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BOARD OF DIRECTORS

KILMALLOCK:	A. Liston (Chairman of the Board of Directors), T. Boyce, J. O'Connor, B. Clery, T. Shanahan, D. Mullins, J. Carmody, B. Laffan, J. Purcell, J. Cooke, E. O'Dea, L. McGrath.
RATHKEALE:	D. Naughton, T. Hannon, C. O'Gorman.
ABBEYFEALE:	J. O'Keeffe, (Vice-Chairman of the Board of Directors) J. Ward, P. Lane.
DROMCOLLOGHER:	N. O'Keeffe, P. O'Connell, K. O'Sullivan
CARRIGALLEN:	J. Morrow, M. McGovern, M. Flood, G. Taylor.
TULLAMORE:	D. Connor, P.J. Kinnarney, P. Grogan, J. Kane.

MANAGEMENT SUB-COMMITTEE

A. Liston (Chairman of the Board of Directors), J. O'Keeffe, (Vice-Chairman of the Board of Directors)
D. Connor, P. O'Connell, M. McGovern, J. O'Connor, P. Grogan, T. Hannon, T. Shanahan, P. Lane

EXECUTIVES

Chief Executive & Secretary:	P J Buckley, B. Comm., F.C.A.
Financial Controller:	Maurice Lyons, B. Comm., F.C.A.
Property Director:	Tom Crosse, F.I.P.A.V.

**MART AND
PROPERTY MANAGERS**

Helen Kells,
Antoinette Daly,
Denis Lane,
Richard Ryan, M.I.P.A.V.
Peter Scully, M.I.P.A.V.

OTHER INFORMATION

Registered Office:	Kilmallock, Co. Limerick. (063) 98050
Public Auditor:	Pricewaterhouse Coopers, Bank Place, Limerick.
Solicitors:	Maurice M.A. Power & Son, Kilmallock, Co. Limerick.
Bankers:	AIB Bank plc Hypothesenbank Frankfurt Bank Zachodni WBK S.A.

CHAIRMAN'S REPORT

Dear Shareholder,

It is a great honour for me in my first year as Chairman to present the Annual Report of our Society for the year ended 31 December 2014.

REVIEW OF OPERATIONS

The Society had a very successful year with operating profits of almost €2.64 million and a profit before taxation of €1.641 million. These figures include a once off gain of €243,000 attributable to the wind up of the Defined Benefit pension scheme. The Society's income of €7.253 million was up slightly on 2013.

The Society's net debt (excluding Clients' Funds) reduced by €0.7 million in the year. The Society's net assets at 31/12/14 were €19.4 million (after deducting minority interests), an increase of €1.6 million in the year.

LIVESTOCK

We had another very successful year in Marts with numbers increasing slightly by 0.6% to 116,000 cattle and calves. There has been a very significant increase in throughput through our Marts in the last few years which has led to a substantial increase in income earned. Together with the significant cost reductions achieved following rationalisation, the Marts division is now contributing substantial profits to the Society. The Society spent €0.2 million in capital expenditure in Marts during the year and in the last five years, the Society has invested capital expenditure of over €0.9 million in Marts. This is a very significant figure and shows the commitment of the Society to maintaining and improving our Marts for all our customers and staff. The Society is planning further significant expenditure in 2015.

PROPERTY AUCTIONEERING

I am glad to report that our Property Auctioneering Division had a very successful year and this is continuing in the current year. We have a very committed and professional staff involved in all our offices who are focused on delivering the very best service to all our clients.

PROPERTY INVESTMENTS

The Society has a very large property investment portfolio and this now constitutes a very significant part of our income and our asset base. You are aware that the bulk of our investments are held overseas in Germany and Poland. I am glad to report that these investments in general are performing very satisfactorily. Rental Income from our property investments in 2014 amounted to €3.91 million or 54% of our income from continuing operations. Our Polish investment has proved to have been an inspired one and has generated substantial profits since purchase. In addition, the building has also increased in value since purchase. I would also like to point out that significantly in excess of the initial equity of €2.4 million invested in Poland has been repatriated and reinvested in Ireland from profits made in Poland.

Our investments in Germany are well diversified across six different properties in five different cities and with almost two hundred tenants. These properties have in general held their capital value while also generating substantial Equity for the Group each year. We are close to refinancing all of our investments in Germany which should reduce interest payments considerably going forward.

Unfortunately, our building in Shannon has been vacant for a couple of years, however as I write, we are in advanced negotiations to secure a new tenant.

BIOGREEN

This Company where we hold a 50% interest has come through a few challenging years. The Company had to reinvent itself in 2010 following the elimination of excise relief on the sale of biofuel. The Company has developed new markets for its products and is continuing to do so. I am glad to report that the company had a very successful year in 2014 with good profits. We are hopeful that the business will continue to grow and I want to pay tribute to our partners in the business for their contribution.

DIVIDEND & BONUS SHARES

For the last few years the Board did not recommend paying a dividend. The reason was that there are over 5,000 shareholders and the average dividend would have been approximately €10 if we proposed a 5% dividend. However last year, as a thank you to you, our shareholders for your support, the Society issued Bonus shares on the basis of 1 new share for every 10 held.

APPRECIATION

In the past year, a number of people who served on the Board and advisory committees and who worked with the Society passed away. On my own behalf and on behalf of the Board, I want to extend to their spouses and families my deepest sympathy.

CONCLUSION

I want to thank my colleagues on the Board and all the Advisory Committees and you the shareholders for your strong support over the last year. I also want to thank Management and staff for their loyalty and support and for the contribution they make to this Society. I want to thank all our customers for their continuing support and also our auditors and advisers.

GVM is a strong Society. Net Assets of the Society as stated in the Balance Sheet are €22.3 million (gross assets of €51.1 million less liabilities of €28.8 million) which includes minority interest of €2.9 million. We have a very strong and profitable Society which we can all be proud of and despite facing many challenges; we can all look forward to the future with confidence.

AIDAN LISTON

CHAIRMAN.



Independent auditors' report to the members of Golden Vale Co-Operative Mart Limited

We have audited the financial statements of Golden Vale Co-Operative Mart Limited for the year ended 31 December 2014 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement, the Statement of Total Recognised Gains and Losses, the Reconciliation of Movements in Shareholders' Funds, the Accounting Policies and the related notes. The financial reporting framework that has been applied in their preparation is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

Respective responsibilities of Board of Directors and auditors

As explained more fully in the Chairman's report, the board of directors are responsible for the preparation of the financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the society's members as a body in accordance with Section 13 of the Industrial and Provident Societies Act, 1893 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the society's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the board of directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Chairman's report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

*PricewaterhouseCoopers, P.O. Box No. 7, Bank Place, Limerick, Ireland, I.D.E. Box No. 3002
T: +353 (0)61 212300, F: +353 (0)61 416331, www.pwc.com/ie*

Chartered Accountants



**Independent auditors' report to the members of Golden Vale Co-Operative Mart Limited
- continued**

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the society's affairs as at 31 December 2014 and of its profit and cash flows for the year then ended; and
- have been prepared in accordance with Generally Accepted Accounting Practice in Ireland.

Matter on which we are required to report by the Industrial and Provident Societies Act

As required by Section 13(2) of the Industrial and Provident Societies Act, 1893 we examined the balance sheet showing the receipts and expenditure, funds and effects of the society, and verified the same with the books, deeds, documents, accounts and vouchers relating thereto, and found them to be correct, duly vouched, and in accordance with law.

PricewaterhouseCoopers

Chartered Accountants and Registered Auditors

Limerick

20 April 2014

ACCOUNTING POLICIES

The significant accounting policies adopted by the Group, are as follows:

Basis of preparation

The financial statements have been prepared on a going concern basis in accordance with Accounting Standards Generally Accepted in Ireland. Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those promulgated by the Institute of Chartered Accountants in Ireland and issued by the Financial Reporting Council.

The financial statements are presented in euro.

Accounting convention

The group's financial statements have been prepared in accordance with the historical cost convention as modified by the revaluation of certain land and buildings.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the parent society and its subsidiary undertakings. The results of subsidiaries acquired or disposed of during the year are included in the consolidated profit and loss account from the date of their acquisition or up to the date of their disposal. Intra-group sales and profits are eliminated on consolidation.

Investments in joint ventures are accounted for under the gross equity method.

Details of the group's subsidiary undertakings and joint ventures are shown in note 23.

Income

Income represents commissions, entry fees, auctioneers' fees earned, sales of livestock and property rents and disposal of land held for resale or development at invoiced value. Income is stated exclusive of value added tax.

Investment properties

The properties are re-valued annually in accordance with SSAP 19 and the surplus or deficit on revaluation is transferred to the capital reserve unless a deficit below original cost, or its reversal, is expected to be permanent, in which case it is recognised in the Profit and Loss Account for the year. Investment properties are not depreciated. These properties are not held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate.

Tangible fixed assets

- (i) Tangible fixed assets are stated at cost or valuation less accumulated depreciation. The Society has adopted a policy of revaluing certain land and buildings which are not core to the business and are available for sale (see note 9). These land and buildings subject to valuation are disclosed as 'non-core assets'.
- (ii) Depreciation is provided on a straight line basis at annual rates which are estimated to reduce the tangible fixed assets to realisable values by the end of their expected working lives. The rates used are stated below:

	Rate%
Land	Nil
Buildings	2 ½
Plant and machinery	10 - 50

Financial fixed assets

Financial fixed assets are stated at cost less provision where necessary for any permanent diminution in value.

ACCOUNTING POLICIES - continued

Goodwill arising on acquisition of interest in joint venture

Goodwill arising on the acquisition of an interest in a joint venture represents the excess of the fair value of the consideration over the fair value of the net assets acquired. It is being amortised in equal instalments over 10 years which represents its estimated economic life.

The carrying cost is written down for any impairments expected to be permanent.

Stocks

Stocks, feedstuffs and animals are stated at the lower of cost and net realisable value. Cost represents invoiced value. Net realisable value comprises the actual or estimated selling price less all costs to be incurred in marketing, selling and distribution.

Grants

Capital grants have been treated as deferred credits and released as income in equal annual instalments over the estimated economic lives of the relevant fixed assets.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates ruling at the balance sheet date, and revenues, costs and non-monetary assets at the exchange rates ruling at the transaction date. Profits and losses arising from foreign currency translations and on settlement of amounts receivable and payable in foreign currency are dealt with through the profit and loss account.

The assets and liabilities of subsidiaries denominated in foreign currencies are translated using year end exchange rates and income is translated at average rates. Exchange adjustments arising from the restatement of opening balance sheets of foreign subsidiaries are dealt with through reserves. The cumulative effect of the exchange rate change is included in shareholders' equity.

Monetary assets are money held and amounts to be received in money. All other assets are non-monetary assets.

Retirement benefits

The Society operates a defined contribution plan under which it pays fixed contributions into a separate fund. The society has no legal or constructive obligation to pay further contributions.

The defined contribution pension charge to operating profit comprises the contribution payable to the scheme for the year.

The society operated a defined benefit pension scheme to 1 March 2013. Defined benefit pension schemes are measured at fair value. Defined benefit pension schemes liabilities are measured on an actuarial basis using the projected unit credit method. The excess of scheme liabilities over scheme assets is presented on the balance sheet as a liability net of related deferred tax. The excess of scheme assets over scheme liabilities is presented on the balance sheet as an asset net of related deferred tax. The defined benefit pension charge to operating profit comprises the current service cost and past service costs. The excess of the expected return on scheme assets over the interest cost on the scheme liabilities is presented in the profit and loss account as other finance income. Actuarial gains and losses arising from changes in actuarial assumptions and from experience surpluses and deficits are recognised in the statement of total recognised gains and losses for the year in which they occur.

Settlements and curtailments are accounted for in the period in which they occur with any related gains or losses reflected in profit and loss account. A curtailment/settlement occurs when an entity enters into a transaction that alters, or eliminates all, further legal or constructive obligation for a part, or all, of the benefits provided under a defined benefit plan.

ACCOUNTING POLICIES - continued**Deferred taxation**

Deferred tax is provided on all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Timing differences are temporary differences between profits as computed for tax purposes and profits as stated in the financial statements which arise because certain items of income and expenditure in the financial statements are dealt with in different years for tax purposes.

Deferred tax is measured at the tax rates that are expected to apply in the years in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is not discounted.

Dividends

Dividends on equity shares are recognised in the financial statements when they have been appropriately approved or authorised by the shareholders and are no longer at the discretion of the society.

Golden Vale Co-Operative Mart Limited and its subsidiary undertakings

CONSOLIDATED PROFIT AND LOSS ACCOUNT

Year Ended 31 December 2014

	Note	2014 €'000	2013 €'000
Income	1	7,253	7,223
Cost of sales		<u>-</u>	<u>-</u>
Gross profit		<u>7,253</u>	<u>7,223</u>
Operating expenses	2	(4,739)	(4,598)
Operating profit before depreciation and pension settlement gain		2,514	2,625
Depreciation (net of capital grants released)		(117)	(111)
Pension settlement gain	24	<u>243</u>	<u>1,448</u>
Operating profit after depreciation and pension settlement gain		2,640	3,962
Share of operating profit/(loss) in joint ventures		<u>53</u>	<u>(18)</u>
Total operating profit: Group and share of joint ventures		2,693	3,944
Profit on disposal of tangible fixed assets (see footnote below)		151	-
Interest receivable and similar income	4	-	160
Interest payable and similar charges	5	<u>(1,203)</u>	<u>(1,301)</u>
Profit before taxation		1,641	2,803
Taxation	6	<u>(281)</u>	<u>(309)</u>
Profit after taxation and before minority interest		1,360	2,494
Minority interest		<u>(80)</u>	<u>(113)</u>
Profit for the year	7	<u>1,280</u>	<u>2,381</u>

The total realised profit before tax on the disposal of the tangible fixed assets amounted to €151k (2013: €Nil) comprising a profit of €151k (2013: €Nil) shown above and €Nil (2013: €Nil) deducted from retained profit.

All of the above amounts relate to continuing operations.

Members of board of directors

Aidan Liston - Chairman
John O'Keeffe - Vice Chairman

Golden Vale Co-Operative Mart Limited and its subsidiary undertakings

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	Note	2014 €'000	2013 €'000
Profit for the financial year		1,280	2,381
Unrealised gain/(deficit) on revaluation of investment property/property held for resale	8&9	935	(285)
Unrealised (deficit)/gain on revaluation of joint venture investment property		(503)	(137)
Retirement benefits - actuarial (loss)	24	-	(134)
Total recognised gains and losses relating to the year		<u>1,712</u>	<u>1,825</u>

NOTE OF HISTORICAL COST PROFITS AND LOSSES

	2014 €'000	2013 €'000
Reported profit before taxation	1,641	2,803
Difference between historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	<u>11</u>	<u>11</u>
Historical cost profit before taxation	<u>1,652</u>	<u>2,814</u>
Historical cost profit for the year after taxation, dividend paid and capital duty	<u>1,291</u>	<u>2,391</u>

Golden Vale Co-Operative Mart Limited and its subsidiary undertakings

CONSOLIDATED BALANCE SHEET 31 December 2014

	Note	2014 €'000	2013 €'000
Fixed assets			
Investment properties	8	41,035	40,535
Tangible assets	9	6,787	6,245
Financial assets - investments	10	2	2
Interest in joint ventures:			
- share of gross assets		654	1,165
- share of gross liabilities		<u>(328)</u>	<u>(328)</u>
		<u>326</u>	<u>837</u>
		<u>48,150</u>	<u>47,619</u>
Current assets			
Stocks	12	5	8
Debtors (amounts falling due within one year)	13	1,042	1,139
Cash at bank	14	<u>1,917</u>	<u>1,818</u>
		2,964	2,965
Creditors: (amounts falling due within one year)	15	<u>(27,241)</u>	<u>(28,262)</u>
Net current (liabilities)		<u>(24,277)</u>	<u>(25,297)</u>
Total assets less current liabilities		23,873	22,322
Provisions for liabilities and charges	17	(1,458)	(1,384)
Deferred income			
Capital grants	18	<u>(67)</u>	<u>(76)</u>
Net assets before pension (liability)		22,348	20,862
Pension (liability)	25	<u>-</u>	<u>(243)</u>
Net assets after pension (liability)		<u>22,348</u>	<u>20,619</u>
Capital and reserves			
Share capital	19	1,151	1,057
Capital reserve (non-distributable)	20	2,842	2,410
Currency translation adjustment		(239)	(186)
Retained profits	21	<u>15,656</u>	<u>14,480</u>
Equity shareholders' funds - equity interests	22	19,410	17,761
Minority interest	25	<u>2,938</u>	<u>2,858</u>
Capital employed		<u>22,348</u>	<u>20,619</u>

Members of board of directors

Aidan Liston - Chairman
John O'Keefe - Vice Chairman

Golden Vale Co-Operative Mart Limited and its subsidiary undertakings

CONSOLIDATED CASH FLOW STATEMENT Year Ended 31 December 2014

	Note	2014 €'000	2013 €'000
Net cash inflow from operating activities	A	2,562	3,033
Return on investments and servicing of finance	B	(1,169)	(1,238)
Taxation paid		(137)	(182)
Capital expenditure, financial investment and disposals of fixed assets	C	(81)	(195)
Financing	D	<u>(10)</u>	<u>(6)</u>
Increase in cash in the year		<u>1,165</u>	<u>1,412</u>
Reconciliation of cash flow to movement in net (debt)			
Net (debt) at 1 January		(24,590)	(25,982)
Increase in cash in the year		1,165	1,412
Translation difference		<u>(55)</u>	<u>(20)</u>
Net (debt) at 31 December		<u>(23,480)</u>	<u>(24,590)</u>

Analysis of net (debt)

	At 1 January 2014 €'000	Cash flow €'000	At 31 December 2014 €'000
Society cash and bank balances	1,242	(301)	941
Client cash and bank balances	576	400	976
Bank overdraft	(333)	(16)	(349)
Term loan - due within one year	(26,075)	1,027	(25,048)
Term loan - due after one year	<u>-</u>	<u>-</u>	<u>-</u>
	<u>(24,590)</u>	<u>1,110</u>	<u>(23,480)</u>

Golden Vale Co-Operative Mart Limited and its subsidiary undertakings

CONSOLIDATED CASH FLOW STATEMENT - continued Year Ended 31 December 2014

Note A

Reconciliation of operating profit to net cash inflow from operating activities	2014 €'000	2013 €'000
Operating profit after depreciation	2,639	3,962
Depreciation charge	125	119
Amortisation of capital grants	(9)	(9)
(Increase)/decrease in stocks	3	7
Decrease in debtors	71	321
Decrease in creditors	(424)	(47)
Increase in client funds	400	100
Current service cost	-	28
Pension settlement/curtailment gain	(243)	(1,448)
Net cash inflow from operating activities	<u>2,562</u>	<u>3,033</u>

Note B

Return on investments and servicing of finance	2014 €'000	2013 €'000
Interest received and similar income	-	18
Interest paid	(1,169)	(1,256)
	<u>(1,169)</u>	<u>(1,238)</u>

Note C

Capital expenditure and financial investment	2014 €'000	2013 €'000
Payments for tangible fixed assets	(232)	(195)
Proceeds of sale of tangible fixed asset	151	-
	<u>(81)</u>	<u>(195)</u>

Note D

Financing	2014 €'000	2013 €'000
Share capital redeemed	<u>(10)</u>	<u>(6)</u>

Golden Vale Co-Operative Mart Limited and its subsidiary undertakings

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 Income	2014 €'000	2013 €'000
Commissions, entry fees, auctioneers' fees and sales of livestock	3,339	3,280
Rents receivable	<u>3,914</u>	<u>3,943</u>
	<u>7,253</u>	<u>7,223</u>
2 Operating expenses	2014 €'000	2013 €'000
Expenditure		
Salaries and wages	2,214	2,170
Administration expenses	298	281
Establishment expenses	437	466
Property expenses	1,580	1,474
Property repairs and renewals	108	37
Financial expenses	(17)	9
Selling expenses	<u>119</u>	<u>161</u>
	<u>4,739</u>	<u>4,598</u>
3 Employees		
The average number of persons employed by the group during the financial year was as follows:		
	2014	2013
Selling and distribution	8	8
Administration/operations	<u>99</u>	<u>98</u>
	<u>107</u>	<u>106</u>
4 Interest receivable and similar income	2014 €'000	2013 €'000
Deposit interest	-	18
Finance income (note 24)	<u>-</u>	<u>142</u>
	<u>-</u>	<u>160</u>
5 Interest payable and similar charges	2014 €'000	2013 €'000
Interest payable on bank loans wholly repayable within five years	1,169	1,254
Share of joint venture interest payable	<u>34</u>	<u>47</u>
	<u>1,203</u>	<u>1,301</u>

Golden Vale Co-Operative Mart Limited and its subsidiary undertakings

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued

6 Taxation	2014 €'000	2013 €'000
(a) Based on the profit for the year:		
Current tax:		
Irish corporation tax on profit for the year	-	-
Irish capital gains tax on sale of land	46	
Foreign tax on foreign profit for the year	106	100
Share of joint venture tax on profit for the year	<u>-</u>	<u>-</u>
Current tax charge for the year - shown in profit and loss account	152	100
Deferred tax charge for the year	<u>129</u>	<u>209</u>
Total tax charge for the year - shown in profit and loss account	<u>281</u>	<u>309</u>
Total tax charge for the year	<u>281</u>	<u>309</u>
 (b) Factors affecting the current tax charge for the year		
Group profit before tax	1,640	2,803
Less: profit subject to foreign tax	(1,029)	(1,164)
Less: Irish loss eliminated on consolidation	-	-
Add: share of joint venture (profit)/loss before tax	<u>(35)</u>	<u>65</u>
Group profit subject to Irish tax	<u>576</u>	<u>1,704</u>
 Profit subject to Irish tax multiplied by the standard rate of corporation tax in Ireland of 12.5% (2013: 12.5%)	72	213
Effects of:		
Disallowable expenses	11	5
Expenses allowable for tax purposes	(30)	(195)
Depreciation in excess of capital allowances	(14)	6
Utilisation of trading losses	(30)	(17)
Passive income at a higher rate	9	(9)
Chargeable gains	(18)	(2)
DIRT	<u>-</u>	<u>(1)</u>
Current tax charge for the year	<u>-</u>	<u>-</u>

Investment properties and certain land and buildings have previously been revalued. The financial statements reflect a revaluation surplus arising on the revaluation of investment properties and certain land and buildings (see notes 8(a), 9(a)(ii) and (iii)). In the event that these revalued assets are sold at the revalued amounts corporation tax in the amount of approximately €531k (2013: €385k) could become payable.

7 Profit for the year

A profit of €532,783 (2013: profit of €1,704,174) for the year has been dealt with in the profit and loss account of the parent society.

Golden Vale Co-Operative Mart Limited and its subsidiary undertakings

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued

8 Investment properties	€'000
At 1 January 2014	40,535
Additions	-
Revaluation gain (see (a) below)	<u>500</u>
At 31 December 2014	<u>41,035</u>

- (a) Certain land and buildings owned by the Society in Ireland were valued as at 31 December 2014 on open market value basis by Tom Crosse, F.I.P.A.V., GVM Auctioneers, 26 Glentworth Street, Limerick resulting in no change to the aggregate value of these assets.

The investment property in Poland was valued on an open market value basis as of 31 December 2014 by Savills Sp. Z.o.o. This resulted in a revaluation gain of €400,000 over the prior year carrying value and has been credited to capital reserves (note 20).

The investment properties in Brandenburg, Potsdam, Joachimstaler, Hamburg, Munich and Osnabruck Germany were revalued on an open market basis as at 31 December 2014. These valuations were performed by Stefan Küter, director of GVMAR GP Ltd, GVM Berlin Ltd and GVM Osnabruck Ltd, resulting in a revaluation gain of €100,000 on the aggregate value of these assets and this has been credited to capital reserves also (note 20).

9 Tangible fixed assets	Land and buildings €'000	Non-core assets €'000	Plant and machinery €'000	Total €'000
Cost or valuation				
Cost	2,852	1,671	2,086	6,609
Valuation (see (a) below)	<u>640</u>	<u>2,857</u>	<u>-</u>	<u>3,497</u>
At 1 January 2014	3,492	4,528	2,086	10,106
Additions	149	-	83	232
Disposals	-	-	(35)	(35)
Revaluation surplus	<u>-</u>	<u>435</u>	<u>-</u>	<u>435</u>
At 31 December 2014	<u>3,641</u>	<u>4,963</u>	<u>2,134</u>	<u>10,738</u>
Cost	3,001	1,671	2,134	6,806
Valuation (see (a) below)	<u>640</u>	<u>3,292</u>	<u>-</u>	<u>3,932</u>
	<u>3,641</u>	<u>4,963</u>	<u>2,134</u>	<u>10,738</u>
Accumulated depreciation				
At 1 January 2014	1,962	38	1,861	3,861
Charge for year	64	-	61	125
Disposals	<u>-</u>	<u>-</u>	<u>(35)</u>	<u>(35)</u>
At 31 December 2014	<u>2,026</u>	<u>38</u>	<u>1,887</u>	<u>3,951</u>
Net book amounts				
At 31 December 2014	<u>1,615</u>	<u>4,925</u>	<u>247</u>	<u>6,787</u>
At 31 December 2013	<u>1,530</u>	<u>4,490</u>	<u>225</u>	<u>6,245</u>

- (a) (i) A valuation of the then existing fixed assets of the Society was carried out by Messrs Thornton and Partners, Surveyors and Valuers on an existing use basis at 30 December, 1977. For the purpose of the Society's financial statements the valuation of the fixed assets as at that date, adopted by the Board of directors has been based on 60% of the valuation of Messrs Thornton & Partners. The surplus arising on revaluation of €442,000 was credited to non-distributable capital reserve in 1977.

Golden Vale Co-Operative Mart Limited and its subsidiary undertakings

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued

9 Tangible fixed assets - continued

- (ii) In 2002 the board of directors adopted a policy of carrying land and buildings no longer considered essential for the continued operation of the Society's activities ("non-core assets") at resale value and are available for sale. These assets are valued annually and the movement is taken to the revaluation reserve. Land and buildings core to the Group's operations are carried at depreciated historical cost.
- (iii) The valuation of assets held for resale was reperformed as of 31 December 2014 by Tom Crosse, F.I.P.A.V., GVM Auctioneers, 26 Glentworth Street, Limerick, resulting in an upward valuation, on an open market value basis of €435,000. This surplus on revaluation has been credited to capital reserves (note 20).

10 Financial fixed assets - investments

	Notes	2014 €'000	2013 €'000
Unlisted shares	(a)	<u>2</u>	<u>2</u>

(a) In the opinion of the board of directors the value of the unlisted shares is in excess of cost.

11 Intangible asset - goodwill

	2014 €'000	2013 €'000
Cost		
At 1 January	337	337
Additions	<u>-</u>	<u>-</u>
At 31 December	<u>337</u>	<u>337</u>
Amortised		
At 1 January	337	337
Charge for the year	<u>-</u>	<u>-</u>
At 31 December	<u>337</u>	<u>337</u>
Net book value		
At 31 December	<u>-</u>	<u>-</u>

The goodwill arose on the purchase of 50% of the equity capital of Biogreen Energy Products Limited, during 2005. This company is engaged in vegetable oil production and extractions for use in the fertiliser and feed industry.

12 Stocks

	2014 €'000	2013 €'000
Animals and feedstuff	<u>5</u>	<u>8</u>

Golden Vale Co-Operative Mart Limited and its subsidiary undertakings

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued

13 Debtors - (amounts falling due within one year)	2014 €'000	2013 €'000
Trade debtors	54	122
Prepayments and accrued income	366	275
Amount due from joint venture companies	609	639
VAT	<u>13</u>	<u>103</u>
	<u>1,042</u>	<u>1,139</u>

The amounts due from the joint venture companies, Biogreen Energy Products Limited and Kiwi SP Z.o.o. are unsecured and have no fixed repayment schedules.

14 Cash at bank

Cash at bank includes amounts held in separate client funds bank accounts of €976,173 (2013: €576,117) and the corresponding liability in respect of funds due to clients is included in creditors (see note 15).

15 Creditors - (amounts falling due within one year)	2014 €'000	2013 €'000
Bank loans (note 16 and (b) below)	25,048	26,075
Bank overdrafts	349	333
Trade creditors and accruals	774	1,186
Other creditors (see (a) below)	94	92
Client funds	<u>976</u>	<u>576</u>
	<u>27,241</u>	<u>28,262</u>
 (a) Other creditors:		
Corporation tax	17	2
PAYE/PRSI	62	57
VAT	<u>15</u>	<u>33</u>
	<u>94</u>	<u>92</u>

(b) The bank loan balance above includes an amount of €17,874,995 in respect of non-recourse borrowings with regard to investment properties held by subsidiary companies. The valuation of these investment properties at 31 December 2014 as included in note 8 was €28,550,000. In accordance with FRS25.50(c) this amount has been reclassified from creditors falling due after more than one year as the Group breached certain conditions of their bank facilities in prior years. Notwithstanding the breaches of certain conditions these loans continue to be repaid in line with the original terms of the loan agreements which is over the next 1 to 2 years. The Group are in the process of refinancing these facilities and the directors are confident that this refinancing will be successfully concluded during 2015. The directors expect that the refinanced facilities will substantially fall due for repayment after more than one year.

Golden Vale Co-Operative Mart Limited and its subsidiary undertakings

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued

16 Bank loans	2014	2013
	€'000	€'000
The bank loans included in notes 15 and 16 are repayable as follows:		
In one year or less	25,048	26,075
Between one and two years	-	-
	<u>25,048</u>	<u>26,075</u>

The bank loan balance above includes an amount of €17,874,995 in respect of non-recourse borrowings with regard to investment properties held by subsidiary companies. In respect of a further amount of €5,679,233 with regard to an investment property held by a subsidiary company, this has been secured by mortgage on the property. Prior to year end the Society signed an annex to extend the loan agreement subject to certain conditions, these conditions are not finalised but the directors are confident they will be met. The remaining amount of €1,493,658 is secured by way of a fixed and floating charge over the assets of the parent society, this facility was due for review on 31 March 2015. The directors are currently in discussions with the bank regarding the renewal of this facility and are confident that these discussions will be successfully concluded and a new facility will be in place shortly.

17 Provisions for liabilities and charges	Provision for joint venture deficit €'000	Deferred tax €'000	Total €'000
At 1 January 2014	227	1,157	1,384
Movement for year	<u>(55)</u>	<u>129</u>	<u>74</u>
At 31 December 2014	<u>172</u>	<u>1,286</u>	<u>1,458</u>

Deferred tax:

Provision for deferred tax comprises:

Accelerated capital allowances	<u>1,278</u>
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Provision for joint venture deficit

	2014	2013
	€'000	€'000
The group share of net liabilities is as shown below:		
Share of gross assets	1,077	990
Share of gross liabilities	(1,249)	(1,217)
Goodwill arising on acquisition (note 11)	-	-
Share of joint venture net liabilities	<u>(172)</u>	<u>(227)</u>

Golden Vale Co-Operative Mart Limited and its subsidiary undertakings

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued

18 Capital grants	2014	2013
	€'000	€'000
Received		
At 1 January	215	215
Addition	<u>-</u>	<u>-</u>
At 31 December	<u>215</u>	<u>215</u>
Transfers to revenue		
At 1 January	139	130
During the year	<u>9</u>	<u>9</u>
At 31 December	<u>148</u>	<u>139</u>
Net book value		
At 31 December	<u>67</u>	<u>76</u>
19 Share capital	2014	2013
	€'000	€'000
At 1 January	1,057	1,063
Shares issued during year	104	-
Shares redeemed during year	<u>(10)</u>	<u>(6)</u>
At 31 December	<u>1,151</u>	<u>1,057</u>

Share capital represents shares of 1,150,518 €1 each (2013: 1,056,705 shares).

20 Capital reserve (Non Distributable)

The capital reserve represents an unrealised surplus arising on the revaluations of investment properties and certain tangible fixed assets (see notes 8(a) and 9(a)). It is non-distributable and is analysed as follows:

	Total
	€'000
At 1 January 2014	2,410
Revaluation of investment property (note 8(a))	500
Revaluation of assets held for resale (note 9(a)(iii))	435
Share of revaluation deficit of land held by joint venture	<u>(503)</u>
At 31 December 2014	<u>2,842</u>

Golden Vale Co-Operative Mart Limited and its subsidiary undertakings

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued

21 Retained profits	2014 €'000	2013 €'000
At 1 January	14,480	12,233
Bonus issue of shares during the year	(104)	-
Profit for the year	1,280	2,381
Retirement benefits - actuarial loss	-	(134)
At 31 December	<u>15,656</u>	<u>14,480</u>
22 Reconciliation of movement in equity shareholders' funds	2014 €'000	2013 €'000
Profit for year	1,280	2,381
Retirement benefits - actuarial loss	-	(134)
	1,280	2,247
Share capital redeemed	(10)	(6)
	1,270	2,240
Surplus/(deficit) on revaluation of investment property (note 8(a))	500	(300)
Surplus on the revaluation of tangible fixed assets (note 9(iii))	435	15
(Deficit) on revaluation of land held by joint venture	(503)	(137)
Currency translation adjustment	(53)	(23)
	1,649	1,796
Opening equity shareholders' funds	<u>17,761</u>	<u>15,965</u>
Closing equity shareholders' funds	<u>19,410</u>	<u>17,761</u>

Golden Vale Co-Operative Mart Limited and its subsidiary undertakings

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued

23 Subsidiary undertakings and joint venture investments

The principal subsidiary undertakings are as follows:

Name of Subsidiary	Nature of Business	Holding %	Address of Registered Office
GVM Financial Services Limited	Mortgage, insurance & finance brokers	100	26 Glentworth Street Limerick
GVM Property Investments Limited	Investment holding	100	Kilmallock Co Limerick
Kilmart Investments Luxembourg SARL	Investment holding	100	69A Boulevard de la Petrusse, L-2320 Luxembourg
GVM Properties SP Zoo	Investment holding	100	UL Jaxielska 47/12, Warsaw
Greenmart Investments Limited	Investment holding	100	Kilmallock, Co Limerick
GVMAR GP Limited	Investment holding	58.07	Kilmallock, Co Limerick
GVM UL Limited	Investment holding	100	Kilmallock, Co Limerick
GVM Berlin Limited	Investment holding	71.47	Kilmallock, Co Limerick
GVM Collin's Lane Limited	Dormant	100	Kilmallock, Co Limerick
GVM Osnabruck Limited	Investment holding	100	Kilmallock, Co Limerick
Name of Joint Venture			
Biogreen Energy Products Limited	Vegetable Oil Production	51	Kilmallock, Co Limerick
Kiwi SP Z.o.o	Investment Holding	50	01-455 Warszawa, UL Radowa 24.1.14

Under Section 155 of the Companies Act, 1963, Biogreen Energy Products Limited is a subsidiary company of Greenmart Investments Limited which in turn is a subsidiary of Golden Vale Co-Operative Mart Limited. However, under the terms of the shareholders agreement, Biogreen Energy Products Limited has been accounted for as a joint venture.

The subsidiaries are incorporated in and carry on their business in the country where their registered offices are situated with the exception of GVMAR GP Limited, GVM Berlin Limited and GVM Osnabruck Limited which carry on their business in Germany and GVM Properties SP Zoo which carries on its business in Poland.

The joint venture Kiwi SP Z.o.o carries on its business in Poland.

24 Retirement benefits

The group operates a defined contribution pension scheme. The contributions to the defined contribution pension scheme for the year amounted to €231,174 (2013: €209,037). The amount payable at year end is €Nil (2013: €182,513).

The group also operated a defined benefit pension scheme with assets held in a separately administered pension fund to 1 March 2013. Agreement was reached in 2013 with the trustees of the defined benefit scheme to wind up that scheme and move to a defined contribution scheme and a curtailment gain of €1,448,000 was recognised in 2013. The wind-up of the scheme was completed during the year. The company reported a settlement gain of €242,875 (2013: €1,448,000) on this transaction. The gain has been reflected in the profit and loss account.

The pension charge for the year amounted to €Nil (2013: €28,000) of which €Nil (2013: €Nil) was payable at year end

A full actuarial valuation was carried out on 1 February 2009 and updated to 31 December 2013 for Financial Reporting Standard 17 disclosure purposes by a qualified independent actuary.

The amounts recognised in the balance sheet are as follows:

	2014 €'000	2013 €'000
Present value of scheme liabilities	-	(5,370)
Fair value of scheme assets	-	5,127
Pension (liability)	-	(243)
Related deferred tax asset	-	-
Net pension (liability)	-	(243)

The amounts recognised in the profit and loss account are as follows:

	2014 €'000	2013 €'000
Interest cost	-	39
Expected return on scheme assets	-	(181)
Other finance (income)/expense	-	(142)
Current service cost - included in other operating costs	-	28
Pension settlement/curtailment gain	(243)	(1,448)
	(243)	(1,562)
Actual return on plan assets	-	126

The amounts recognised in the Statement of Total Recognised Gains and Losses ("STRGL") are as follows:

	2014 €'000	2013 €'000
Actual less expected return on scheme assets	-	(55)
Experience gains/losses on liabilities	-	(79)
Change in assumptions underlying the present value of the scheme liabilities	-	-
Actuarial gain recognised in the STRGL	-	(134)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued

24 Retirement benefits - continued

The cumulative actuarial loss recognised in the statement of total recognised gains and losses up to and including the financial year ended 31 December 2014 is €2,819k, (2013: €2,819k).

The expected contributions for the year ended 31 December 2014 will be €Nil.

Movement in scheme assets and liabilities	Scheme assets	Scheme Liabilities	Pension surplus/ (deficit)
	€'000	€'000	€'000
At 1 January 2013	5,173	(6,844)	(1,671)
Current service costs	-	(28)	(28)
Interest on scheme liabilities	-	(39)	(39)
Expected return on scheme assets	181	-	181
Actual less expected return on scheme assets	(55)	-	(55)
Experience losses/gains on liabilities	-	(79)	(79)
Curtailment gain	-	1,448	1,448
Employer contributions paid	-	-	-
Benefits paid	(172)	172	-
At 31 December 2013	5,127	(5,370)	(243)
Settlement of scheme	(5,127)	5,370	243
Current service costs	-	-	-
Interest on scheme liabilities	-	-	-
Expected return on scheme assets	-	-	-
Actual less expected return on scheme assets	-	-	-
Experience losses/gains on liabilities	-	-	-
Curtailment gain	-	-	-
Employer contributions paid	-	-	-
Benefits paid	-	-	-
At 31 December 2014	-	-	-

All of the scheme liabilities above arise from schemes that are wholly funded.

Risks and rewards arising from the assets

At 31 December 2013 the scheme assets were invested in a diversified portfolio that consisted primarily of equity and debt securities and properties. The fair value of the scheme assets as a percent of total scheme assets and target allocations are set out below:

	2014 %	2013 %
(as a percentage of total scheme assets)		
Bonds	-	51.4
Cash	-	48.6
Equities	-	-
Property	-	-

Scheme assets do not include any of Golden Value Co-Operatives Mart Limited and its subsidiary undertakings.

Golden Vale Co-Operative Mart Limited and its subsidiary undertakings

24 Retirement benefits - continued

Amounts for the current and previous four years are as follows:

	2014	2013	2012	2011	2010
Present value of the scheme liabilities (€'000)	-	(5,370)	(6,844)	(5,097)	(4,955)
Fair value of scheme assets (€'000)	-	5,127	5,173	4,652	4,818
Pension (deficit)/asset (€'000)	-	(243)	(1,671)	(445)	(137)
Experience adjustments on scheme liabilities as a percentage of scheme liabilities at the balance sheet date	-	1.47%	22.7%	0.27%	6.28%
Experience adjustments on scheme assets as a percentage of scheme assets at the balance sheet date	-	3.53%	9.12%	6.41%	2.68%

25 Minority interest

The minority interest arises on third party shareholdings in the group companies, GVMAR GP Limited and GVM Berlin Limited.

26 Related party transactions

Certain members of the board of directors and shareholders traded with the Society in the ordinary course of business during the year.

The Society invited its board of directors, shareholders and third parties to invest in investment properties abroad through its subsidiary companies. Certain members of the board of directors and shareholders of the parent society availed of this opportunity and invested in equity shares in GVMAR GP Limited and GVM Berlin Limited at arms length and on normal commercial terms available to third parties. There are no amounts owing to/from the group in respect of these transactions at year end.

Amounts of €281,213 (2013: €255,105) and €608,857 (2013: €613,758) were due to the Society at the balance sheet date from Biogreen Energy Products Limited and Kiwi SP Z.o.o. respectively.

27 Capital commitments

	2014 €'000	2013 €'000
Authorised and contracted for	-	-
Authorised and not contracted for	150	-
	<u>150</u>	<u>-</u>

28 Contingencies

The parent society and each of its fellow joint venture shareholders have provided a guarantee, up to the amount of €1,663,279 in favour of the bankers of its joint venture, Biogreen Energy Products Limited, in respect of the obligations of this joint venture. The joint venture trading conditions have improved and made a profit in the year ended 31 December 2014, however it is still dependent on the continuing support of its bankers. The joint venture is at the advanced stages of renegotiating bank debt facilities with its bankers and the directors are confident of a satisfactory outcome to their negotiations over the next couple of months. However, there is no certainty until such a plan is agreed.

29 Statement of the committee of management responsibilities

The committee of management is responsible for the preparation of the financial statements which give a true and fair view in accordance with applicable Irish law including the Industrial and Provident Societies Acts, 1893 to 2014 and accounting standards generally accepted in Ireland. In preparing the financial statements, the committee of management is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

The committee of management confirms that it has complied with the above requirements in preparing the financial statements.

The committee of management is responsible for ensuring that the society keeps proper books of account, which disclose with reasonable accuracy at any time the financial position of the society and to enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and comply with the Irish Industrial and Provident Societies Acts, 1893 to 2014. They are also responsible for safeguarding the assets of the society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

30 Approval of financial statements

The financial statements were approved by the Board of Directors on 14 April 2015.