,607	(4,432)
Balance at 31 May	**9,282**	**5,675**

As at 31 May 2015 7,835,868 redeemable preference shares were fully paid to the value of one Australian dollar (2014: 7,835,868).

The R Class redeemable preference shares rank equally with the Q Class redeemable preference shares except for the Founding Member Rebate which is only applicable to Q Class.

The holders of redeemable preference shares are not entitled to receive dividends but are entitled to receive rebates. Redeemable preference shares do not carry the right to vote. Preference shares rank ahead of ordinary shares but participate only to the extent of the face value of the shares. The shares are fully paid.

During the year ended 31 May 2015 no R Class redeemable preference shares were issued (2014: nil) and there were no Q Class redeemable preference shares issued (2014: nil).

Notes to the financial statements (continued)

25. Cash and cash equivalents

In thousands of New Zealand dollars	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Bank balances	3,522	2,898	2,801	152
Foreign currency accounts	484	94	483	85
Call deposits	611	218	10	54
Cash and cash equivalents	4,617	3,210	3,294	291
Bank overdrafts with a right of offset against current accounts	-	(1,987)	-	(1,987)
Cash and cash equivalents in the statement of cash flows	**4,617**	**1,223**	**3,294**	**(1,696)**

26. Loans and borrowings

In thousands of New Zealand dollars	*Years to maturity*	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Current liabilities					
Loans and borrowings	*Within one year*	10,217	50,026	10,217	50,026

The above loans are drawings on the Company's and Group's revolving credit facility. At 31 May 2015 the facility available was $250.0 million (2014: $300.0 million). The facility is made up of three tranches with expiration dates of May 2016, May 2017 and May 2018. The interest rate is currently 2.72% (2014: 3.74%).

The revolving credit facility agreement is subject to a Negative Pledge agreement. Various covenants apply to the facility.

There have not been any breaches of the banking covenants in the year. During the 2014 financial year there were changes to the covenants to facilitate the discontinuance of certain operations in Australia. These changes ceased from 1 June 2014.

27. Other financial liabilities

In thousands of New Zealand dollars	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Current liabilities				
Member deposits	207	211	-	-
Derivatives	1,351	14,065	1,351	14,065
	1,558	**14,276**	**1,351**	**14,065**

There were no non-current other financial liabilities (2014: nil).

28. Provision for rebate and bonus share issue

In thousands of New Zealand dollars	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Rebate	55,480	16,641	55,480	16,641
Bonus issue	-	16,641	-	16,641
	55,480	**33,282**	**55,480**	**33,282**

Provisions for rebates and bonus share issues are recognised when the obligations and the amounts of the distributions can be measured reliably. The effect of any under or over provision, as a consequence of confirmed tonnages, is realised in the income statement the following year.

Rebates and bonus issues are provided for based on the qualifying tonnage sold for the year at a rate determined by the Board. For financial reporting purposes rebates and bonus issues are treated as an expense in the income statement. The issuance of the share capital is on the date of the distribution.

29. Trade and other payables

In thousands of New Zealand dollars	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Trade payables	33,280	29,116	32,004	28,760
Trade payables to related parties	262	1,357	265	3,574
Non-trade payables and accrued expenses	2,376	2,223	2,376	2,223
Employee benefits	9,524	9,893	8,366	6,813
	45,442	**42,589**	**43,011**	**41,370**

Notes to the financial statements (continued)

30. Financial instruments

Exposure to credit, interest rate, foreign currency, commodity price and liquidity risks arises in the normal course of the Group's business.

Credit risk

The Group's exposure to credit risk is mainly influenced by its customer base and banking counterparties. Management has a credit policy in place under which each new customer is analysed for credit worthiness. The Group's customer base is primarily concentrated in the agriculture sector.

The risk is mitigated through most customers also being shareholders of the Company. There is no material exposure to an individual counterparty. Investments and derivatives are only made with reputable financial institutions or banks.

Liquidity risk

Liquidity risk represents the Group's ability to meet its contractual obligations. The Group evaluates its liquidity requirements on an on-going basis. In general, the Group generates sufficient cash flows from its operating activities to meet its obligations arising from its financial liabilities and has credit lines in place to cover potential shortfalls.

Market risk

The Group enters into derivative arrangements in the ordinary course of business to manage foreign currency and interest rate risks. A financial risk management committee provides oversight for risk management and derivative activities. The Board re-evaluates risk policies on a regular basis.

Foreign currency risk

The Group is exposed to foreign currency risk on purchases and borrowings that are denominated in a currency other than the Company's functional currency, New Zealand dollars ($), which is the presentation currency of the Group. The currencies in which transactions are primarily denominated is U.S. dollars (USD) and Australian dollars (AUD). The Group hedges up to 100% of all trade payables denominated in a foreign currency.

At any point in time, the Group also hedges up to 100% of its estimated foreign currency exposure in respect of forecasted purchases over a period that is approved by the Board. The Group uses forward exchange contracts to hedge its foreign currency risk.

The investment in the Australian branch is hedged by way of Australian dollar denominated borrowings.

Interest rate risk

Interest rate swaps and options have been entered into to achieve an appropriate mix of fixed and floating rate exposure within the Group's policy.

Commodity price risk

The Group is exposed to commodity price risk. This is partially mitigated through negotiated long term supply contracts and through geographical diversity of suppliers.

Quantitative disclosures

Credit risk

The carrying amount of financial assets represents the Group's maximum credit exposure.

The Group has not renegotiated the terms of any financial assets which would result in the carrying amount no longer being past due or avoid a possible past due status.

The status of the Group's trade receivables at the reporting date is as follows:

	GROSS RECEIVABLE		IMPAIRMENT	
In thousands of New Zealand dollars	**2015**	**2014**	**2015**	**2014**
Trade receivables				
Not past due	75,650	96,027	-	-
Past due 1 - 30 days	3,477	1,322	-	-
Past due more than 30 days	4,927	6,660	3,781	5,769
Total	**84,054**	**104,009**	**3,781**	**5,769**

The impairment loss as at 31 May 2015 has been calculated following management's assessment that the collectability of certain trade receivables was unlikely.

Notes to the financial statements (continued)

30. Financial instruments (continued)

Liquidity risk

The following table sets out the contractual cash flows for all financial liabilities and all derivatives.

GROUP 2015					
In thousands of New Zealand dollars	CARRYING VALUE	CONTRACTUAL CASH FLOWS	0-3 MONTHS	3-12 MONTHS	1-3 YEARS
Non-derivative financial liabilities					
Trade and other payables	42,350	42,350	42,350	-	-
Loans and borrowings	10,217	10,234	10,234	-	-
	52,567	52,584	52,584	-	-
Derivative financial instruments					
Gross settled cash flow hedge derivatives:					
Inflow		181,715	120,259	61,456	-
Outflow		(167,726)	(109,909)	(57,817)	-
Net asset/inflow	15,359	13,989	10,350	3,639	-
Net liability/outflow settled cash flow hedge derivatives	(1,351)	(1,463)	(122)	(365)	(976)
Periods in which the cash flows associated with derivatives that are cash flow hedges are expected to impact profit or loss		(167,726)	-	(158,056)	(9,670)

The following table sets out the contractual cash flows for all financial liabilities and all derivatives.

GROUP 2014					
In thousands of New Zealand dollars	CARRYING VALUE	CONTRACTUAL CASH FLOWS	0-3 MONTHS	3-12 MONTHS	1-3 YEARS
Non-derivative financial liabilities					
Trade and other payables	42,589	42,589	42,589	-	-
Loans and borrowings	50,026	50,105	50,105	-	-
	92,615	92,694	92,694	-	-
Derivative financial instruments					
Gross settled cash flow hedge derivatives:					
Inflow		269,320	115,486	153,834	-
Outflow		(284,460)	(123,446)	(161,014)	-
Net liability/outflow	(11,579)	(15,140)	(7,960)	(7,180)	-
Net liability/outflow settled cash flow hedge derivatives	(1,517)	(2,298)	(260)	(591)	(1,447)
Periods in which the cash flows associated with derivatives that are cash flow hedges are expected to impact profit or loss		(284,460)	-	(248,388)	(36,072)

Notes to the financial statements (continued)

30. Financial instruments (continued)

Liquidity risk (continued)

The following table sets out the contractual cash flows for all financial liabilities and all derivatives.

	COMPANY 2015				
In thousands of New Zealand dollars	CARRYING VALUE	CONTRACTUAL CASH FLOWS	0-3 MONTHS	3-12 MONTHS	1-3 YEARS
Non-derivative financial liabilities					
Trade and other payables	39,919	39,919	39,919	-	-
Loans and borrowings	10,217	10,234	10,234	-	-
	50,136	50,153	50,153	-	-
Derivative financial instruments					
Gross settled cash flow hedge derivatives:					
Inflow		181,715	120,259	61,456	-
Outflow		(167,726)	(109,909)	(57,817)	-
Net asset/inflow	15,359	13,989	10,350	3,639	-
Net liability/outflow settled cash flow hedge derivatives	(1,351)	(1,463)	(122)	(365)	(976)
Periods in which the cash flows associated with derivatives that are cash flow hedges are expected to impact profit or loss		(167,726)	-	(158,056)	(9,670)

The following table sets out the contractual cash flows for all financial liabilities and all derivatives.

	COMPANY 2014				
In thousands of New Zealand dollars	CARRYING VALUE	CONTRACTUAL CASH FLOWS	0-3 MONTHS	3-12 MONTHS	1-3 YEARS
Non-derivative financial liabilities					
Trade and other payables	41,370	41,370	41,370	-	-
Loans and borrowings	50,026	50,105	50,105	-	-
	91,396	91,475	91,475	-	-
Derivative financial instruments					
Gross settled cash flow hedge derivatives:					
Inflow		269,320	115,486	153,834	-
Outflow		(284,460)	(123,446)	(161,014)	-
Net liability/outflow	(11,579)	(15,140)	(7,960)	(7,180)	-
Net liability/outflow settled cash flow hedge derivatives	(1,517)	(2,298)	(260)	(591)	(1,447)
Periods in which the cash flows associated with derivatives that are cash flow hedges are expected to impact profit or loss		(284,460)	-	(248,388)	(36,072)

Notes to the financial statements (continued)

30. Financial instruments (continued)

Foreign currency exchange risk

A strengthening of the New Zealand dollar, as indicated below, against the USD would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant. The analysis was performed on the same basis for 2014.

The following disclosures relate to the valuation of foreign exchange exposures as at 31 May. The Group has foreign exposures throughout the financial year which fluctuate both in terms of the amount of the exposures at any one time and the effect of movements in the exchange rate. As at 31 May 2015 the notional amount of USD foreign exchange contracts held were $129.5 million (2014: $228.7 million).

	GROUP 2015		
In thousands of foreign currency	**USD**	**EURO**	**AUD**
Foreign currency risk			
Trade payables	(7,914)	(262)	-
Net balance sheet - foreign operations	-	-	2,033
Net balance sheet exposure before hedging activity	(7,914)	(262)	2,033
Forward exchange contracts relating to exposures	7,914	-	-
Net unhedged exposure	-	(262)	2,033
NZD equivalent	-	(618)	2,187
Sensitivity to 10% strengthening of NZD (pre tax):			
Increase/(decrease) on equity	(16,621)	-	(199)
Increase/(decrease) on profit	1,009	37	-
Sensitivity to 10% weakening of NZD (pre tax):			
Increase/(decrease) on equity	20,348	-	219
Increase/(decrease) on profit	(1,110)	(41)	-

	GROUP 2014		
In thousands of foreign currency	**USD**	**EURO**	**AUD**
Foreign currency risk			
Trade payables	(871)	(385)	-
Net balance sheet - foreign operations	-	-	4,905
Net balance sheet exposure before hedging activity	(871)	(385)	4,905
Forward exchange contracts relating to exposures	871	-	-
Net unhedged exposure	-	(385)	4,905
NZD equivalent	-	(618)	5,375
Sensitivity to 10% strengthening of NZD (pre tax):			
Increase/(decrease) on equity	(24,742)	-	(489)
Increase/(decrease) on profit	93	56	-
Sensitivity to 10% weakening of NZD (pre tax):			
Increase/(decrease) on equity	30,317	-	537
Increase/(decrease) on profit	(103)	(62)	-

Notes to the financial statements (continued)

30. Financial instruments (continued)

Classification and fair values

GROUP 2015	LOANS AND RECEIVABLES	DESIGNATED AT FAIR VALUE	OTHER AND AMORTISED COST	TOTAL CARRYING AMOUNT	FAIR VALUE
Assets					
Derivatives	-	15,359	-	15,359	15,359
Cash and cash equivalents	4,617	-	-	4,617	4,617
Trade and other receivables	80,273	-	-	80,273	80,273
Total current assets	84,890	15,359	-	100,249	100,249
Total assets	84,890	15,359	-	100,249	100,249
Liabilities					
Loans and borrowings	-	-	10,217	10,217	10,217
Derivatives	-	1,351	-	1,351	1,351
Trade and other payables	-	-	45,442	45,442	45,442
Net rebates payable	-	-	55,480	55,480	55,480
Total current liabilities	-	1,351	111,139	112,490	112,490
Total liabilities	-	1,351	111,139	112,490	112,490

GROUP 2014	LOANS AND RECEIVABLES	DESIGNATED AT FAIR VALUE	OTHER AND AMORTISED COST	TOTAL CARRYING AMOUNT	FAIR VALUE
Assets					
Derivatives	-	969	-	969	969
Cash and cash equivalents	1,223	-	-	1,223	1,223
Trade and other receivables	98,240	-	-	98,240	98,240
Total current assets	99,463	969	-	100,432	100,432
Total assets	99,463	969	-	100,432	100,432
Liabilities					
Loans and borrowings	-	-	50,026	50,026	50,026
Derivatives	-	14,065	-	14,065	14,065
Trade and other payables	-	-	42,589	42,589	42,589
Net rebates payable	-	-	16,641	16,641	16,641
Total current liabilities	-	14,065	109,256	123,321	123,321
Total liabilities	-	14,065	109,256	123,321	123,321

Notes to the financial statements (continued)

30. Financial instruments (continued)

Classification and fair values (continued)

COMPANY 2015	LOANS AND RECEIVABLES	DESIGNATED AT FAIR VALUE	OTHER AND AMORTISED COST	TOTAL CARRYING AMOUNT	FAIR VALUE
Assets					
Derivatives	-	15,359	-	15,359	15,359
Cash and cash equivalents	3,294	-	-	3,294	3,294
Trade and other receivables	80,509	-	-	80,509	80,509
Total current assets	83,803	15,359	-	99,162	99,162
Total assets	83,803	15,359	-	99,162	99,162
Liabilities					
Loans and borrowings	-	-	10,217	10,217	10,217
Derivatives	-	1,351	-	1,351	1,351
Trade and other payables	-	-	43,011	43,011	43,011
Net rebates payable	-	-	55,480	55,480	55,480
Total current liabilities	-	1,351	108,708	110,059	110,059
Total liabilities	-	1,351	108,708	110,059	110,059

COMPANY 2014	LOANS AND RECEIVABLES	DESIGNATED AT FAIR VALUE	OTHER AND AMORTISED COST	TOTAL CARRYING AMOUNT	FAIR VALUE
Assets					
Derivatives	-	969	-	969	969
Trade and other receivables	100,399	-	-	100,399	100,399
Total current assets	100,399	969	-	101,368	101,368
Total assets	100,399	969	-	101,368	101,368
Liabilities					
Loans and borrowings	-	-	50,026	50,026	50,026
Derivatives	-	14,065	-	14,065	14,065
Trade and other payables	-	-	41,370	41,370	41,370
Net rebates payable	-	-	16,641	16,641	16,641
Total current liabilities	-	14,065	108,037	122,102	122,102
Total liabilities	-	14,065	108,037	122,102	122,102

Notes to the financial statements (continued)

30. Financial instruments (continued)

Foreign exchange derivatives
There were no gains or losses on held-for-trading derivatives recognised in profit during 2015 or 2014.

Interest rate risk
Cashflow sensitivity
At 31 May 2015 it is estimated that a general increase of one percentage point in interest rates would decrease the Group's profit before income tax by approximately $1.2 million (2014: $1.6 million). A decrease of one percentage point would increase the Group's profit before income tax by the same amount.
Cashflow sensitivity for the Company is materially the same as the Group.

Fair value sensitivity
At 31 May 2015 it is estimated that a general increase of one percentage point in interest rates would increase the Group's equity (pre tax) by approximately $0.5 million (2014: $0.8 million). A decrease of one percentage point would decrease the Group's equity (pre tax) by the same amounts.
Fair value sensitivity for the Company is materially the same as the Group.

Capital management
The Group's capital includes share capital, reserves and retained earnings.
The Group's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business.
This target is achieved through balancing retention of certain reserves with the allocation of bonus issues and the Group's share rebate process.
The Group's policies in respect of capital management and allocation are reviewed regularly by the Board of Directors.

There have been no material changes in the Group's management of capital during the period.

The Group is subject to external banking covenants. There have not been any breaches of the Group's banking covenants in the year.

Fair values
Carrying values approximate the fair values of all financial assets and liabilities.

Fair value hierarchy
The Group has financial instruments carried at fair value . The following hierarchy defines the valuation method used to value these instruments.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Group financial instruments carried at fair value are defined as level 2 for valuation purposes for 2015 and 2014 except for Redeemable Preference Shares which are defined as level 3. At 31 May 2015 the fair value of the Group's financial instruments was a $14.0 million asset (2014: $13.0 million liability) and Redeemable Preference Shares was a $0.8 million liability (2014: $4.4 million).

31. Operating leases

Leases as lessee
Non-cancellable operating lease rentals are payable as follows:

In thousands of New Zealand dollars	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Less than one year	3,158	3,447	2,897	2,982
Between one and five years	8,583	3,515	7,538	2,754
More than five years	8,956	6,690	5,022	2,728
Total lease commitments	**20,697**	**13,652**	**15,457**	**8,464**

The Group leases motor vehicles and store premises. During the year ended 31 May 2015 $4.6 million was recognised as an expense in the income statement in respect of operating leases (2014: $6.4 million).

32 .Capital commitments

At 31 May 2015 the Group had capital commitments of $45.5 million (2014: $39.8 million). Capital commitments relate to investment in New Zealand assets and infrastructure. Capital commitments are recognised after a formal capital review and sign off process.

33. Contingent liabilities

The Company and the Group had no material contingent liabilities at balance date (2014: nil).

Notes to the financial statements (continued)

34. Related parties

In thousands of New Zealand dollars	GROUP 2015	GROUP 2014	COMPANY 2015	COMPANY 2014
Transactions with subsidiaries				
Sales of goods and services	-	-	16	30,672
Purchases of goods and services	-	-	-	(5,291)
Trade receivables	-	-	3,454	6,511
Trade payables	-	-	(3)	(2,261)
Closing advances	-	-	22,477	39,321
Transactions with associates				
Dividends received	2,321	1,370	301	263
Sales of goods and services	-	14,476	-	-
Purchases of goods and services	(55,691)	(63,487)	(55,691)	(63,487)
Trade receivables	262	267	262	267
Trade payables	(262)	(1,357)	(262)	(1,313)
Closing advances	1,555	2,645	1,555	2,645
Transactions with key management personnel (including directors)				
Sales of goods and services	4,020	3,295	4,020	3,295
Closing receivables	384	402	384	402
Key management personnel compensation comprised:				
Short-term employee benefits	(4,251)	(5,456)	(4,240)	(5,398)
Superannuation contributions	(203)	(297)	(203)	(297)

Key management personnel are the Ravensdown Fertiliser Co-operative Limited Leadership Team and the Ravensdown Board of Directors.

Transactions with subsidiaries and associates include the sale and purchase of fertiliser between entities. Related parties do not directly source fertiliser inputs from international suppliers.

35. Group entities

Significant subsidiaries, joint ventures and associates

	COUNTRY OF OWNERSHIP INCORPORATION	INTEREST (%) 2015	INTEREST (%) 2014
Subsidiaries			
Analytical Research Laboratories Limited *	New Zealand	0.0%	100.0%
Ravensdown Growing Media Limited	New Zealand	100.0%	100.0%
Ravensdown Aerowork Limited	New Zealand	100.0%	100.0%
Spreading Southland Limited	New Zealand	100.0%	100.0%
Spreading Waikato Limited	New Zealand	100.0%	100.0%
Ravensdown Fertiliser Australia Limited	Australia	100.0%	100.0%
Ravensdown Australian Holdings Limited	New Zealand	100.0%	100.0%
Aerial Sowing Limited	New Zealand	100.0%	100.0%
C-Dax Limited	New Zealand	100.0%	100.0%
Ravensdown Australia Properties Pty Limited	Australia	100.0%	100.0%
Advanced Spreading Limited	New Zealand	100.0%	100.0%
Equity accounted investees			
Joint ventures			
Ravensdown Windy Point Quarry Limited	New Zealand	50.0%	50.0%
Spreading Sandford Limited	New Zealand	50.0%	50.0%
Spreading Canterbury Limited	New Zealand	50.0%	50.0%
Spreading FBT Limited	New Zealand	50.0%	50.0%
The New Zealand Phosphate Company Limited	New Zealand	50.0%	50.0%
Spreading Northland Limited	New Zealand	50.0%	50.0%
Ravensdown Shipping Services Pty Limited	Australia	50.0%	50.0%
Ruralco NZ Limited (sold May 2015)	New Zealand	0.0%	50.0%
Associates			
Southstar Fertilizers Limited	New Zealand	20.0%	20.0%
Cropmark Seeds Limited	New Zealand	25.1%	25.1%

*Analytical Research Laboratories Limited was amalgamated into Ravensdown Fertiliser Co-operative limited on 1 June 2014. Under the amalgamation the parent took control of all assets and assumed responsibility for all their liabilities. The amalgamated company (Analytical Research Laboratories Limited) has been removed from the New Zealand register of companies. The primary reason for the amalgamation was to simplify the corporate structure of the Group.

Notes to the financial statements (continued)

35. Group entities (continued)

Summary of the effect of amalgamated companies:

In thousands of New Zealand dollars	**2015**
Assets and liabilities amalgamated:	
Identifiable assets	1,653
Identifiable liabilities	(768)
Revaluation reserves	2,022
Retained earnings	(2,907)

36. Subsequent events

There have been no subsequent events following 31 May 2015 that require adjustment to recognition or disclosure in the financial statements.

Resolution of Directors

RESOLVED that, in the opinion of the undersigned directors of Ravensdown Fertiliser Co-operative Limited (**Company**), the Company has throughout the financial year ended 31 May 2015 and since the date of registration of the Company under the Co-operative Companies Act 1996 (**Act**), been a co-operative Company within the meaning of the Act on the following grounds:

1. the Company has carried on, as its principal activity, a co-operative activity as that term is defined in the Act;
2. the constitution of the Company states its principal activities as being co-operative activities; and
3. not less than 60% of the voting rights of the Company have been held by transacting shareholders, as that term is defined in the Act.

Dated this 4th day of August 2015

John Francis Clifford Henderson

Kate MacNeil Alexander

Jason Colin Dale

Scott Gordon Gower

Antony Charles Howey

Peter Glen Inger

Peter William Moynihan

Antony Page Reilly

Patrick David Willock

Allan Stuart Wright

Independent Auditor's report

KPMG

To the shareholders of Ravensdown Fertiliser Co-operative Limited

Report on the company and group financial statements

We have audited the accompanying financial statements of Ravensdown Fertiliser Co-operative Limited ("the company") and the group, comprising the company and its subsidiaries, on pages 20 to 80. The financial statements comprise the statements of financial position as at 31 May 2015, the income statements and statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, for both the company and the group.

Directors' responsibility for the company and group financial statements

The directors are responsible for the preparation of company and group financial statements in accordance with generally accepted accounting practice in New Zealand that give a true and fair view of the matters to which they relate, and for such internal control as the directors determine is necessary to enable the preparation of company and group 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 company and group financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the company and group financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the company and group financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company and group's preparation of the financial statements that give a true and fair view of the matters to which they relate in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company and group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the 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.

Our firm has also provided other services to the company and group in relation to IT advisory services. Subject to certain restrictions, partners and employees of our firm may also deal with the company and group on normal terms within the ordinary course of trading activities of the business of the company and group. These matters have not impaired our independence as auditor of the company and group. The firm has no other relationship with, or interest in, the company and group.

Opinion

In our opinion the financial statements on pages 20 to 80:

- comply with generally accepted accounting practice in New Zealand;
- give a true and fair view of the financial position of the company and the group as at 31 May 2015 and of the financial performance and cash flows of the company and the group for the year then ended.

Report on other legal and regulatory requirements

In accordance with the requirements of sections 16(1)(d) and 16(1)(e) of the Financial Reporting Act 1993, we report that:

- we have obtained all the information and explanations that we have required; and
- in our opinion, proper accounting records have been kept by Ravensdown Fertiliser Co-operative Limited as far as appears from our examination of those records.

KPMG

12 August 2015
Christchurch

Statutory information

for the year ended 31 May 2015

Directors and remuneration

Remuneration and benefits received by Directors or former Directors of the company during the year was as follows :

J.F.C. Henderson	$178,208
A.S. Wright (elected Deputy Chairman 15/9/14)	$81,958
P.D. Willock	$73,208
A.P. Reilly	$73,208
A.C. Howey	$73,208
S.G. Gower	$73,208
P.G. Inger	$73,208
P.W. Moynihan	$73,208
J. Dale (appointed Director 15/9/14)	$62,625
K. Alexander (appointed Director 15/9/14)	$52,298
R.T. Turton (resigned 15/9/14)	$32,788
G.J. Cosgrove (resigned 15/9/14)	$32,788
C.J. Dennison** (resigned 15/9/14)	$25,240
E.M. Coutts (resigned 31/8/14)	$20,000

** Deputy Chairman to 15/9/14

Entries recorded in the Interests Register

Per Section 140(2) of the Companies Act 1993 the Directors gave notice that they are Directors or Members of the following named organisations and will therefore be interested in all transactions between these organisations and Ravensdown Fertiliser Co-operative Limited and its subsidiaries:

J.F.C. Henderson

Director/Shareholder	Hinau Station Ltd
Director/Shareholder	Vanderwood Trustees & Agency Ltd
Director/Shareholder	EHW Solicitors Nominee Company Ltd
Partner	Evans Henderson Woodbridge
Director	Althlumney Farms Ltd
Director	Clearsky Dairies Ltd
Director	Premier Dairies Ltd
Director	Tutu Totara Dairy Ltd
Trustee	Lagore Enterprises Trust
Director	Coronet Peak Station (Queenstown) Ltd
Trustee	Clarinbridge Trust
Trustee	Holtby No2 Trust
Trustee	The Beechmont Trust
Trustee	Bushybank Trust
Trustee	Carter Trust
Trustee	Ernscliffe Trust
Director	New Zealand Phosphate Company

A.S. Wright

Director/Shareholder	Annat Farms Ltd
Director/Shareholder	Otarama Investments Ltd
Chairman	Potatoes New Zealand

A.P. Reilly

Director	Landcorp Farming Ltd
Director/Shareholder	A.P. & K.M. Reilly Ltd
Director/Shareholder	Dos Rios Ltd
Director	Network Tasman Limited

S.G. Gower

Owner	High Glades Station
Trustee	Riverhills Trust
Trustee	SGG Family Trust

Statutory information (continued)

for the year ended 31 May 2015

P.W. Moynihan

Director/Shareholder	Aerodrome Farm Ltd
Director/Shareholder	Rathmore Farm Ltd
Director/Shareholder	Hacienda Lochiel Ltd
Shareholder	Manuka S.A.
Trustee	Rathmore Trust

A.C. Howey

Director/Shareholder	Alpine Fresh Ltd
Director/Shareholder	Southern Packers Ltd
Director/Shareholder	Seedlands Ltd
Director/Shareholder	Seedlands Property Ltd
Trustee	New Zealand Agrichemical Education Trust
Shareholder	Southern Packers
Director/Shareholder	Grainstor Ltd
Director	Horticulture New Zealand Ltd
Director/Shareholder	Viberi New Zealand Ltd
Director/Shareholder	Farmers Mill Ltd

P.G. Inger

Director/Shareholder	Journeys End Ltd
Director/Shareholder	Pukeko Creek Ltd
Director/Shareholder	Topuni Holdings Ltd
Director	Subway Investments Ltd
Director/Shareholder	The Promised Land 2005 Ltd
Director	Sleepy Hollow Farm Ltd
Director	Blue Moon Ltd
Director/Shareholder	Tall Kauri Ltd
Director/Shareholder	Stonebridge Investments Ltd
Director	Karoola Ltd
Trustee	The Tapora Trust
Trustee	The Stinger Trust
Director/Shareholder	Mercer Assets Ltd
Director/Shareholder	Mercer Mushrooms Ltd
Director/Shareholder	Kokako Properties Ltd
Director/Shareholder	The Clearance Shed Ltd
Director/Shareholder	TCS Resources Ltd
Director/Shareholder	TCS Leases Ltd
Director/Shareholder	Harbour Edge Avocados Ltd

K. Alexander

Director	Riversedge Ltd
Trustee	Riberbank Trust
Trustee/Chairperson	Rural Support Trust – Northland

J. Dale

Trustee	Committee for Economic Development of Australia
Director /Chair of Audit Committee	Taranaki Investments Management Ltd

C.J. Dennison (resigned 15/9/14)

Managing Director/ Shareholder	Dennison Farms Ltd
Chairman/Shareholder	Lower Waitaki Irrigation Company
Director	Waitaki Irrigators Collective
Director	Network Waitaki Ltd
Director	Network Waitaki Contracting Ltd

E.M. Coutts (resigned 31/8/14)

Director	EBOS Group Ltd
Director	Skellerup Holdings Ltd
Chairman	Urwin & Co Ltd
Director	Ports of Auckland Ltd
Director	Sanford Ltd
Director	New Zealand Directories Holdings Ltd and subsidiaries
Member	Marsh New Zealand Advisory Board
Chair	Auckland Branch Institute of Directors
Member	National Council for Institute of Directors
Director	Tennis Auckland Region Inc.

R.T. Turton (resigned 15/9/14)

Director/Shareholder	Turton Partners
Councillor	Co-operative Federation of Western Australia
Director	York and Districts Financial Services Ltd
Director	Council of Grain Grower Organisations Ltd
Trustee	Roshlar Trust

G.J. Cosgrove (resigned 15/9/14)

Director/Shareholder	Irwin Valley Pty. Ltd.
Director/Shareholder	Cosgrove Farming Co.
Director/Shareholder	Westwind Pty. Ltd.
Director/Shareholder	Depothill Pty Ltd.

Related party transactions

Like most co-operative companies, Ravensdown Fertiliser Co-operative Limited has frequent transactions with its farming Directors in the ordinary course of business. All transactions are conducted at arm's length.

Share dealings of Directors

None of the Directors have acquired or disposed of any shares other than through the normal quota shareholding process.

Directors indemnity or insurance

The company has arranged policies of liability insurance which ensure that generally Directors and company executives will incur no monetary loss as a result of actions undertaken by them as Directors or employees. Certain actions are specifically excluded, for example the incurring of penalties and fines which may be imposed in respect of breaches of the law.

Loans to Directors

There were no loans by the group to Directors.

Use of company information

No notices from any Director were received by the Board during the year requesting use of company information received in their capacity as Directors which would not otherwise have been available to them.

Donations

No donations were made to any charities during the year.

Employees' remuneration

	No. of Employees
$100,000 - $110,000	47
$110,000 - $120,000	32
$120,000 - $130,000	21
$130,000 - $140,000	13
$140,000 - $150,000	9
$150,000 - $160,000	10
$160,000 - $170,000	6
$170,000 - $180,000	8
$180,000 - $190,000	4
$190,000 - $200,000	5
$200,000 - $210,000	2
$210,000 - $220,000	1
$230,000 - $240,000	1
$250,000 - $260,000	1
$290,000 - $300,000	1
$320,000 - $330,000	1
$340,000 - $350,000	2
$370,000 - $380,000	2
$420,000 - $430,000	2
$1,030,000 - $1,040,000	1

Executive remuneration includes salary, performance incentives and employer's contribution to superannuation and health schemes earned in their capacity as employees during the financial year. Company vehicles are provided to some employees and are included in the remuneration figures.

Ravensdown

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For your success

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