

**FARM PRIDE FOODS LIMITED
ABN 42 080 590 030
AND CONTROLLED ENTITIES**

**HALF-YEAR INFORMATION
FOR THE SIX MONTHS ENDED 31 DECEMBER 2015
PROVIDED TO THE ASX UNDER LISTING RULE 4.2A.3**

**This half-year financial report is to be read in conjunction with the financial
report for the year ended 30 June 2015.**

Appendix 4D

Half Year Report for the six months to 31 December 2015

Name of entity: FARM PRIDE FOODS LIMITED

ABN or equivalent company reference: 42 080 590 030

1. Reporting period

Report for the half year ended: 31 December 2015

Previous corresponding periods: Financial year ended 30 June 2015
Half- year ended 31 December 2014

2. Results for announcement to the market

Revenues from ordinary activities (<i>item 2.1</i>)	Up	2.11%	to	\$48,053,000
Profit from ordinary activities after tax attributable to members (<i>item 2.2</i>)	Up	80.23%	to	\$3,828,000
Net profit for the period attributable to members (<i>item 2.3</i>)	Up	80.23%	to	\$3,828,000
Dividends (<i>item 2.4</i>)		Amount per security		Franked amount per security
Interim dividend		- ¢		- ¢
Final dividend		- ¢		- ¢
Previous corresponding period		- ¢		- ¢
Record date for determining entitlements to the dividend (<i>item 2.5</i>)				N/A
Brief explanation of any of the figures reported above necessary to enable the figures to be understood (<i>item 2.6</i>):				
Refer to Director's report				

3. Net tangible assets per security (*item 3*)

	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	60.14 ¢	47.27 ¢

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4. Details of entities over which control has been gained or lost during the period:
(item 4)

Control gained over entities

Name of entities <i>(item 4.1)</i>	N/A	
Date(s) of gain of control <i>(item 4.2)</i>	N/A	
Contribution to consolidated profit (loss) from ordinary activities after tax by the controlled entities since the date(s) in the current period on which control was acquired <i>(item 4.3)</i>	\$ -	
Profit (loss) from ordinary activities after tax of the controlled entities for the whole of the previous corresponding period <i>(item 4.3)</i>	\$ -	

Loss of control of entities

Name of entities <i>(item 4.1)</i>	N/A	
Date(s) of loss of control <i>(item 4.2)</i>	N/A	
Contribution to consolidated profit (loss) from ordinary activities after tax by the controlled entities to the date(s) in the current period when control was lost <i>(item 4.3)</i> .	\$ -	
Profit (loss) from ordinary activities after tax of the controlled entities for the whole of the previous corresponding period <i>(item 4.3)</i>	\$ -	

5. Dividends *(item 5)*

	Date of payment	Total amount of dividend
Interim dividend year ended 30 June 2015	N/A	\$ -
Final dividend year ended 30 June 2015	N/A	\$ -

Amount per security

	Amount per security	Franked amount per security at % tax	Amount per security of foreign sourced dividend
Total dividend: Current year	- ¢	- ¢	- ¢
Previous year	- ¢	- ¢	- ¢

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- 6. The financial information provided in the Appendix 4D is based on the half year condensed consolidated financial report (attached).**
- 7. Independent review of the financial report (*item 7*)**

The financial report has been independently reviewed. The financial report is not subject to a qualified independent review statement.

**FARM PRIDE FOODS LIMITED
ABN 42 080 590 030
AND CONTROLLED ENTITIES**

**FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2015**

This half-year financial report is to be read in conjunction with the financial report for the year ended 30 June 2015.

FARM PRIDE FOODS LIMITED AND CONTROLLED ENTITIES
ABN 42 080 590 030

Corporate Information

ABN 42 080 590 030

Directors

Phillip Campbell (Non-Executive Director)
Peter Bell (Non-Executive Director)
Malcolm Ward (Non-Executive Director)
Bruce De Lacy (Executive Director / CEO)

Company Secretary

Bruce De Lacy

Registered Office

551 Chandler Road
Keysborough, Victoria 3173
(+61-3) 9798 7077

Solicitors

B2B Lawyers
76 Jolimont St
East Melbourne, Victoria 3002

Banker

Westpac Banking Corporation
Level 16, 109 St. George Terrace
Perth, WA 6000

Share Register

Computershare Registry Services Pty. Ltd.
Yarra Falls, 452 Johnston Street
Abbotsford, Victoria 3067

ASX: FRM

Auditors

Pitcher Partners
Level 19 / 15 William Street
Melbourne, Victoria 3000

Internet Address

www.farmpride.com.au

FARM PRIDE FOODS LIMITED AND CONTROLLED ENTITIES
ABN 42 080 590 030

FINANCIAL REPORT FOR THE HALF-YEAR ENDED
31 DECEMBER 2015

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FARM PRIDE FOODS LIMITED AND CONTROLLED ENTITIES
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DIRECTORS' REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

The Directors present their report together with the condensed financial report of the consolidated entity consisting of Farm Pride Foods Limited (the Company) and the entities it controlled, for the half-year ended 31 December 2015 and independent auditor's review report thereon.

This financial report has been prepared in accordance with Australian Accounting Standard *AASB134 Interim Financial Reporting*, as described in Note 1(a).

Directors

The names of the Directors in office at any time during or since the end of the half-year are:

<u>Name</u>	<u>Period of directorship</u>
Peter Bell	Appointed 30 May 2008
Malcolm Ward	Appointed 30 May 2008
Bruce De Lacy	Appointed 30 April 2014
Phillip Campbell	Appointed 4 September 2015

The Directors have been in office since the start of the financial period to the date of this report unless otherwise stated.

Review of operations

We are pleased to report that the profitability of Farm Pride has continued to increase reflecting our commitment to customer service, a continued focus on operational capability and reducing the cost of doing business.

Net revenue for the six months to December 2015 was \$48.05m up 2.1% or \$0.99m (2014: \$47.06m). Profit after tax was \$3.83m (2014: \$2.12m) up \$1.7m on the corresponding six month period ending 31 December 2014.

Underlying EBITDA was \$8.11m compared with \$5.98m at 31 December 2014.

The Company is continuing its program of reviewing and renewing fixed assets. We have determined an impairment of \$0.58m (2014: \$0.60m) in relation to certain production assets as part of our renewal program focused on reducing the cost of waste.

Net cash provided by operating activities for the half year was \$6.87m (2014: \$4.75m). The reduction of debt continued to be a priority with net cash used in financing activities \$2.72m (2014: \$3.83m). Capital expenditure for the six months totalled \$3.7m.

During the 6 months to December 2015, industry egg production has continued to remain relatively balanced with demand. Indications are for continued increasing free range egg demand.

Work continues on the construction of new free range capacity in Victoria. The date for completion (end of the 2016 calendar year) remains unchanged.

FARM PRIDE FOODS LIMITED AND CONTROLLED ENTITIES
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In the wider community discussion and debate about free range standards continues. Farm Pride remains committed to a process that considers and delivers greater clarity around the definition of free range. That process and our commitment to it should benefit consumers and the industry.

Consumers need the confidence they will not be misled by exaggerated claims and consumer laws must continue to operate to protect the industry and consumers.

There remains significant uncertainty as to possible changes in the definition of free range eggs as a result of regulatory intervention.

Historically the egg industry has been impacted by changes in operating conditions including egg over-supply and drought. Whilst conditions have remained relatively stable the underlying potential for volatility remains. In addition to changes in supply or weather the potential for significant disruption caused by disease and unfavourable regulatory intervention continues.

We previously advised that the ACCC instituted proceedings in the Federal Court on 26 May 2014 alleging that the Australian Egg Corporation Limited (AECL) and others including Farm Pride Foods Limited “attempted to induce egg producers who were members of AECL to enter into an arrangement to cull hens or otherwise dispose of eggs, for the purpose of reducing the amount of eggs available for supply to consumers and businesses in Australia”.

We are pleased to advise, as announced to the Market on 11th February, the Federal Court has ruled in our favour in this matter. We understand that the ACCC is reviewing their position.

The Board of Directors would like to thank all Farm Pride customers and its employees for their continued support and efforts.

Significant changes in the state of affairs

There have been no significant changes in the consolidated entity’s state of affairs during the half year.

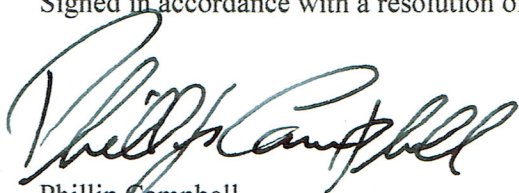
Auditor’s independence declaration

A copy of the auditor’s independence declaration as required under section 307C of the *Corporation Act 2001* in relation to the review for the half-year is provided with this report.

Rounding of amounts to nearest thousand dollars

The amounts contained in the report and in the financial report have been rounded to the nearest thousand dollars (where rounding is applicable) under the option available to the company under ASIC Class Order 98/0100. The company is an entity to which the Class Order applies.

Signed in accordance with a resolution of the Directors, dated this 19th day of February 2016.



Phillip Campbell
Chairman

**FARM PRIDE FOODS LIMITED
ABN 42 080 590 030
AND CONTROLLED ENTITIES**

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF
FARM PRIDE FOODS LIMITED**

In relation to the independent auditor's review for the half-year ended 31 December 2015, to the best of my knowledge and belief there have been:

- (i) no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) no contraventions of any applicable code of professional conduct.

This declaration is in respect of Farm Pride Foods Limited and the entities it controlled during the period.



STEPHEN SCHONBERG
Partner
19 February 2016



PITCHER PARTNERS
Melbourne

FARM PRIDE FOODS LIMITED AND CONTROLLED ENTITIES
ABN 42 080 590 030

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

	Half-year	
	31 Dec	31 Dec
	2015	2014
	\$'000	\$'000
Revenue and other income		
Sales revenue	47,954	46,972
Other income	99	88
	<u>48,053</u>	<u>47,060</u>
Less: Expenses		
Changes in inventories of finished goods and work in progress	(525)	(428)
Raw materials and consumables	(30,086)	(31,279)
Employee benefits expense	(6,328)	(6,218)
Depreciation	(1,651)	(1,781)
Impairment of property, plant and equipment	(576)	(599)
Finance costs	(277)	(562)
Other expenses	(3,003)	(3,158)
	<u>5,607</u>	<u>3,035</u>
Profit before income tax expense	5,607	3,035
Income tax expense	(1,779)	(911)
	<u>3,828</u>	<u>2,124</u>
Profit from continuing operations	3,828	2,124
Profit for the half-year	<u>3,828</u>	<u>2,124</u>
Other comprehensive income		
<i>Items that may be reclassified subsequently to profit and loss</i>		
Cash flow hedge, net of tax	77	66
	<u>77</u>	<u>66</u>
Other comprehensive income for the half-year	77	66
Total comprehensive income for the half-year	<u>3,905</u>	<u>2,190</u>
Earnings per share for profit attributable to the equity holders of the parent entity:		
Basic earnings per share (cents per share)	6.94	3.85
Diluted earnings per share (cents per share)	6.94	3.85

FARM PRIDE FOODS LIMITED AND CONTROLLED ENTITIES
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	31 Dec 2015 \$'000	30 June 2015 \$'000
CURRENT ASSETS		
Cash and cash equivalents	1,036	586
Receivables	10,018	8,525
Inventories	4,060	4,585
Biological assets	6,441	7,059
Other current assets	431	286
TOTAL CURRENT ASSETS	21,986	21,041
NON-CURRENT ASSETS		
Deferred tax assets	660	710
Property, plant and equipment	30,501	29,025
TOTAL NON-CURRENT ASSETS	31,161	29,735
TOTAL ASSETS	53,147	50,776
CURRENT LIABILITIES		
Payables	13,124	11,204
Borrowings	1,103	1,069
Provisions	1,780	1,766
Current tax payable	1,348	2,023
Derivative financial liabilities	18	128
TOTAL CURRENT LIABILITIES	17,373	16,190
NON-CURRENT LIABILITIES		
Borrowings	1,744	4,502
Provisions	183	142
TOTAL NON-CURRENT LIABILITIES	1,927	4,644
TOTAL LIABILITIES	19,300	20,834
NET ASSETS	33,847	29,942
EQUITY		
Contributed capital	29,578	29,578
Cash flow hedge reserve	(13)	(90)
Retained earnings	4,282	454
TOTAL EQUITY	33,847	29,942

FARM PRIDE FOODS LIMITED AND CONTROLLED ENTITIES
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

	Contributed equity	Cash flow hedge reserve	Accumulated losses	Total equity
Consolidated	\$'000	\$'000	\$'000	\$'000
Balance as at 1 July 2014	29,578	(222)	(4,599)	24,757
Profit for the half -year	-	-	2,124	2,124
Cash flow hedge	-	66	-	66
Total comprehensive income for the half-year	-	66	2,124	2,190
Balance as at 31 December 2014	29,578	(156)	(2,475)	26,947

	Contributed equity	Cash flow hedge reserve	Retained earnings /	Total equity
Consolidated	\$'000	\$'000	\$'000	\$'000
Balance as at 1 July 2015	29,578	(90)	454	29,942
Profit for the half -year	-	-	3,828	3,828
Cash flow hedge	-	77	-	77
Total comprehensive income for the half-year	-	77	3,828	3,905
Balance as at 31 December 2015	29,578	(13)	4,282	33,847

FARM PRIDE FOODS LIMITED AND CONTROLLED ENTITIES
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

	Half-year	
	31 Dec	31 Dec
	2015	2014
	\$'000	\$'000
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts from customers	46,795	46,980
Payments to suppliers and employees	(37,211)	(41,670)
Finance costs	(277)	(562)
Income tax paid	(2,436)	-
Net cash provided by operating activities	6,871	4,748
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	-	43
Payment for property, plant and equipment	(3,703)	(294)
Net cash used in investing activities	(3,703)	(251)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of borrowings	(2,200)	(3,055)
Repayment of finance lease liabilities	(518)	(771)
Net cash used in financing activities	(2,718)	(3,826)
Net increase in cash and cash equivalents	450	671
Cash and cash equivalents at beginning of the half-year	586	507
Cash and cash equivalents at end of the half-year	1,036	1,178

FARM PRIDE FOODS LIMITED AND CONTROLLED ENTITIES
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NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS 31 DECEMBER 2015

NOTE 1: BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

This half-year financial report does not include all the notes of the type usually included in an annual financial report.

It is recommended that this half-year financial report be read in conjunction with the annual financial report for the year ended 30 June 2015 and any public announcements made by Farm Pride Foods Limited during the half-year in accordance with any continuous disclosure obligations arising under the *Corporations Act 2001*.

Farm Pride Foods Limited is a for-profit entity for the purpose of preparing the financial statements.

The half-year financial report was authorised for issue by the directors as at the date of the director's report.

(a) Basis of preparation

This condensed consolidated half-year financial report has been prepared in accordance with Australian Accounting Standards AASB 134 Interim Financial Reporting, as appropriate for for-profit entities, and the *Corporations Act 2001*. Compliance with AASB 134, as appropriate for for-profit entities, ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting.

The accounting policies applied in this half-year financial report are consistent with those of the annual financial report for the year ended 30 June 2015 and the corresponding half-year.

Historical cost convention

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets as described in the accounting policies.

Critical accounting estimates

The preparation of the financial report requires the use of certain estimates and judgements in applying the entity's accounting policies.

(b) Going concern

The financial report has been prepared on a going concern basis.

(d) Rounding amounts

The Company is of a kind referred to in ASIC Class Order CO 98/0100 and in accordance with that Class Order, amounts in the financial statements have been rounded off to the nearest thousand dollars, or in certain cases, to the nearest dollar.

FARM PRIDE FOODS LIMITED AND CONTROLLED ENTITIES
ABN 42 080 590 030

NOTE 1: BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT (continued)

(e) Accounting standards issued but not yet effective

There are a number of Standards and Interpretations that will be mandatory in future reporting periods. We have not elected to early adopt these standards and interpretations. We are yet to quantify the effect on the reporting positions or performance of the consolidated entity.

The Standards and Interpretations that are most relevant to the consolidated entity are set out below:

AASB 9 *Financial Instruments* - Operative date 1 January 2018

AASB 15 *Revenue from Contracts with Customers* – Operative date 1 January 2017

NOTE 2: REVISION IN ACCOUNTING ESTIMATES

During the period the Company reviewed the effective lives applied to a number of items of plant and equipment. During this review several items of property, plant and equipment were identified as being impaired in accordance with *AASB136 – Impairment of Assets*. This resulted in an impairment loss of \$0.58m being recognised.

NOTE 3: DIVIDENDS

No dividends were paid or proposed during the half-year (2014: nil).

NOTE 4: CONTRIBUTED CAPITAL

	As at	
	31 Dec 2015	30 June 2015
Issued and paid up capital	\$'000	\$'000
Ordinary shares fully paid	29,578	29,578
	<hr/>	<hr/>
	29,578	29,578

As at 31 December 2015 the Company had 55,180,175 shares on issue (30 June 2015: 55,180,175).

NOTE 5: CONTINGENT LIABILITIES

The ACCC instituted proceedings in May 2014 alleging that the Australian Egg Corporation Limited (AECL) and the five other corporate and individual respondents attempted to induce egg producers who were members of AECL to engage in cartel conduct.

The Federal Court of Australia has now found that the AECL, Farm Pride Foods Ltd (Farm Pride) and Ironside Management Services Pty Ltd (trading as Twelve Oaks Poultry) (Twelve Oaks Poultry) did not attempt to induce a cartel arrangement.

We understand that the ACCC is now reviewing their position.

FARM PRIDE FOODS LIMITED AND CONTROLLED ENTITIES
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NOTE 6: FAIR VALUE MEASUREMENTS

(a) Fair value hierarchy

Assets and liabilities measured and recognised at fair value have been determined by the following fair value measurement hierarchy:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Input other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data.

The following table provides the fair value classification of those assets and liabilities held by the Group that are measured either on a recurring or non-recurring basis at fair value.

31 Dec 2015	Level 1	Level 2	Level 3	Total
Recurring Fair Value Measurements	\$'000	\$'000	\$'000	\$'000
<i>Financial assets</i>				
Hedging instruments	-	-	-	-
Total financial assets	-	-	-	-
<i>Non-financial assets</i>				
Biological assets at fair value less cost to sell	-	-	6,441	6,441
Total non-financial assets	-	-	6,441	6,441
<i>Financial liabilities</i>				
Hedging instruments	-	(13)	-	(13)
Total financial liabilities	-	(13)	-	(13)
30 June 2015	Level 1	Level 2	Level 3	Total
Recurring Fair Value Measurements	\$'000	\$'000	\$'000	\$'000
<i>Financial assets</i>				
Hedging instruments	-	15	-	15
Total financial assets	-	15	-	15
<i>Non-financial assets</i>				
Biological assets at fair value less cost to sell	-	-	7,059	7,059
Total non-financial assets	-	-	7,059	7,059
<i>Financial liabilities</i>				
Hedging instruments	-	4	-	4
Total financial liabilities	-	4	-	4

FARM PRIDE FOODS LIMITED AND CONTROLLED ENTITIES
ABN 42 080 590 030

NOTE 6: FAIR VALUE MEASUREMENTS (continued)

(b) Valuation techniques and inputs used in level 2 and 3 fair value measurement

(i) Biological assets

Biological assets held by the Company comprise flocks of hens. The written down value of closing flock stock at balance date approximates fair value. The capitalised cost of poultry is amortised over the productive life of the flock. The flock is held for the purposes of producing eggs.

(ii) Interest rate swap

The Company holds an interest rate swap for the purpose of hedging interest rates by swapping a variable rate of interest for a fixed interest rate. Fair value is determined as the mark-to-market value of the swap contract as at balance date, as determined by the Company's financier. Mark-to-market value is determined by comparing the interest rate swap to similar contracts within the market.

(c) Significant unobservable inputs used in level 3 fair value measurements

Biological assets are based upon amortised cost over their productive life which is between 50-60 weeks.

(d) Reconciliation of recurring level 3 fair value movements

	31 Dec 2015	30 June 2015
	\$'000	\$'000
Biological assets at fair value less cost to sell		
Opening balance	7,059	7,299
Purchases	4,409	9,690
Amortisation (fair value adjustment)	(5,027)	(9,930)
Closing balance	6,441	7,059

(e) Valuation processes used for level 3 fair value measurements

The amortised cost of closing flock stock at balance date is deemed a proxy for fair value. The capitalised cost of poultry is amortised over the productive life of the flock, which is between 50-60 weeks.

(f) Sensitivity analysis for recurring level 3 fair value measurements

At balance date if the amount amortised for the six months had varied as illustrated below, post tax profit and other comprehensive income would have been affected as follows:

	31 Dec 2015	30 June 2015
	\$'000	\$'000
+5% variation	225	247
-5% variation	(225)	(247)

(g) Fair value compared with carrying amounts

The fair value of financial assets and financial liabilities approximates their carrying amounts as disclosed in the condensed consolidated statement of financial position and notes to the condensed consolidated financial statement.

FARM PRIDE FOODS LIMITED AND CONTROLLED ENTITIES
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NOTE 7: COMMITMENTS

	31 Dec 2015	30 June 2015
	\$'000	\$'000
Flock replacement commitment	546	796
Capital projects	1,555	-
	<hr/> 2,101	<hr/> 796

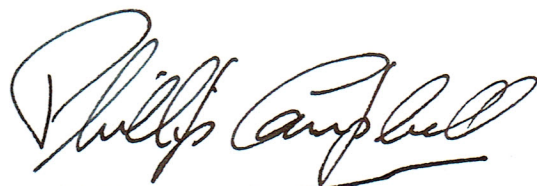
DIRECTORS DECLARATION

The directors declare that the financial statements and notes set out on pages 6 to 14 in accordance with the *Corporations Act 2001*:

- (a) Comply with Australian Accounting Standard *AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*, and other mandatory professional reporting requirements;
- (b) Give a true and fair view of the financial position of the consolidated entity as at 31 December 2015 and of its performance as represented for the half-year ended on that date.

In the directors' opinion there are reasonable grounds to believe that Farm Pride Foods Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.



Philip Campbell
Chairman

Melbourne
Date: 19 February 2016

**FARM PRIDE FOODS LIMITED
ABN 42 080 590 030
AND CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
FARM PRIDE FOODS LIMITED**

We have reviewed the accompanying half-year financial report of Farm Pride Foods Limited and controlled entities, which comprises the condensed consolidated statement of financial position as at 31 December 2015, the condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the period's end or from time to time during the half year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Farm Pride Foods Limited and controlled entities, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
FARM PRIDE FOODS LIMITED

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Farm Pride Foods Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



S SCHONBERG
Partner

19 February 2016



PITCHER PARTNERS
Melbourne