

Aurivo



Co-operative Society Ltd.



2013

ANNUAL REPORT & ACCOUNTS



Growth

Ours has always been a progressive business and one that draws inspiration from our heritage as we secure our future.

Having successfully rebranded as Aurivo, 2013 has been a transformational year for the Co-operative - achieving strong financial results and delivery of a focused strategic plan that poises Aurivo for future sustainable growth.

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CO-OPERATIVE STRATEGY

Our long-term strategy is to build a sustainable business for all stakeholders with a solid profitable performance in all areas. The business objective for organic growth and strategic acquisitions will be underpinned by four pillars:

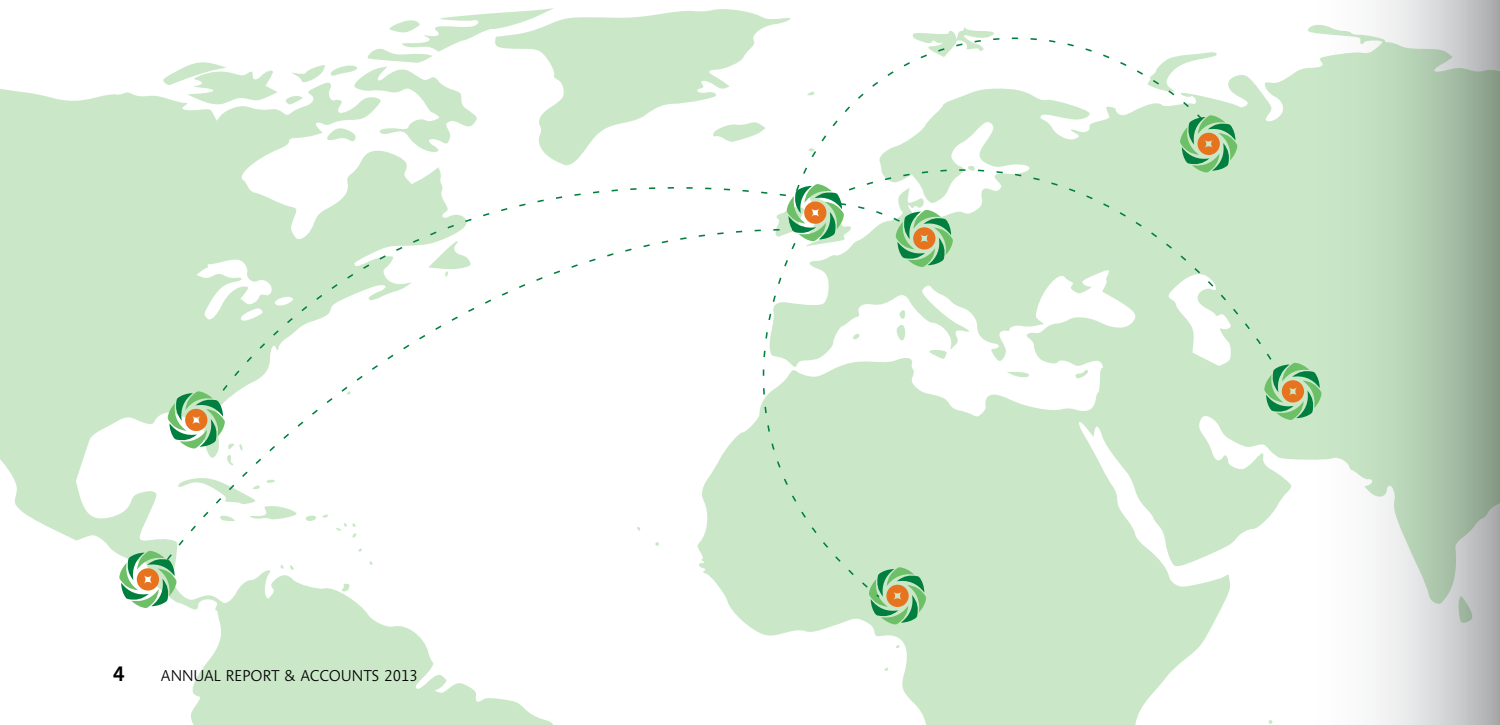


Thus, enhancing future earnings growth and value for our owners.

2013 – OPERATING AND STRATEGIC HIGHLIGHTS

Excellent financial and operational performance, building on three years of growth.

Aurivo is a leading Co-operative that is positioned for sustained growth, creating value for all our shareholders. As the second largest liquid milk producer in Ireland, and with the will to win in all our markets, growth is in our DNA, whether organic or through acquisition, to deliver for our member owners. We market quality dairy solutions in 46 countries, securing the highest value for our owners' milk, while in parallel, provide an excellent service to our non-dairy owner members through our Agri and Marts businesses.



2013 IN FOCUS

TURNOVER
INCREASES TO

€454m **+11%**

OPERATING
PROFIT

€5.25m **+199%**



**RECORD MILK
PRICE PAID
TO DAIRY
FARMERS**

€38.7m

**IN FUNDS FOR
SHAREHOLDERS**

OUR SUCCESSFUL REBRAND



Connacht Gold
Co-operative Society Ltd.



Aurivo
Co-operative Society Ltd.



A revitalised
strategic focus
that positions
Aurivo for growth

2014 OUTLOOK

- Prospects for 2014 are positive
- An exceptionally strong position exists from which to grow the Co-operative
- A concentrated focus on our national and international growth



“A transformational year with record results and delivery of a focused strategic plan that poises Aurivo for future sustainable growth. Aurivo has delivered an exceptionally strong financial and operating performance in 2013.”

CHAIRMAN'S STATEMENT

I am delighted to report that 2013 was an excellent year of financial and operational performance – a truly transformational year where the Co-operative, newly re-branded as Aurivo, made significant progress in deploying a strategic model that provides a sound basis for growth in the years ahead.

The Business and 2013

Despite an ever challenging business environment, Aurivo delivered a strong group operating profit of €5.25 million, some 199% ahead of 2012, while reducing debt by 33% to €12.9 million. Importantly, turnover increased by 11% in 2013 to a record €454 million. This higher than ever turnover figure, generated both in Ireland and internationally across 46 countries, was driven by a combination of added milk volumes in strong dairy markets, increased feed volumes across our Agri business, and a strong performance from investments.

We are now the second largest liquid milk processor in Ireland. This scale is strategically important as it provides strength to Aurivo and supports our growth ambitions.

Our Consumer Foods business is now a focused dairy operation with a strong market position in liquid milk and butter. Turnover has increased from €40 million in 2009 to €75 million in 2013, an excellent achievement. Our butter brands performed exceptionally well with butter sales growing by 15% in 2013, due in part to the strong investment in promoting the brands through a national advertising campaign. The liquid milk business continued to be challenging as the consumer drift from branded to own-label products continued across most grocery lines where competition was intense.

The Dairy Ingredients business had an excellent year with a record milk volume processed. The business benefited significantly from the additional milk volume which went through the Ballaghaderreen plant, including the Donegal Creameries' volume, and this led to improved

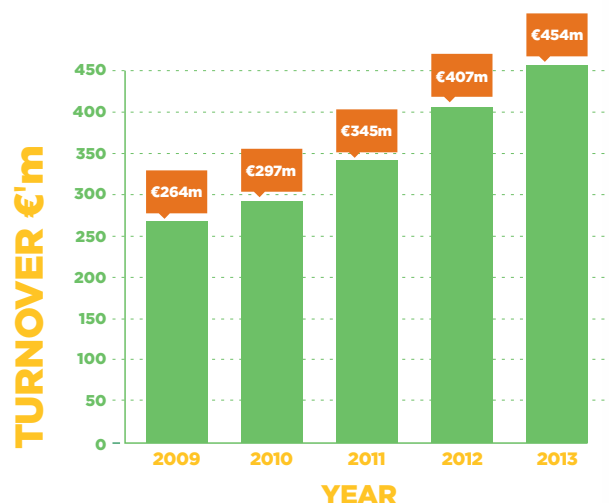
efficiencies and plant utilisation in conjunction with the improvements that are coming from the implementation of our various Operational Excellence programmes.

Our Agri Business performed strongly as the number of transactions and average spend increased. A Rewards Card, which was successfully launched during the year, has proven to be very popular amongst our loyal customer base. At the end of the year, in excess of 23,000 cards were issued.

After a decline in Mart numbers in the early part of 2013, numbers recovered towards the latter end of the year. The business faced a significant challenge with the collapse of a cattle exporting company in November, but analysis suggests that Aurivo fared well when compared to our competitors.

Throughout the organisation, we have identified a number of major projects to be undertaken to enhance our competitive position, and details of these will be outlined over the coming months.

Overall, I can say with absolute confidence that the Co-operative is well positioned to fulfil our growth ambitions in the medium to longer term. We have the right management team, the required strategic focus across the business, are well resourced throughout, and possess a strong robust balance sheet as we face the opportunities to be presented in the post quota era.



The Brand

An important milestone in 2013 was the rebranding from Connacht Gold to Aurivo Co-operative Society. This process commenced in 2011 with an extensive customer focus review and culminated at the Special General Meeting (“SGM”) held on 10 May 2013, which unanimously endorsed the change.

The investment in a new name for the Co-operative, the optimisation of existing hero brands like Connacht Gold and the introduction of new brands such as Nutrias and Homeland are important elements of our strategic plan to build sustainable growth for Aurivo, thereby delivering real value to our shareholders.

The Nutrias animal feed brand was launched in September 2013 and work on rebranding our Agri stores to Homeland is well underway.

Governance

A thorough review of the Rules of the Co-operative was carried out by the Rules Sub Committee during 2013. This included a review of our representation structures to ensure that they are in line with best practice and with similar organisations both nationally and internationally.

The review took into account changes in our membership base and our expanded geographical area as well as the need to provide representation for the areas of Donegal and Longford / Westmeath.

At the conclusion of the review process, the Board recommended a reduction in Board size from 24 to 16 Members and the amendment of the Advisory Structure to provide for 16 Regional Advisory Areas to replace the existing 24 Advisory areas. The proposed structure was designed on the basis of A1 membership in each region and the 16 new areas have broadly the same number of A1 members with a few exceptions where this was not possible for geographical reasons. The Board recommendation was unanimously approved by an SGM held on 18 December 2013.

My thanks to all who attended and gave their support to the proposals. The revised Rules have now been registered and approved by the Register for Friendly Societies. Seamus O’ Donohoe (ICOS), provided sterling guidance to us throughout this process and we thank him for his continued support and advice. We now look forward to welcoming new shareholders in Donegal and Longford / Westmeath into Aurivo and hope that they have a long and happy association with the Society.

The Team

It is important that I thank all of the people who work in Aurivo for the excellent financial and operational performance in 2013, and to welcome new employees who have joined us in 2013. It is the dedication of our valued employees that has built the successful and growing business Aurivo is today. In particular, our thanks go to Chief Executive Aaron Forde and the senior management team who with the Board are charting the course of the Co-operative’s future success.

I also extend my gratitude to members of the Board for their continued support and commitment, and extend special thanks to our Directors who are retiring from the Board this year - Pat Coltery (Achonry), John Thompson (Mohill), Henry Graham (Riverstown) and Kevin Cryan (Ballymote), all of whom have made a great contribution to the Society over a long number of years.

Pat Duffy, Vice Chairman, provided a great source of support throughout the year and this is much appreciated. The backbone of Aurivo is our Advisory structure, which plays a very important role in providing valued feedback which guides the Board in relation to policy and strategy.

Finally, I would also like to thank the Irish Co-operative Organisation Society and the other support organisations involved with the Co-operative for their help throughout the year.

2014 and Beyond

It has been an exciting year for Aurivo and we believe the strategic and financial position of the Co-operative provides a sound basis for growth. We have an opportunity now in 2014 and beyond to grow Aurivo to the enhanced benefit of our shareholders. 2014 has got off to an encouraging start, and we are confident that our evolving business model will prove resilient and provide significant growth opportunities across our core business areas.

Padraig Gibbons

Padraig Gibbons
18 March 2014



Our Brands





“The strategic, financial and operational position of the Co-operative provides a sound basis for growth. A year of achievement that paves the way for future progression and enhanced value to our owners.”

CHIEF EXECUTIVE'S REVIEW

2013 has been an excellent year for your Co-operative, with a strong balance sheet and a good milk price performance. On the basis of a record result in 2013, building on three years of growth, I can say with some confidence that we are well positioned for the opportunities and growth that the post quota era will bring. Additionally and very importantly, we have extremely well invested facilities in our non-dairy businesses, that play into our growth agenda.

It has been a busy year of achievement for the Co-operative, in which we have made significant strategic progress in consolidating and investing in our core business areas, thereby charting the growth potential of the wider business.

An important milestone for the Co-operative in 2013 was the successful rebranding as Aurivo. This has been an important step in positioning ourselves for growth and building for our future. Having the correct brand architecture is important for our business, our growing customer base around the world and our owners.

Our owner base has expanded in 2013 as a result of growth in recent years and new structures associated with this will be implemented in 2014.

“IT IS GRATIFYING TO SEE THAT OUR CORE MARKETS GREW STRONGLY IN 2013.”

Our focus from a dairy viewpoint is on emerging markets with significant growth in dairy demand underpinned by rising GDP per capita and growing middle class populations. We processed record milk volumes and

delivered the highest milk price in the Co-operative's history at 39.5cpl. We have the customers and market positions established to take the increasing volumes of milk we expect from our members. More milk gives the Co-operative more strength in operations and in the marketplace, therefore it drives growth.

Aurivo undertook a review of its strategic priorities in 2013, the objective being to revitalise and modify where necessary, and to provide a strategic roadmap for the next five years. The process helped the Board and the senior management team determine the growth potential of our businesses. Having concluded that process, Aurivo will continue to grow and enhance value to our owners by focusing on our four pillars of: Customer Focus, Innovation, Operational Excellence and People & Performance.

I illustrate our progress in 2013 now under those key strategic growth pillars:

Customer Focus

Our work on understanding our customers better continued in 2013 across all businesses.

Customer Centricity continues to be our core goal in our Customer Focus pillar. Achieving this goal was very evident in 2013 with the launch of our new brands for our Corporate, Animal Feeds and Retail Stores business as part of our brand architecture program.

Our new brands of Aurivo, Nutrias, Homeland and our existing Connacht Gold brand empowers our businesses to bring clarity to our product offering and service proposition for our customers and consumers. Clarity of our brand purpose and delivery of our brand promise will build these platforms of growth into the future. In our mart centres, through listening and acting on our customer's feedback, all sites were renamed as per their location. 2013 also saw the launch of our Rewards Card in our retail stores with over 23,000 customers now enjoying the benefits of this program.

CUSTOMER FOCUS



“OUR WORK ON UNDERSTANDING OUR CUSTOMERS BETTER CONTINUED IN 2013 ACROSS ALL BUSINESSES. CUSTOMER CENTRICITY CONTINUES TO BE OUR CORE GOAL IN OUR CUSTOMER FOCUS PILLAR.”



To continue to build on our core goal, a new initiative in developing all our skills in Customer Service Excellence was launched in November 2013 with a target of all our colleagues committing to enhancing their existing skills and developing new ones in this area over a three year period. Broadening our in-market intelligence, working closer with our customers and understanding their needs better is one of our key business goals in 2014. Investments in customer and consumer insights will continue and will drive our innovation programmes.

Innovation

Our innovation structures are well established and our processes behind these continued to gain traction in the business.

2013 was a busy and successful year in our continued efforts to build a strong ethos of innovation in our business. The generation of new ideas and initiatives, identification and support of potential business changing projects, building internal collaboration and the accelerated implementation of quick wins continues to be cornerstone in our innovation process. For 2013, over 60 new product and process focused initiatives were implemented in their respective businesses with an additional 200 new ideas currently being worked through on our stage gate process.

A renewed emphasis has been placed on ethnographic research to build and strengthen our understanding of our customers' existing and changing needs in our products, services and businesses.

Our innovation track record is strong as is the current pipeline of customer-focussed initiatives for launch in 2014.

Operational Excellence

2013 saw significant headway in our Operational Excellence – Lean programme. Continuous improvement and use of lean technologies have grown to become a significant element of our DNA across all our businesses during the year.

In Dairy Ingredients, the continuous improvement plan lead to a 25% increase in the production capacity. Coupled with other initiatives, it has allowed the site to bank on significant savings on energy (15%) and water (40%). As recognition of this energy saving performance, Aurivo Dairy Ingredients were runners up in the National Energy Awards for large business during 2013 hosted by the Sustainable Energy Authority of Ireland.

A re-organisation of butter packing activities in Achonry and a focus on improving line efficiencies have increased production capacity, and helped reduce production costs. All sites in Consumer Foods now have active energy management programmes already showing benefits.

The new tendering process for transport contracts has yielded significant savings. All transport activities from our three Consumer Foods sites were consolidated, with better load utilisation and reduced costs. Tenders were also organised in the Animal Feeds Mill and in the Dairy Ingredients business, with strong savings.

The state of the art analytical technology in the Mill brings Aurivo Animal Feeds to a level with the best in the sector, allowing immediate quality checks on all raw materials purchased, and on finished products. The lean programme was launched in the Mill in 2013, with many live projects for 2014.

Projects in administration in the stores business were successfully implemented, helping to streamline processes, reduce process time and generate savings.

With a strong focus on sustainability, we are members of the Bord Bia Origin Green programme and have set demanding performance targets for our operations. This will see us become an ever more efficient and sustainable business thereby strengthening your Co-operative.

People & Performance

In order to build a strong team and a strong business, our process of developing our people continued at pace in 2013.

All employees in the organisation undergo an annual performance review which aligns their goals and objectives with the overall corporate strategic goals and, where appropriate, defines a career path for individuals. We endeavour to develop our people to ensure that they have the skills and knowledge to carry out their duties to the best possible standard in addition to giving them the opportunity to progress to more challenging roles in the organisation. In 2013, we commenced a Leadership Development Programme and selected three graduates who are undergoing an intensive induction programme through our various Business Units. We plan to add to the numbers on the programme annually and this will provide a talent pool for filling vacancies that arise as the business continues its growth trajectory.

Under People & Performance, we also focus on health and safety throughout our operations. This includes the health and safety of our employees, customers and anyone involved in any way with the Co-operative. We endeavour to create a safety awareness culture by thoroughly investigating all accidents or incidents that arise with a view to eliminating risk where possible.

Our Charity of the Year for 2013 was Special Olympics Ireland and our employees raised a total of €22,500 for this very worthy cause from a number of fundraising activities during the year. Our Charity of the Year for 2014 is the local Hospices in our region – Donegal, Northwest, Mayo Roscommon and Galway.

INNOVATION



2013 WAS A BUSY AND SUCCESSFUL YEAR IN OUR CONTINUED EFFORTS TO BUILD A STRONG ETHOS OF INNOVATIONS. A NEW FARM PROFITABILITY PROGRAMME COMMENCED, IN ADDITION TO A STRONG NPD PIPELINE AND ETHNOGRAPHIC CONSUMER RESEARCH.

OPERATIONS IN 2013

Dairy Ingredients

Global demand for dairy products and in particular, dairy protein, was very strong helping to deliver good returns to dairy farmers. This demand was fuelled by a constrained supply side as a result of drought in New Zealand in late 2012 and generally curtailed milk supply globally. Chinese demand has been exceptional and has undoubtedly been a feature in driving record milk prices globally.

Record milk volumes were processed and demand from customers was strong. A combination of the excellent results from our Lean programmes and the additional volumes drove unit costs to record low levels. Sales grew to €125 million on the back of increased demand and stronger milk supply, as well as increased price levels in the marketplace.

Our work to build value added niches was very successful with a number of customer-based initiatives coming to market and more in progress. Strong market positions were further built during the year in growth areas.

Our milk suppliers told us that supply would grow by 20% after the ending of quotas in April 2015. In a recent follow up survey this intent to grow was strongly confirmed and suppliers can proceed with confidence from a market and processing perspective. Your business can process the additional litres and has worked with customers to ensure demand is there for the extra milk.

We have revitalised our strategy for the business and Focus 2020 is our dairy plan. We carried out a series of road shows for suppliers in March 2014 to consult on the plan and have supplier involvement in it. Feedback has been very positive and the supplier aspects of the plan are being reviewed accordingly.

Consumer Foods

2013 was a mixed year for our consumer business, with our butter products reaching new records in sales terms, while unsustainable competitive activity characterised the liquid milk market.

For some time now, the liquid milk market in Ireland has not remunerated the processor or farmer adequately. This situation ultimately threatens the sustainability of the supply chain and it is difficult to understand some supplier's willingness to support unsustainable competitive activity in the marketplace. Despite this, the Co-operative had some notable successes with customers during 2013. Overall our liquid milk volumes remained flat whilst our brands of Connacht Gold and Donegal fared in line or better than other market brands.

The investment in a national advertising programme ensured our butter products returned to T.V. screens after a long gap, but more importantly, helped drive sales to record levels. In a market category which declined in 2013, our brand was the only one in growth at over 15%. The record established for innovation is helping grow the brand with softer lighter and unsalted products launched during the year.

Connacht Gold and Donegal are now focussed dairy brands as a result of the implementation of our brand architecture programme.

Agri Business

The year had an extraordinarily difficult start from a weather perspective. Our Agribusiness team responded to the fodder crisis and sourced 234 loads of fodder to supply to customers at cost. Many of our competitors looked on as we assisted our customers as a Co-operative business. This difficult start for farmers resulted in record volumes of our feed being sold. Output was very strong up to May and our customer loyalty again resulted in record output in the September to December period.

During the year, transaction numbers rose modestly in stores and average transaction value grew. Both are key measures of customer confidence and retention in our business. In the latter part of the year, an operational review commenced to streamline our business and simplify our operating model. A new IT system was implemented in our Feedmill and a new IT system will be installed in our stores in 2014. This will bring huge benefits in transparency and management of the business.

The rebranding of our animal feeds as Nutrias was successfully implemented in the third quarter. The brand, which stands for – the science of animal nutrition - has gained widespread acceptance. Strong growth in customer numbers was also a feature of the year.

Marts

Our Marts business had a solid year with throughput marginally down against a stronger decline regionally. Cattle prices declined by €50 per head on average versus 2012, in what was a very difficult market situation. Sheep numbers grew by almost 10% while average prices declined slightly. The combination of throughput and prices meant a lower operating result for the business, but satisfactory nonetheless.

As a leading player in the sector, we have led the way in adherence to the new regulatory regime. It is to be hoped that all marts will conform so that the sector is on a level playing field from a regulatory perspective and farmer confidence is maintained in the marts system as a whole.

OPERATIONAL EXCELLENCE CONTINUED AT PACE IN 2013 WITH THE INSTALLATION OF A €5.25M BIOMASS PLANT AT DAIRY INGREDIENTS WHICH WILL RESULT IN:

HEAVY FUEL OIL CONSUMPTION

-70%

CARBON EMISSIONS

-50%

30,000 TONNE

of wood chip per annum, sourced from Aurivo subsidiary ECC Teo

OPERATIONAL EXCELLENCE





PEOPLE & PERFORMANCE

IN ORDER TO BUILD A STRONG TEAM AND A STRONG BUSINESS, OUR PROCESS OF DEVELOPING OUR PEOPLE CONTINUED, WITH THE LAUNCH OF A CUSTOMER SERVICE EXCELLENCE PROGRAMME, A KEY MILESTONE.



Investments & Joint Ventures

ECC Teo, our timber processing subsidiary, had a satisfactory year, producing increased volumes of logs. Domestic demand remains subdued while demand from export customers was strong. Log prices rose to unsustainable levels towards year-end highlighting the need for a review of selling and contract arrangements for customers in what is effectively a monopoly supply situation.

Our investment in Mid West Radio continues its successful progress and the operating licence has been renewed.

Our North West Livestock Holdings company's position is dependent on a property market recovery and cash income from its investments.

A POSITIVE OUTLOOK FOR 2014

The 2014 year has started well for Aurivo with strong milk supply and customer demand from our international customers. The processing of milk continued right through the year-end to fulfil demand.

A plan for the business has been outlined to dairy member owners in March 2014, and this will be finalised and rolled out in the coming months. The plan is about growth with customers, increased milk supply to meet demand and investment in operations. A farm profitability and sustainability programme is being rolled out reflecting the need to have profitable sustainable farmers supplying a profitable sustainable business. The Aurivo milk stability fund has been established to help member owners who commit to the business through the expected volatility of 2014 & 2015.

Medium to longer-term, our confidence in dairy and the opportunities it brings are as strong as ever. Dairy demand will, over the next five years, grow more strongly than milk supply creating the conditions for strong milk prices. The issue of volatility is there however, and needs careful management at all levels.

The liquid milk market in Ireland is not providing adequate returns for farmers or the processor and as such milk will be diverted away from this market unless a change emerges in the current unsustainable competitive environment. Our plans are for investment in new technologies and markets for consumer dairy products. Our butter products continue to perform well and export opportunities are being actively pursued. We will continue to invest in our brand domestically to underpin its success and growth.

Our Agri Business is positioned to deliver an excellent service to our customers and as retailing changes we will need to change to take account of new trends and customer demands.

Our Marts will continue to provide an excellent service with the confidence of its customer base as a fully compliant regulated entity.

As a business, I can say with conviction that we will continue to grow for the benefit of our member owners and build on the track record of success and growth over the life of the business. We look forward to 2014 and beyond with renewed confidence.

In conclusion, I wish to thank our global customers for their patronage, our supplier base, our people for their commitment and all our stakeholders.

Aaron Forde
18 March 2014

BOARD OF DIRECTORS

The 24 Members of the Board of Directors as at 31 December 2013 are listed below with the Advisory Committees they represent shown in brackets.

For the 2014 Board Elections, all Directors will retire prior to the elections. However, retiring Members are eligible for re-election, subject to meeting all other eligibility criteria for election to the Board, without the need for nomination.



Back Row (left to right): Seamus Killoran (Croghan), Kevin Cryan (Ballymote), Robert Hosey (Employees), Martin Gallagher (Rathscanlon), Donal Kerins (North Sligo), Stephen Finn (Ballyhaunis), John A F Thompson (Mohill), Michael Kenny (Castlereagh), Cathal Garvey (Ballinrobe), Sean Sweeney (Killala), Tom Cunneiffe (Castlebar), TJ Tuffy (Tireragh).

Front Row (left to right): James Gallagher (Kinlough/Kilbarron), Ernest Monson (Gurteen), Jim Egan (Claremorris), Gerard Mullaney (Kilmacranny), Patrick Duffy (Bornacoola), Padraig Gibbons (Westport), Michael Brennan (Athleague), Henry Graham (Riverstown), Frank Butler (Kiltoghert), Tommy Shryane (Ballaghaderreen), Sean Carey (Belmullet), Pat Collery (Achonry).

OTHER INFORMATION

Registered Office	Ballina Road, Tubbercurry, Co Sligo	
Bankers	Bank of Ireland AIB Bank Ulster Bank	
Solicitors	Rochford Gallagher & Co, Tubbercurry, Co Sligo Mc Cann Fitzgerald, Riverside One, Sir John Rogerson's Quay, Dublin 2	
Auditors	KPMG, 1 Stokes Place, St Stephen's Green, Dublin 2	
Executive Team	Aaron Forde John Daly Jim Kelly Eoghan Sweeney Donal Tierney Martin Walsh	Chief Executive General Manager Agri Business Secretary/Head of Human Resources General Manager Dairy Chief Financial Officer General Manager Marts/Head of Public Relations

BOARD COMMITTEES

The Board has an established committee structure in order to assist it in the discharge of its responsibilities on a number of specific matters as it is committed to maintaining high standards of corporate governance. The committees are detailed below.

Audit Committee

The Audit Committee comprises of TJ Tuffy (Chairman), Padraig Gibbons, Patrick Duffy, Michael Kenny and Gerard Mullaney. The Chief Executive, the Chief Financial Officer, Senior Management and representatives of the external auditors may be invited to attend all or part of any meeting.

The role and responsibilities of the Audit Committee include:

- Reviewing the annual financial statements before submission to the Board, with a recommendation whether or not to approve. This review focuses on but is not limited to, monitoring the integrity of the financial statements of the Society and reviewing significant financial reporting judgements contained therein.
- Considering and making recommendations to the Board in relation to the appointment, re-appointment and removal of the external auditors, and the terms of engagement of the external auditors.
- Reviewing the external audit plan and the findings from the audit of the financial statements.
- Assessing annually the independence of the external auditors, which includes monitoring the nature and extent of services provided by the external auditors to the Society.
- Monitoring and reviewing the operation and effectiveness of the internal audit function and progress on resolving any weaknesses identified in accounting systems or controls.
- Reporting to the Board on the operation of the Society's system of internal control and risk management, making any recommendations to the Board thereon.
- Reviewing the arrangements in place to ensure that appropriate investigation and follow up action is taken on any concerns raised about possible improprieties in financial reporting or other matters.
- Reviewing its own effectiveness as a committee and making any necessary recommendations for change to the Board.

Other Committees

The Society operates a number of other sub committees in order to assist the review and operations of divisional activities and particular functions. These include:

- Agri Business
- Marts
- Dairy
- Consumer Foods
- Rules/Membership
- Remuneration

All Board Members sit on at least one sub committee of the Board. The Chairman and Vice Chairman of the Society sit on all the sub committees of the Board. The Secretary of the Society acts as Secretary to each of these committees.

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) highlights the role business plays in contributing to a better society by actively engaging and consulting with all stakeholders in a manner that goes beyond its financial and legal commitments.

Aurivo recognises this obligation and that it is an integral part of the communities in which it operates. As a result of its diversified operations, the Society generates economic and social vibrancy in both urban and rural areas and is committed to being a responsible corporate citizen in these communities.

The Society is sensitive to any impact its operations may have on its stakeholders and is committed to ensuring that the needs, views and interests of all stakeholders are taken into consideration where appropriate.

This objective will be achieved by strict adherence to the following principles:

MISSION STATEMENT:

“TO ENHANCE THE LIVES OF OUR MEMBERS, CUSTOMERS, COLLEAGUES AND THE COMMUNITIES IN WHICH WE OPERATE IN A SUSTAINABLE WAY”



OUR VALUES

TRUST

VALUE

TEAM

WILL TO WIN

VALUES

Our core values represent the fundamental beliefs that direct us in our daily business activities. Aurivo embraces these values and conducts its day-to-day business in accordance with their spirit and intent.

1. TRUST

We are committed to the highest standards of business and ethical behaviour and to fulfilling our obligations to the communities we operate in.

2. VALUE

We exist to create value for all our stakeholders. By understanding our consumers and customers we will continue to provide products to meet changing needs and deliver a service to delight our customers.

3. TEAM

We will work as one team for the common purpose we share. We will develop our talent, building pride in the team and maintain an environment of open and honest communications across the business.

4 WILL TO WIN

We will exhibit a strong will to win in the market place and in every aspect of our business

ENVIRONMENT

Compliance with environmental and health and safety regulatory requirements is considered a minimum standard for all Society businesses. All Aurivo businesses strive to implement best practice in their operations and operate comprehensive environmental, health and safety and quality management systems.

Across the Society, we also operate programmes to ensure the responsible disposal of packaging, including the re-use and recycling of all packaging types and the use of licensed contractors to safely dispose of non-recyclable waste packaging.

COMMUNITY

Aurivo operates in numerous communities throughout the West and North West in a diverse range of business activities. The company employs 719 people directly and provides jobs for many others in transport, distribution and forestry. The need to support and play an active role in the development and social fabric of the areas in which the Society operates and at a national level is a clearly defined organisational objective.

The Society has traditionally supported a large number of charitable and general social activities in the areas in which it operates.

To this end the Society will nominate a Charity of the Year each calendar year and make a substantial contribution to it. The nominated Charity for 2013 was Special Olympics Ireland. The nominated charity for 2014 is the four local hospices, Donegal, Northwest, Mayo Roscommon and Galway.

Other local charities and causes will receive consideration for funding on a case by case basis. Each application will be assessed on its own merits and decided on accordingly. This local dimension will be administered through the Managers of our local outlets and will be in the form of vouchers for use in the Stores.

Staff involvement in charitable fundraising projects is also encouraged. Aurivo gives consideration to supporting Staff who partake in such projects. During 2013 our employees raised €22,500 from a variety of fundraising events for our Charity of the Year.

Aurivo also actively encourages its employees to get involved in community activities and representative organisations and to use their expertise to assist those organisations in providing much needed community support and benefit.

WORKPLACE

Aurivo's employees are the lifeblood of the organisation and are fundamental to the success of the business. The Society provides challenging and meaningful employment together with opportunity for development and encourages employees to embrace the concept of lifelong learning. Employees who wish to pursue a course of Training/Education relevant to the business, in their own time, in order to further their career prospects are given maximum support at all times where appropriate. This involves payment/partial payment of fees, paid time off prior to and for examinations and other assistance as appropriate.

Aurivo encourages all employees to learn and develop new skills and to take an active role in planning their career progression in the Society by taking on new roles and increased responsibilities as the opportunities arise.

While Aurivo's policy is to promote from within the organisation where possible, the underlying objectives is to always select the best possible candidate for any vacant position and consequently promotional vacancies may also be advertised externally. In this context casual applications are also welcome and the company is committed to ensuring that every applicant receives full and equitable consideration for vacant positions that suit their skills and experience.

The commitment and dedication of its employees gives the Society a competitive edge and it is through the efforts of its workforce that Aurivo has become one of the employers of choice in the region.

DIRECTORS' RESPONSIBILITY STATEMENT

The Industrial and Provident Societies Acts, 1893 to 1978, require the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Society and of the profit or loss of the Society for that year. In preparing those financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Follow applicable accounting standards subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

Padraig Gibbons
Chairman

Aaron Forde
Chief Executive



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AURIVO CO-OPERATIVE SOCIETY LIMITED

We have audited the Aurivo Co-operative Society Limited ('the Society') group consolidated financial statements ("the financial statements") for the year ended 31 December 2013 which comprise the consolidated profit and loss account, consolidated statement of total recognised gains and losses, consolidated reconciliation of movement in shareholders funds, consolidated balance sheet, consolidated cash flow statement 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).

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

Respective responsibilities of the directors and auditor
As explained more fully in the Directors Responsibility Statement set out on page 20 the directors are responsible for preparing the Annual Report and the Society's 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 Ethical Standards for Auditors issued by the Auditing Practices Board.

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 directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2013 and of its profit for the year then ended; and
- have been properly 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 Acts, 1893 to 1978, 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.

Roger Gillespie
For and on behalf of KPMG,
Chartered Accountants, Statutory Audit Firm
1 Stokes Place
St Stephen's Green
Dublin 2
18 March 2014

CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2013

	Notes	2013 €(000)	2012 €(000)
Turnover – continuing operations	2	453,559	407,148
Cost of sales		(360,131)	(321,809)
Gross profit		93,428	85,339
Net operating costs	3	(88,177)	(83,583)
Group operating profit – continuing operations		5,251	1,756
Share of operating profit of associate	9(iii)	155	1,440
Total operating profit		5,406	3,196
Exceptional items	6	(443)	(2,088)
Profit before interest and taxation		4,963	1,108
Net interest payable and similar charges	5	(1,355)	(1,545)
Investment income		182	266
Profit/(loss) before taxation		3,790	(171)
Taxation	7	(396)	(683)
Profit/(loss) after taxation		3,394	(854)
Minority interests	22	(742)	(578)
Profit/(loss) for the financial year	20	2,652	(1,432)

Padraig Gibbons
Chairman

Aaron Forde
Chief Executive

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

For the year ended 31 December 2013

	Notes	2013 €(000)	2012 €(000)
Profit/(loss) for the financial year		2,652	(1,432)
Exchange rate adjustment		(6)	217
Pension fund actuarial gain/(loss)	28	1,998	(4,036)
Total recognised gains and losses for the financial year		4,644	(5,251)

Padraig Gibbons
Chairman

Aaron Forde
Chief Executive

CONSOLIDATED RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS

For the year ended 31 December 2013

	Notes	2013 €(000)	2012 €(000)
Opening shareholders' funds		34,096	39,534
Profit/(loss) for the financial year		2,652	(1,432)
Dividends on shares	20	(122)	(121)
Retained profit/(loss)		2,530	(1,553)
Other recognised gains and losses relating to the year (net)		1,992	(3,819)
New share capital issued	17	20	11
Funds held in equity reserve	18	175	-
Share capital redeemed	17	(115)	(77)
Net increase/(decrease) in shareholders' funds		4,602	(5,438)
Closing shareholders' funds		38,698	34,096

CONSOLIDATED BALANCE SHEET

As at 31 December 2013

	Notes	2013 €(000)	2012 €(000)
Fixed assets			
Tangible assets	8	34,814	37,565
Goodwill	9(i)	9,645	10,149
Financial fixed assets			
Investment properties	9(ii)	2,300	2,300
Investment in associate	9(iii)	236	164
Investment in joint venture	9(iv)	1	-
Other investments	9(v)	4,390	4,895
		51,386	55,073
Current assets			
Stocks	10	23,167	20,769
Debtors	11	42,773	47,276
Bank and cash		8,284	6,309
		74,224	74,354
Creditors: amounts falling due within one year	12	(61,861)	(65,770)
Net current assets		12,363	8,584
Total assets less current liabilities		63,749	63,657
Creditors: amounts falling due after more than one year	13	(11,472)	(12,829)
Provisions for liabilities and charges	15	(753)	(1,093)
Capital grants	16	(464)	(517)
Net assets excluding net pension liability		51,060	49,218
Net pension liability	28	(7,011)	(10,013)
Net assets including net pension liability		44,049	39,205
Capital and reserves			
Share capital	17	9,141	6,037
Equity reserve	18	175	-
Capital reserves	19	3,144	3,144
Revenue reserves	20	25,859	24,544
Bonus reserve	21	379	371
Shareholders' funds		38,698	34,096
Minority interests	22	5,351	5,109
Equity		44,049	39,205

Padraig Gibbons
Chairman

Aaron Forde
Chief Executive

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2013

	Notes	2013 €(000)	2012 €(000)
Net cash inflow from operating activities	23(i)	11,383	4,652
Returns on investments and servicing of finance	23(ii)	(1,534)	(1,420)
Taxation paid		(539)	(1,352)
Capital expenditure and financial investment	23(iii)	(2,238)	(4,242)
Acquisitions and disposals	23(iv)	(581)	(8,984)
Dividends paid	20	(122)	(121)
Net cash inflow/(outflow) before financing		6,369	(11,467)
Financing	23(v)	(1,155)	3,134
Increase/(decrease) in cash in the year		5,214	(8,333)

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

For the year ended 31 December 2013

	Notes	2013 €(000)	2012 €(000)
Increase/(decrease) in cash in the year		5,214	(8,333)
Bank loans	25	1,500	(4,164)
Finance leases	25	(265)	964
Movement in net debt in year		6,449	(11,533)
Effect of exchange rate fluctuations	25	25	(14)
Net debt at 1 January		(19,396)	(7,849)
Net debt at 31 December	25	(12,922)	(19,396)

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

(a) Accounting Convention

The Financial Statements have been prepared in accordance with the historical cost accounting convention as modified by the revaluation of investment properties and have been prepared in accordance with accounting standards generally accepted in Ireland as issued by the Financial Reporting Council and published by the Institute of Chartered Accountants in Ireland.

(b) Basis of Consolidation

The Consolidated Financial Statements comprise the Financial Statements of Aurivo Co-operative Society Limited its subsidiaries, associates and joint venture.

(c) Turnover

Turnover is shown net of value added tax and represents the fair value of goods and services supplied to third parties exclusive of trade discounts and value added tax. Some sales to the Irish Dairy Board Co-Operative Limited are based on "on Account" prices and can be subject to adjustment when the prices are finally agreed. Goods are deemed to have been delivered and related revenue recognised when the customer has access to the significant benefits inherent in the goods and exposure to the risks inherent in these benefits.

(d) Stocks

Stocks have been valued at the lower of cost and net realisable value on the first-in, first-out basis consistent with prior years. Cost in the case of products manufactured consists of direct material and labour costs together with the relevant production overheads. Net realisable value is based on contracted or estimated selling prices less selling and distribution expenses and administration overheads.

(e) Tangible Fixed Assets and Depreciation

Tangible Fixed Assets are stated at cost or revalued amount less accumulated depreciation.

Depreciation is calculated on the straight line basis by reference to the expected useful lives of the tangible fixed assets. The rates used are as follows:

	Per Annum
Land	Nil
Buildings	5%
Plant, Machinery & Equipment	10% -33 1/3%
Motor Vehicles	20%-25%
Computers	33%

Provision is made for any permanent impairment.

(f) Financial Fixed Assets

Associate and joint venture undertakings

Associated undertakings (associates) are those undertakings in which the Society has a participating interest in the equity capital and over which it is able to exercise significant influence.

Joint venture undertakings (joint ventures) are those undertakings over which the Group exercises control jointly with another party.

Associates and joint ventures are accounted for using the equity and gross equity method respectively. The Society's share of the profits less losses of associates and joint ventures are included in the consolidated profit and loss account. The Society's interests in their net assets or liabilities are included as fixed asset investments in the consolidated balance sheet at an amount representing the Society's share of the fair values of the net assets at acquisition plus the Society's share of post acquisition retained profits or losses.

Goodwill arising on the acquisition of associates and joint ventures is dealt with as stated below.

The amounts included in the consolidated financial statements in respect of the post acquisition profits of associates and joint ventures are taken from their latest audited financial statements made up to the balance sheet date.

Investment properties

Investment properties are revalued annually and are not depreciated or amortised. Where the valuation indicates a permanent diminution in the value of the property, the permanent diminution is charged to the profit and loss account. All other fluctuations in value are transferred to a revaluation reserve.

Convertible loan stock

Convertible loan stock has been issued by the Irish Dairy Board Co-operative Limited (IDB) to the Society. The allocation of Convertible loan stock is based on the level of trading with the IDB. The loan stock is convertible into cash over a six year period which starts five years from the date of issue.

Other investments

Financial fixed assets other than investment properties are shown at cost less provisions for permanent impairments in value. Income from financial fixed assets, together with any related tax credit, is recognised in the profit and loss account in the year in which it is receivable.

(g) Capital Grants

Capital Grants received by the Society are treated as deferred credits and released to the profit and loss account over the expected useful lives of the assets to which they relate.

(h) Foreign Exchange

Assets and liabilities denominated in foreign currencies are translated into Euro at the rate ruling at the Balance Sheet date. Profits and losses resulting from foreign currency transactions are dealt with in the profit and loss account as they arise.

(i) Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

1. ACCOUNTING POLICIES (CONTINUED)

Current tax is provided on the Society's taxable profits at amounts expected to be paid using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Provision is made at the rates expected to apply when the timing differences reverse. Timing differences are differences between the Society's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in taxable profits in periods different from those in which they are recognised in the financial statements.

Deferred tax assets are only recognised to the extent that it is considered more likely than not that there will be suitable taxable profits from which the future reversal of underlying timing differences can be deducted.

(j) Goodwill

Purchased goodwill arising on the acquisition of a business represents the excess of the acquisition cost over the fair value of the identifiable net assets when they were acquired. Any excess of the aggregate of the fair value of the identifiable net assets acquired over the fair value of the acquisition cost is negative goodwill.

Purchased goodwill arising on acquisitions prior to 1 January 2005 was eliminated against reserves on acquisition and negative goodwill arising on such acquisitions was credited directly to reserves as a matter of accounting policy. On disposal of the business, any goodwill so treated is written back through the profit and loss account and included in determining the profit or loss on sale of the business. Purchased goodwill arising on acquisitions after 1 January 2005 is capitalised in the balance sheet and amortised over the estimated economic life of the goodwill (20 years).

Negative goodwill arising on such acquisitions is also capitalised and shown separately in the balance sheet and credited to the profit and loss account to match the periods in which the acquired non-monetary assets are recovered, currently 10 years.

Goodwill arising on the acquisition of associates is included in the carrying amount of the investment.

(k) Leasing

Rights to the use of fixed assets acquired under a lease which transfers substantially all of the risks and rewards of ownership to the Society are capitalised as a fixed asset.

Amounts payable under such finance leases, net of finance charges are shown as falling due within one year or after more than one year as appropriate. Finance charges in respect of finance leases are charged to the profit and loss account over the term of the lease on an actuarial basis. All other leases are operating leases and the annual rentals are charged to the profit and loss account.

(l) Pensions

The Society makes pension contributions for a substantial number of employees.

In relation the Society's defined contribution pension scheme, the assets of the scheme are held separately from those of the Society in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

The Society operates a defined benefit scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the Society. Pension scheme assets are measured using market values. For quoted securities the current bid price is taken as market value. Pension scheme liabilities are measured using a projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability.

The pension schemes surplus (to the extent that it is recoverable) or deficit is recognised in full. The movement in the schemes surplus/deficit is split between operating charges, finance items and, in the statement of total recognised gains and losses, actuarial gains and losses.

The Society participates in the Irish Co-operative Societies (ICOS) pension scheme which is a multi-employer defined benefit pension scheme, but is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by FRS 17 "Retirement benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the Society's profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

(m) Research and Development

Research and Development expenditure is written off in the year in which it is incurred.

(n) Dividends

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the Society. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

2. SALES BY MARKET

	2013 €(000)	2012 €(000)
Ireland	412,926	372,977
United Kingdom	39,833	33,104
Other	800	1,067
	453,559	407,148

Sales in Ireland include sales to the Irish Dairy Board for export both inside and outside the E.U.

The amount of turnover by business unit is as follows:

	2013 €(000)	2012 €(000)
Consumer Foods	74,789	69,487
Dairy Ingredients	125,084	93,318
Agri Business	124,883	113,905
Marts	84,030	89,721
Other Activities	44,773	40,717
	453,559	407,148

Segmental disclosure of profit before taxation and net assets by geographical area and by class of business are not provided, as in the opinion of the Directors, such information would be prejudicial to the interests of the Society. Accordingly this information has not been disclosed as permitted by SSAP 25 "Segmental Reporting".

3. NET OPERATING COSTS

	Notes	2013 €(000)	2012 €(000)
Staff costs	4	30,852	30,834
Other external charges		50,989	46,342
Auditors remuneration		148	125
Depreciation	8	5,741	5,921
Goodwill amortisation	9(i)	536	534
Amortisation of government grants	16	(149)	(45)
Loss/(profit) on disposal of tangible assets		60	(128)
		88,177	83,583

4. EMPLOYEES AND REMUNERATION

	Notes	2013 €(000)	2012 €(000)
Wages and salaries		26,256	26,466
Social welfare costs		2,702	2,750
Pension costs		1,894	1,618
Charged to profit and loss account		30,852	30,834
Actuarial (gain)/loss on defined pension schemes	28	(1,998)	4,036
Total		28,854	34,870

The weekly average number of persons employed by the Society was 719 (2012: 731).

5. NET INTEREST PAYABLE & SIMILAR CHARGES

	Notes	2013 €(000)	2012 €(000)
Bank interest and charges		1,269	1,400
Lease charges		12	36
Pension finance (net)	28	1	109
Unwinding of discount on deferred consideration	24	73	-
		1,355	1,545

6. EXCEPTIONAL ITEMS

	Notes	2013 €(000)	2012 €(000)
Profit on disposal of financial assets	(a)	(123)	-
(Reversal of impairment)/Impairment of financial assets (note 9(v))	(b)	(566)	867
Write-down of unquoted investment	(c)	446	-
Restructuring costs	(d)	686	1,657
Profit on disposal of fixed assets	(e)	-	(119)
Profit on disposal of businesses	(f)	-	(317)
		443	2,088

6. EXCEPTIONAL ITEMS (CONTINUED)

- (a) The profit on disposal of €123,000 in 2013 arose on the sale of quoted investments which were held at a cost of €82,000 (note 9(v)).
- (b) At 31 December 2012 the Directors recorded an impairment charge against the carrying value of the Society's investment in One51 plc of €867,000. In 2013 this charge was partly reversed based on an increase in the market value of the investment at 31 December 2013.
- (c) At 31 December 2013, an investment that the Society was carrying was re-valued based on the Directors estimate of the recoverable amount of the investment, and an impairment of €544,000 was recorded (note 9(v)). A provision of €98,000 recognised in prior years against the carrying value of this investment which had been recorded within provisions on the balance sheet was released in the current year.
- (d) The restructuring costs relate primarily to redundancy costs.
- (e) The profit on disposal of fixed assets in 2012 of €119,000 relates to the sale of a surplus property.
- (f) The profit on disposal of businesses in 2012 of €317,000 is made up of a profit of €56,000 on the disposal of the Society's 40% investment in its associate Kent Foods Limited (note 9(iii)), and a €261,000 profit on the disposal of the Society's Food Service business.

7. TAXATION

	Notes	2013 €(000)	2012 €(000)
Current Taxation:			
Parent Society & Subsidiaries		378	205
Associate	9(iii)	18	403
		396	608
Deferred Taxation:			
Parent Society & Subsidiaries		-	75
		396	683
Factors affecting current tax charge of Parent Society, Subsidiaries and Associate for the year:			
Profit/(loss) before taxation		3,790	(171)
Tax on profit/(loss) before taxation at the standard rate of corporation tax for the year of 12.5% (2012: 12.5%)		474	(21)
Additional tax on profit liable at other than standard rate		26	314
Dividend income not liable to corporation tax		(6)	(33)
Excess of depreciation over capital allowances		286	300
Tax losses (utilised)/carried forward		(595)	149
Permanent differences and other timing differences		211	(101)
Group current tax charge for the year		396	608

Deferred tax assets amounting to €1,564,493 (2012: €2,387,680) in respect of tax losses forward and other timing differences have not been recognised, because it is not probable that future taxable profits or tax liabilities, of the type which would absorb these losses and other timing differences, will be available.

8. TANGIBLE ASSETS

	Land & Buildings €(000)	Plant Machinery & Equipment €(000)	Motor Vehicles €(000)	Total €(000)
Cost/Revaluation				
At 1 January 2013	47,215	123,293	5,407	175,915
Additions	314	2,562	551	3,427
Disposals	-	(623)	(117)	(740)
At 31 December 2013	47,529	125,232	5,841	178,602
Depreciation				
At 1 January 2013	27,582	106,158	4,610	138,350
Charge for year	1,653	3,745	343	5,741
Disposals	-	(224)	(79)	(303)
At 31 December 2013	29,235	109,679	4,874	143,788
Net Book Value				
At 31 December 2013	18,294	15,553	967	34,814
At 31 December 2012	19,633	17,135	797	37,565

Included in the net book values of plant, machinery and equipment are assets acquired under finance lease agreements with a net book value of €4,096,271 (2012: €4,919,797). The depreciation charge in respect of these leased assets and included in the total depreciation charge was €1,100,969 (2012: €1,156,322).

9. GOODWILL AND FINANCIAL FIXED ASSETS

(i) Goodwill:

	Notes	2013 €(000)	2012 €(000)
At 1 January		10,149	-
Acquired in 2013 (i)	24	32	10,683
Amortisation (ii)		(536)	(534)
At 31 December		9,645	10,149

(i) In January 2013, the Society acquired the "Organic for Us" brand from Donegal Investment Group plc, for a consideration of €32,000 which resulted in goodwill of €32,000 being recognised.

(ii) Goodwill is being amortised to the Profit and Loss Account over 20 years.

9. GOODWILL AND FINANCIAL FIXED ASSETS (CONTINUED)

(ii) Investment Properties:

	2013 €(000)	2012 €(000)
At 1 January and 31 December	2,300	2,300

At 31 December 2013, land held as investment property by a subsidiary company North Western Livestock Holdings Limited, in which the Society has a 70.91% shareholding, was valued by the Directors on an open market basis. In the opinion of the Directors there has been no change in the valuation of the investment properties since 31 December 2012.

(iii) Investment in Associate:

	2013 €(000)	2012 €(000)
At 1 January	164	7,281
Share of profit of associates	155	1,554
Amortisation of goodwill	-	(114)
Share of taxation of associates	(18)	(403)
Dividend from associates	(65)	-
Disposal of associate (a)	-	(8,408)
Transfer from unquoted investments (b)	-	31
Translation adjustment	-	223
At 31 December	236	164

The carrying value of €236,000 represents the Society's investment in County Mayo Radio Limited.

(a) On 26 June 2012, the Society disposed of its 40% interest in its associate Kent Foods Limited for a consideration (less costs) of €8,464,000, resulting in a profit on disposal of €56,000.

(b) During 2012 the Societys' investment in County Mayo Radio Limited, which was included in "Unquoted Investments" at 31 December 2012 increased from 17.65% to 21.43% as a direct result of a buyback of shares by County Mayo Radio Limited during 2012. As a result it is now treated as an associate in accordance with FRS9 "Associates and Joint Ventures" and the value of the initial investment of €31,000 was transferred from "Unquoted Investments" to "Investment in Associates" at 31 December 2012.

9. GOODWILL AND FINANCIAL FIXED ASSETS (CONTINUED)

(iv) Investment in Joint Venture:

	2013 €(000)	2012 €(000)
At 1 January	-	-
Additions	1	-
At 31 December	1	-

On 18 November 2013 the Society entered into a joint venture arrangement with HDS Energy Limited ("HDS") to construct and operate a Biomass Energy System at the Society's Dairy Ingredients processing plant in Ballaghaderreen, Co Roscommon. The joint venture, Glanóir Energy Limited, is owned and controlled jointly by Aurivo Co-operative Society Limited and HDS. The Society's 50% shareholding in Glanóir Energy Limited has been recognised on the Society's balance sheet at 31 December 2013.

From the date of incorporation to 31 December 2013 the Society's share of the joint ventures profit is €nil.

The Society's interest in the gross assets and liabilities of its joint venture are as follows:

	2013 €(000)	2012 €(000)
Share of gross assets	2,193	-
Share of gross liabilities	(2,192)	-
	1	-

There are capital commitments of €500,000 relating to the joint venture at 31 December 2013.

9. GOODWILL AND FINANCIAL FIXED ASSETS (CONTINUED)

(v) Other Investments:

	Quoted Investments 2013 €(000)	Unquoted Investments 2013 €(000)	Convertible Loan Stock 2013 €(000)	Total 2013 €(000)	Total 2012 €(000)
At 1 January	809	1,644	2,442	4,895	5,916
Loan stock granted (ii)	-	-	66	66	376
Loan stock redeemed(ii)	-	-	(466)	(466)	(499)
Disposals (iii)	(82)	-	-	(82)	-
Impairment (iv)	-	(544)	-	(544)	-
Reversal of impairment/ (impairment) (v)	-	566	-	566	(867)
Transfer to associate (note 9(iii))	-	-	-	-	(31)
Investment redeemed (vi)	-	(45)	-	(45)	-
At 31 December	727	1,621	2,042	4,390	4,895

(i) The market value of the quoted investments at the date of the approval of the financial statements was €17,664,000.

(ii) Convertible loan stock has been issued by the Irish Dairy Board Co-operative Limited (IDB) to the Society. During the year €466,000 of loan notes were redeemed (2012: €499,000) and loan notes of €66,000 were granted (2012: €376,000)

(iii) During the year quoted investments with a book value of €82,000 were sold for €205,000 (note 6 (a)).

(iv) Other unquoted investments in the Society were written down at 31 December 2013 based on the Directors assessment of the investments recoverable amount.

(v) At 31 December 2012 the Directors recorded an impairment charge against the carrying value of the Society's investment in One51 plc of €867,000. In 2013 this charge was partly reversed based on an increase in the market value of the investment at 31 December 2013 (note 6(b)).

(vi) During 2013 an investment the Society holds through one of its subsidiaries was partly redeemed at face value.

In the opinion of the directors the value of the investments is not less than their carrying value as shown above.

10. STOCKS

	2013 €(000)	2012 €(000)
Raw materials	5,898	2,888
Finished goods and goods for resale	14,897	15,291
Expense stock	2,372	2,590
	23,167	20,769

The replacement cost of stocks is not materially different from the carrying value as stated above.

11. DEBTORS

	2013 €(000)	2012 €(000)
Trade debtors (i)	36,372	36,982
Other debtors and prepayments (ii)	4,299	8,436
V.A.T.	2,102	1,858
	42,773	47,276

(i) Trade Debtors included an amount of €39,000 at 31 December 2013 (2012: €942,000) in respect of which finance has been provided to the Society by a financial institution by way of debt factoring.

(ii) Other debtors and prepayments include an amount of Stg £1,560,000 (€1,871,000) of loan notes (2012: €3,823,000), which arose on the disposal of the Societys investment in Kent Foods Limited (note 9(iii)). All of this balance is due to be paid within one year.

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013 €(000)	2012 €(000)
Trade creditors and accruals (i)	50,328	50,689
Bank overdrafts and loans (ii)	10,222	13,361
Finance leases	91	94
PAYE/PRSI	757	1,002
Corporation tax	463	624
	61,861	65,770

(i) Trade creditors and accruals include amounts owing to suppliers who have a reservation of title clause in their contracts of sale.

Trade creditors and accruals at 31 December 2012 included an amount of €2,427,000 in respect of deferred consideration payable on the acquisition of a subsidiary undertaking during 2012 (note 24). This amount was paid in March 2013.

(ii) Bank borrowings are secured on the assets of the Society and its subsidiaries.
The maturity of bank loans and finance leases is analysed in Note 14.

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2013 €(000)	2012 €(000)
Bank loans (i)	10,465	12,090
Finance leases	428	160
Minority shareholders loans	579	579
	11,472	12,829

(i) Bank borrowings are secured on the assets of the Society and its subsidiaries.
The maturity of bank loans and finance leases is analysed in Note 14.

14. DETAILS OF BORROWINGS

Maturity Analysis	Within 1 Year €(000)	Between 1 to 2 years €(000)	Between 2 to 5 years €(000)	Greater than 5 years €(000)	Total €(000)
Repayable other than by instalment:					
Bank overdrafts	6,097	-	-	-	6,097
Repayable by instalment:					
Bank loans	4,125	5,965	4,500	-	14,590
Finance leases	91	91	337	-	519
	10,313	6,056	4,837	-	21,206

15. PROVISION FOR LIABILITIES & CHARGES

	Restructuring €(000)	Deferred Taxation €(000)	Total €(000)
At 1 January	867	226	1,093
Profit and loss account	588	-	588
Paid during year	(928)	-	(928)
At 31 December	527	226	753

The restructuring provision relates to the cost of restructuring announced during 2013 and previous years and relates primarily to redundancy costs.

16. CAPITAL GRANTS

	2013 €(000)	2012 €(000)
At 1 January	517	367
Amortised during the year	(149)	(45)
Received during year	96	195
At 31 December	464	517

Grants received by the Society from Enterprise Ireland and Udaras na Gaeltachta and the Department of Agriculture, Fisheries and Food may be repayable in certain circumstances as outlined in the Grant Agreements

17. SHARE CAPITAL

	Notes	2013 €(000)	2012 €(000)
At 1 January		6,037	5,982
One for two bonus shares issued (ii)	20	3,057	-
Share applications		20	11
Shares redeemed		(115)	(77)
Issue of bonus shares	21	142	121
At 31 December		9,141	6,037

(i) The issued share capital of the Society consists of 9,141,150 ordinary shares €1 each. In common with organisations registered under the Industrial and Provident Societies Acts 1893 to 1978, the Society does not have any authorised share capital.

(ii) At a Special General Meeting of the Society on 18 December 2013, it was agreed to issue all shareholders on the register at 1 October 2013, with one additional share for every two held by them on that date. This resulted in a transfer of €3,057,000 from the Society's revenue reserves to fund the issue of bonus shares (note 20).

18. EQUITY RESERVE

	2013 €(000)	2012 €(000)
At 1 January	-	-
Funds received	175	-
At 31 December	175	-

The equity reserve relates to funds received from suppliers that are held awaiting conversion into ordinary share capital. During 2013, amounts totalling €175,000 were received from certain suppliers and will be used to fund the issue of shares to these suppliers in future years. These funds will be recorded in the equity reserve until the shares are issued.

19. CAPITAL RESERVES

	2013 €(000)	2012 €(000)
At 1 January and 31 December	3,144	3,144

20. REVENUE RESERVES

	Notes	2013 €(000)	2012 €(000)
At 1 January		24,544	30,066
Profit/(loss) for year		2,652	(1,432)
Dividends paid		(122)	(121)
Bonus reserve	21	(150)	(150)
Exchange rate adjustment		(6)	217
Pension funds actuarial gain/(loss)	28	1,998	(4,036)
Transfer from revenue reserves on issue of bonus shares	17	(3,057)	-
At 31 December		25,859	24,544
Revenue reserves excluding net pension liability		32,870	34,557
Net pension liability	28	(7,011)	(10,013)
Revenue reserves including net pension liability		25,859	24,544

Dividends proposed at 31 December 2013 amounted to €183,000 and in accordance with Financial Reporting Standards are not recognised in the financial statements until approved.

21. BONUS RESERVE

	Notes	2013 €(000)	2012 €(000)
At 1 January		371	342
Transfer from revenue reserves	20	150	150
Transfer to share capital	17	(142)	(121)
At 31 December		379	371

The transfer from Revenue Reserves is in accordance with Rules 73 and 74 of the Society which allows for the establishment of a Reserve from which allocations of fully paid-up bonus shares in the Society may be made.

22. MINORITY INTERESTS

	2013 €(000)	2012 €(000)
At 1 January	5,109	4,781
Share of profit	742	578
Dividend paid to minority interest	(500)	(250)
At 31 December	5,351	5,109

The minority interest represents the holding of equity in Earrai Coillte Chonnacht Teoranta (ECC Teo), North Western Livestock Holdings Limited and CG Training Limited by minority interests.

23. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

(i) Reconciliation of operating profit to net cash inflow from operating activities

	Notes	2013 €(000)	2012 €(000)
Group operating profit		5,251	1,756
Depreciation charge	8	5,741	5,921
Government grants amortised	16	(149)	(45)
Goodwill amortised	9(i)	536	534
Contribution to pension schemes in excess of current service cost		(1,005)	(1,527)
Loss/(profit) on sale of tangible fixed assets		60	(128)
(Increase) in stocks		(2,409)	(2,674)
Decrease/(increase) in debtors		2,447	(3,562)
Increase in creditors		1,839	6,430
Restructuring costs	15	(928)	(2,053)
Net cash inflow from operating activities		11,383	4,652

(ii) Returns on investments and servicing of finance

	Notes	2013 €(000)	2012 €(000)
Interest paid		(1,269)	(1,400)
Interest element of finance leases		(12)	(36)
Dividend from associate		65	-
Dividend paid to minority interest	22	(500)	(250)
Dividend received		182	266
		(1,534)	(1,420)

23. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)

(iii) Capital expenditure and financial investment

	Notes	2013 €(000)	2012 €(000)
Purchase of tangible fixed assets		(3,427)	(4,889)
Purchase of financial assets		-	(376)
Sale of tangible fixed assets		377	329
Sale of financial assets		205	-
Investment redeemed	9(v)	45	-
Loan stock redeemed	9(v)	466	499
Grant received	16	96	195
		(2,238)	(4,242)

(iv) Acquisitions and disposals

	Notes	2013 €(000)	2012 €(000)
Purchase of subsidiary undertakings	24	(2,500)	(13,791)
Sale of investment in associate	9(iii) & 11(ii)	1,952	4,641
Sale of business	6	-	166
Purchase of brand	9(i)	(32)	-
Investment in joint venture	9(iv)	(1)	-
		(581)	(8,984)

(v) Financing

	Notes	2013 €(000)	2012 €(000)
Share capital issued (net)	17	(95)	(66)
Funds received awaiting conversion to share capital	18	175	-
Bank loans (repaid)/drawn down		(1,500)	4,164
Finance leases		265	(964)
		(1,155)	3,134

24. ACQUISITION OF SUBSIDIARY UNDERTAKINGS

Year ended 31 December 2012

On 13 January 2012, the Society acquired the Milk and Stores business of Donegal Creameries plc through the purchase of the entire share capital of Glenveagh Agricultural Co operative Society Limited and Maybrook Dairy (Omagh) Limited, and the purchase of the trade and assets of its nine Republic of Ireland Agri stores for a consideration of €15.3m plus expenses of €0.9m.

The fair value of the assets and liabilities acquired are set out below:

	Book Value €(000)	Fair Value Adjustment €(000)	Total €(000)
Property, plant and equipment	3,912	-	3,912
Stock	2,748	(200)	2,548
Debtors and prepayments	6,716	(392)	6,324
Creditors and accruals	(7,242)	-	(7,242)
Deferred tax	18	-	18
Net assets and liabilities acquired	6,152	(592)	5,560
Goodwill arising on acquisition (note 9(i))			10,683
Total acquired			16,243
Satisfied by:			
Cash consideration			12,893
Deferred consideration (note 12)			2,427
Acquisition costs			923
Total cost of acquisition			16,243

The fair value adjustment of €592,000 relates to the re-valuation of stock and debtors on acquisition.

25. ANALYSIS OF CHANGES IN NET DEBT

	Opening Balance €(000)	Cash Flow €(000)	Foreign Currency Movement €(000)	Closing Balance €(000)
Cash at bank and in hand	6,309	1,975	-	8,284
Overdrafts	(9,361)	3,239	25	(6,097)
Bank loans	(3,052)	5,214	25	2,187
Finance leases	(16,090)	1,500	-	(14,590)
	(254)	(265)	-	(519)
	(19,396)	6,449	25	(12,922)

26. RELATED PARTY TRANSACTIONS

In the ordinary course of their business, as farmers, the Directors trade with the Society on standard commercial terms. The level of purchases from and sales to the Directors during 2013 amounted to €1,903,000 (2012: €1,711,000) and €907,000 (2012: €884,000) respectively. The net trading balances outstanding to the Society at 31 December 2013 were €118,000 (2012: €149,000).

27. COMMITMENTS

(a) Capital commitments were €1,092,000 at 31 December 2013 (2012: €550,000).

(b) Annual commitments existing under non-cancellable operating leases at 31 December are as follows:

	2013 €(000)	2012 €(000)
On leases expiring:		
Within one year	18	3
Between two and five years	213	293
More than five years	-	-
Total	231	296

(c) At the year end purchase commitments on forward contracts for certain raw materials not yet provided for in the financial statements amounted to €23,320,000 (2012: €12,166,000).

(d) The Society enters into forward foreign exchange contracts in the normal course of business to reduce foreign exchange transactional exposures arising from purchases or sales, predominantly in sterling. It is the Society's policy that no trading in financial instruments is undertaken. At the year end, the Society was committed to buying and selling sterling with an equivalent euro nominal value of €21,852,000 (2012: €7,509,000).

28. PENSION SCHEMES

The Society operates a number of defined benefit pension schemes for employees and is also a member of the Irish Co-operative Societies pension scheme.

FRS 17 "Retirement Benefits" has been fully adopted in respect of Aurivo Co-operative Society defined benefit pension schemes. There is a charge to the profit and loss account of the Society in the current year of €664,000 in respect of these schemes and a charge of €249,000 in 2012. The pension cost was assessed in accordance with the advice of an independent qualified actuary.

(i) Aurivo Co-operative Society defined benefit pension schemes

The Society operates a number of defined benefit pension schemes for employees with assets held in separately administered funds. Annual contributions to the pension schemes are based on the advice of qualified independent actuaries obtained every three years. The last actuarial valuations in respect of these schemes were carried out at 1 January 2012 and subsequently updated to 31 December 2013 for FRS 17 "Retirement Benefits" purposes. The actuarial reports are available for inspection by members of the schemes but not for public inspection. The valuations and related disclosures required under FRS 17 have been calculated by qualified independent actuaries based on the most recent full actuarial valuations at 1 January 2012, updated to 31 December 2013.

28. PENSION SCHEMES (CONTINUED)

Principal actuarial assumptions (expressed as weighted averages) at the year end were as follows:

	2013 %	2012 %	2011 %
Rate of inflation	2.00	2.00	2.00
Rate of increase in salaries	2.50	2.50	3.00
Discount rate	3.75	3.75	5.25

The assets in the schemes and the expected rates of return were:

	2013 Expected Rate of Return %	2013 Market Value €(000)	2012 Expected Rate of Return %	2012 Market Value €(000)	2011 Expected Rate of Return %	2011 Market Value €(000)
Equities	6.75	20,669	7.25	19,025	8.38	17,380
Bonds/Cash	0.50 to 2.98	13,932	1.00 to 2.75	12,290	1.00 to 3.95	9,973
Property	6.01	330	5.25	323	6.38	559
		34,931		31,638		27,912

The amounts recognised in the consolidated balance sheet are determined as follows:

	2013 €(000)	2012 €(000)	2011 €(000)
Total market value of schemes' assets	34,931	31,638	27,912
Actuarial value of schemes' liabilities	(41,942)	(41,651)	(35,307)
Net pension deficit	(7,011)	(10,013)	(7,395)
Related deferred tax asset	-	-	-
Net pension deficit	(7,011)	(10,013)	(7,395)

No deferred tax asset has been recognised in respect of the pension liability due to the level of uncertainty over the recoverability of such an asset.

In valuing the liabilities of the pension fund at 31 December 2013, mortality assumptions have been made as indicated below.

28. PENSION SCHEMES (CONTINUED)

The assumptions relating to longevity underlying the pension liabilities at the balance sheet date are based on standard actuarial mortality tables and include allowance for future improvements in longevity. The assumptions are equivalent to expecting a 65 year old to live for a number of years as follows:

- Current pensioner aged 65: 22.4 years (male), 23.9 years (female)
- Future retiree upon reaching 65: 25.6 years (male), 26.6 years (female)

The assumptions used by the actuary are chosen from a range of possible actuarial assumptions which, due to the timescale covered, may not necessarily be borne out in practice. The amounts recognised in the consolidated profit and loss account are as follows:

	2013 €(000)	2012 €(000)
Charged/(credited) to operating profit:		
Current service cost	850	495
Past service credit	(187)	(355)
Total	663	140

	2013 €(000)	2012 €(000)
Other finance charge/(income):		
Expected rate of return on pension schemes' assets	(1,550)	(1,712)
Interest on pension schemes' liabilities	1,551	1,821
Net interest cost included in finance costs	1	109

The analysis of amounts recognised in the consolidated statement of total recognised gains and losses areas follows:

	2013 €(000)	2012 €(000)
Actual return less expected return on schemes' assets	1,171	1,787
% of scheme assets	3.35%	5.65%
Experience gains and losses	827	(507)
% of present value of scheme liabilities	(1.97%)	(1.22%)
Changes in assumptions	-	(5,316)
% of present value of scheme liabilities	-	(12.76%)
Actuarial gain/(loss) included in the statement of total recognised gains and losses	1,998	(4,036)

28. PENSION SCHEMES (CONTINUED)

The movement in deficit in the schemes during the year is as follows:

	2013 €(000)	2012 €(000)
At 1 January	(10,013)	(7,395)
Current service cost	(850)	(495)
Contributions	1,668	1,667
Past service credit	187	355
Other finance charge	(1)	(109)
Actuarial gain/(loss)	1,998	(4,036)
Deficit at 31 December	(7,011)	(10,013)

The movement in the fair value of plan assets is as follows:

	2013 €(000)	2012 €(000)
At 1 January	31,638	27,912
Expected return on plan assets	1,550	1,712
Actuarial gains	1,171	1,787
Contributions by employer and members	2,022	2,049
Benefits paid	(1,450)	(1,822)
At 31 December	34,931	31,638

No deferred tax asset has been recognised with respect to the pension liability due to the level of uncertainty over the recoverability of such an asset.

History of plans

The history of plans for the current and prior periods is as follows:

	2013 €(000)	2012 €(000)	2011 €(000)	2010 €(000)	2011 €(000)
Present value of scheme liabilities	(41,942)	(41,651)	(35,307)	(37,491)	(36,100)
Fair value of scheme assets	34,931	31,638	27,912	31,239	27,429
Deficit at 31 December	(7,011)	(10,013)	(7,395)	(6,252)	(8,671)

28. PENSION SCHEMES (CONTINUED)

Experience adjustments

	2013 €'000/%	2012 €'000/%	2011 €'000/%	2010 €'000/%	2011 €'000/%
Experience adjustments on scheme liabilities	827	(507)	133	442	1,842
% of scheme liabilities	1.97	(1.22)	0.38	1.2	5.1
Experience adjustments on scheme assets	1,171	1,787	(2,489)	1,693	2,917
% of scheme assets	3.35	5.65	(8.92)	5.4	10.6

(ii) The Irish Co-operative Societies Pension Scheme

The Society participates in the Irish Co-operative Societies (ICOS) pension scheme which is a multi-employer defined benefit pension scheme. However as the underlying assets and liabilities attributable to individual employers cannot be identified on a consistent and reasonable basis, the Society is accounting for the pension scheme as if it were a defined contribution scheme in accordance with FRS 17.

The most recent actuarial valuation of the scheme was carried out at 1 July 2011. The actuarial report is available for inspection by members of the scheme but not for public inspection.

Whilst at the date of the most recent actuarial valuation the value of the assets of the scheme was sufficient to cover 100% of the benefits that had accrued to members after allowing for expected future increases in earnings, at its annual review date of 1 July 2013 the Scheme did not meet the minimum funding standard. An actuary's statement to this effect has been included in the 2013 trustee annual report. Where a scheme fails to meet the minimum funding standard, the trustees (ICOS) are required to develop a Funding Proposal to the Pension Board in conjunction with participating employers, employee representatives and the scheme actuary.

29. SUBSIDIARIES, ASSOCIATE AND JOINT VENTURE

Subsidiaries – Republic of Ireland	% Holding	Activity
Sligo Dairies Ltd	100%	Non Trading
Ballina Milk Co. Ltd (Purefresh Dairies)	100%	Non Trading
Aurivo Dairy Ingredients Ltd (formerly Shannonside Milk Products Ltd)	100%	Manufacture of Dairy Products
Palmar Ltd	100%	Non Trading
Connacht Gold Ltd	100%	Non Trading
Earrai Coillte Chonnacht Teoranta (ECC Teo)	66.67%	Timber Production
North Western Livestock Holdings Ltd	70.91%	Holding company
Moy Valley Seed Potato Company Ltd	100%	Non Trading
Connacht Gold Properties Ltd	100%	Non Trading
CG Training Limited	75%	Non Trading
Aurivo Consumer Foods Ltd (formerly Glenveagh Agricultural Co operative Society Ltd)	100%	Manufacture of Dairy Products
Subsidiaries – Northern Ireland		
Connacht Gold (Northern Ireland) Ltd	100%	Milk Trading
Aurivo (NI) Limited (formerly Maybrook Dairy (Omagh) Limited)	100%	Milk Trading and Retail
Associate - Republic of Ireland		
County Mayo Radio Ltd	21.43%	Radio station
Joint Venture - Republic of Ireland		
Glanóir Energy Ltd	50%	Biomass Energy

All subsidiaries, associates and joint ventures operate in the Republic of Ireland and the United Kingdom. The addresses of the registered offices of the subsidiaries, associate and joint venture, are available at Aurivo Co-operative Society Limited, Tubbercurry, Co. Sligo.

All of the subsidiaries incorporated under the Companies Acts 1963 to 2013 Republic of Ireland with the exception of North Western Livestock Holdings Ltd and CG Training Limited, have availed of the exemption available under Section 17 of the Companies (Amendment) Act 1986 and will file these Group financial statements with their annual returns instead of their own financial statements. The Society has guaranteed the liabilities of the subsidiaries availing of this exemption.

30. APPROVAL OF BOARD OF DIRECTORS

The financial statements were approved by the Board of Directors on 18 March 2014.



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