Centenary Thurles
Co-operative Society Ltd

ANNUAL REPORT 2015

Embracing change...

Together we're stronger

GROWTH
& PROGRESS

Contents

Mission Statement	5
Notice of Annual General Meeting	11
General Society Information	13
Chairman's Report	18
Five Year Financial Review	24
2015 Finances	**25**
Committee of Management Responsibility Statement	26
Auditor's Report	27
Consolidated Profit & Loss Account	29
Consolidated Statement of Comprehensive Income	29
Consolidated Balance Sheet	30
Co-op Balance Sheet	31
Statements of Changes in Equity	32
Consolidated Cash Flow Statement	36
Notes to the Financial Statements	37

Mission Statement

Centenary Thurles Co-operative Society Ltd. is run by the local farming community for the mutual benefit of its members and the Society.

We deliver award-winning produce and a wide range of products and services across our three business units; Agri, Dairy and Home & Garden. The success of this long-standing partnership relies on the support of our shareholders and customers.

By choosing Centenary Thurles, it is a vote of confidence both in the Society and in the future of our entire farming community.

Building **on firm foundations**

Centenary Thurles has an impressive track record to date. We've survived and prospered for over a hundred years. We've shown ourselves to be more than capable of rising to a challenge and of finding our way through a crisis.

Now this year, as we seek solid ground following the abolition of milk quotas, we will leverage those same strengths and skills to help us move forward, grow and prosper.

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Centenary Thurles Co-Operative Society Limited will be held on Wednesday 29th June 2016 at Templemore Road, Thurles, at 9.00pm or as soon thereafter as the Special General Meeting to be held on that day shall have concluded or been adjourned.

Agenda

- Minutes of the previous Annual General Meeting.
- To consider the Financial Statements for the year ended 31 December 2015 and the Report of the Auditors.
- The Election of Auditors for 2016.
- To consider the Board's recommendation on the issue of bonus shares.
- Any other business incidental to an Ordinary General Meeting.

By Order
Joe Kerrigan, *Secretary*
Date: 16th May 2016

From left to right:
Joe Kerrigan, Jim Russell,
Noreen Barry, Paddy Daly

General Society Information

Committee members at 31st December 2015

Chairman
Jim Russell

Vice—Chairmen
Noreen Barry, Paddy Daly

Chief Executive/Secretary
Joe Kerrigan

Central
Patrick Blake, Moyneard
Jimmy Cummins, Grawn
Seán Dunne, Kylemakill
Robert Hayes, Leigh
John Hogan, Moyneard
Thomas Keogh, Rahealty
Pat Maher, Cooleeney
Michael Power, Piercetown

Ballyduag
Pat Cormack, The Islands

Loughmore
Patrick Gleeson, Ballybrista
Tom Maher, Kilcoke

Cashel
John Cronin, Freighduff
Roger Kennedy, Camas
Noel O'Connor, Rathcowan
Brendan Ryan, The Commons

Littleton
John Bourke, Rathcunikeen
Pat Hogan, Horse & Jockey
Philip Kinane, Parkstown

Loran
Eamon Cody, Ballysorrell
Michael Maher, Dromard
John Russell, Shanakill

Montore
Michael Hannon,
Lisnageragh, Brosna
Mervyn Stanley, Woodville
Jerry Sutton, Montore
Patrick Whyte, Ballystanley

Templetuohy
Padraig Costigan, Toher
William Maher, Tullow

Castleiney
Gerry Laffan, Kilcurkee
Tim Maher, Kilcurkee

Killea
Michael Egan, Park
Pat Kennedy, College Hill

Drom
Denis Brereton, Knocka

Thurles
Jackie Cahill, Killinan
John Cahill, Kilrush
Con Callanan, Ardbawn
Martin Dillon, Lisnagrough
Philip Dwyer, Whitefort
James Finn, Ballinahow
Bill Flanagan, Galbertsown
Mary Purcell, Kilrush
Jerry Spillane, Galbertstown

Excellence **when it matters most**

The production of an extra 20 million litres of milk by our own dairy farmers in 2015 was a tremendous achievement in itself.

Alongside this, we also recorded significant improvements in our milk quality, thanks in no small part to our members' sterling efforts and increased levels of testing.

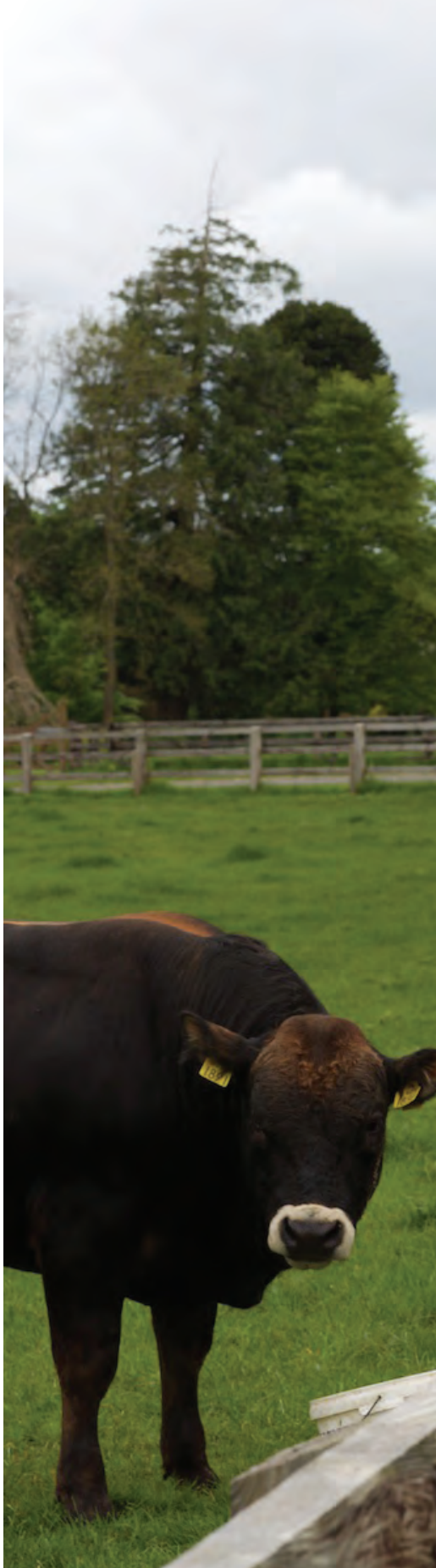
We're very proud that our members' superior milk products continue to garner recognition both provincially and on the national stage.

Support **when you need it**

Being a member of Centenary Thurles has obvious benefits during the good times.

But more significantly, membership also offers vital support and engagement in times of declining prices and subsequent financial pressures. We are unwavering in our commitment to the wellbeing of our members, their families and the community in which we work.

In these uncertain times we will stand together in strength, confidence and a renewed belief in our collective potential.



Chairman's Report
Jim Russell

2015 was certainly a year of transition, particularly in dairy farming. The abolition of quotas was viewed with a degree of cautious optimism. Processors expanded their facilities in anticipation of the forecasted increase in milk supplies, Dairy farmers rose to the challenge, and in our own case produced almost 20m litres extra or 17.3%.

This additional output was the equivalent of the combined output increase over the previous 9 years. Unfortunately, the optimism last Spring that the decline in prices which started early in 2014 had bottomed out at around 30c per litre proved unfounded. The abolition of milk quotas coincided with increased supply in the US and reduced global demand particularly from China and Russia. Markets have not yet reached an equilibrium between supply and demand and prices continue to fall in 2016.

Overall, 2015 did not fare out too bad, with average manufacturing milk price exceeding 30c per litre. Total payout was down just 4.5%, when increased volumes were factored in. Favourable weather conditions also helped to keep downward pressure on input costs. 2016 will be a different matter however and it is vital that the Society plays its part in assisting suppliers in whatever way it can through the difficult year ahead.

Our grain growers are also facing a difficult challenge. After 3 consecutive years of low prices, it looks like 2016 price levels could be significantly lower. Improved yields in recent years may not be replicated this year. The sustainability of this sector with its high production costs must now be called into question. Action is required at many different levels if we are to have a sustainable industry into the future. The beef and sheep sectors recovered somewhat during 2015 but the immediate outlook is uncertain with the overhang of potential international trade deals a major challenge.

Financial Performance

Our turnover for 2015 held steady at €79.5m with only a slight decline from €81m in 2014. The reduction can be attributed to the lower milk prices for 2015. Gross Profit on this turnover declined by almost €0.6m to €10.8m, principally as a result of milk price and grain price supports.

Overheads reduced by €168k with a significant improvement in provisions for slow-moving debtors. Other Income of €740,000 was generated, principally from investments and combined with movements in the fair value of investments of €214,000, brought the Profit before Tax to €1.375m. Taxation of €727,000 resulted in a Retained Profit for the year of €648,000. The presentation of our Financial Statements is impacted for the first time by the new Financial Reporting Standard FRS102.

For 2015 and onwards, both our Profit and Loss Account and Balance Sheet will reflect the movement in the fair value of our investments from year to year.

This will introduce a significant amount of volatility as can be seen from the restatement of the 2014 figures. In the past, investments were shown at the lower of cost and net realisable value; now current market value is disclosed.

Accordingly Equity Shareholders' Funds on the Balance Sheet now stand at €54.8m, having grown from €37.7m as reported in the 2014 Financial Statements under the previous accounting rules.

Milk Review

Needless to say with the abolition of milk quotas, our milk intake reached record levels in 2015. Our supply grew by 19.6m litres to 132.8m litres and is forecast to grow further again for 2016. Our average manufacturing price paid in 2015 was 30.77c. This excludes the 0.5c per litre (+VAT) paid in 2015 but based on 2014 supply.

Overall it represents a decline of 7.91c on 2014 and brings milk to its lowest price level since 2010. Recent Teagasc information would suggest that production costs also declined in 2015 and estimate the decline as being 2.9c per litre.

Average Butterfat and Protein for 2015 were 3.959% and 3.512% respectively, both record levels for the Society.

Despite the abolition of quotas, some suppliers are still facing a carry-over of super-levy liabilities from 2014/2015. Our final levy was on the lines anticipated this time last year and finished at €1.863m with liabilities for 210 suppliers.

15 Suppliers availed of the Department Scheme to spread their liabilities over 3 years and €292,000 was still outstanding to the Department at year-end. 30 further suppliers availed of our own scheme and will repay €111,000 during 2016. In total 78% of the overall liability had been paid at year-end and compares very favourably with other Co-Ops liable for the levy.

Our Milk Quality continues to improve significantly with **average SCC down to a record low of 217.**

I am pleased to report that our Milk Quality continues to improve significantly with average SCC down to a record low of 217. Similar improvement has been recorded with TBC levels and I would like to acknowledge our suppliers' efforts in embracing this drive for better quality milk. We are invested in a new milk testing laboratory at Ballyduff during 2016 and the benefits to all will be seen as we continue to focus on improvement. Our 4th Milk Quality Award winner for 2015 was recently announced and for a second time, the Dwan Family of Bohernamona, Thurles were victorious. The announcement was a poignant moment for the Dwan Family as our Perpetual Cup for Milk Quality had been re-named in honour of Eddie who sadly passed away earlier in 2016. Congratulations also to Nicholas & Philip Thornton of Beechwood, Dualla who finished as Runners-Up and who will represent us in the NDC & Kerrygold National Finals.

Stores Review

Turnover from our store trading division advanced just €200,000 to €31.58m. Lower fertiliser volumes were offset by a pick-up in feed sales and a slight improvement in shop and store sales Margins remain tight as we continue to provide an excellent service to our customers in a competitive environment.

Improvements to our branch network continue with Roscrea and Cashel due to be completed this year and Littleton earmarked for 2017.

Feed & Grain Review

2016 will see the completion of our €1m investment programme in the mill with the final element of our expenditure brought back from 2017 into 2016. I am pleased to report that the capital expenditure incurred is having a positive effect on operating efficiencies, feed output and feed quality.

Despite the favourable weather conditions in 2015 and increased competition, our feed output advanced 3% with a significant increase in sales of dairy feed offset by lower sales of beef feed. Towards the end of 2015, we recruited two additional staff to focus on feed and fertiliser sales. I would encourage all our customers to avail of our improved offering and to consider value for money rather than price alone in this competitive environment. Our focus is on the inclusion of quality ingredients by supporting and sourcing native cereals from local growers.On that note our Grain intake grew by a further 2,900 tonnes or 15% in 2015, again reaching record levels.

Strong yields helped growers although prices were similar to 2014 with maximum prices at 20% moisture of €138 for Barley and Oats (up €2) and €146 for Wheat (up €5), excluding VAT and Delivery. Prices paid took into account that our growers, particularly those who purchased inputs from us, needed to be supported. Market prices fell subsequently and we adjusted downwards our stock values at year-end to ensure we remain competitive with our feed pricing. As commented on earlier, grain futures would suggest a difficult and worrying year for our growers who again will need our support.

Liquid Milk Review

From a volume perspective, this business remains challenging. As with all brands, Thurles Fresh Milk must compete with own-label which seems to be the choice of consumers and supermarkets. Financially, the reduction in milk prices during 2015 helped to ensure a reasonable contribution was made to the overall performance of the Society.

Stockproof Fencing Products

Stockproof had an excellent year in 2015 with a growth in turnover in excess of 20% helped by grant aid in the fencing sector. The business remains ultra-competitive with margins tight but once again Stockproof managed to report an increased profit for the year.

Bramblemore

Operational performance at Bramblemore continues to be excellent following the significant recent investment. Unfortunately, despite our optimism this time last year, Bramblemore reported a loss of approximately 8c per kg.

Sales price was the key factor with prices tumbling by 18c per kg from the middle of July. The Russian import ban and a supply/demand imbalance both contributed to the price reductions. Cost control was good and we are in a strong position should markets continue to improve as they have done early in 2016.

Agricultural Scholarships

Our Agricultural Scholarship Scheme continued during 2015 and the following applicants were awarded €750 each:

Darragh Fitzpatrick, Thurles
Pallaskenry Agricultural College

James Fogarty, Roscrea
Gurteen Agricultural College

Jack Hickey, Thurles
Gurteen Agricultural College

David Lowe, Templetuohy
Gurteen Agricultural College

Carrol Nagle, Roscrea
Pallaskenry Agricultural College

Nick Ryan, Cashel
Pallaskenry Agricultural College

Brian Shanahan, Clonakenny
Gurteen Agricultural College

Bonus Shares

Bonus Shares continue to be issued following the AGM each year based on Milk Supply, Grain Supply and Trading with the Society. The level of Bonus issue is dependent on the financial performance of the Society. 121,740 shares were issued in 2015 with a substantial issue due in 2016 as a result of the profit on disposal of investments arising from our current policy of de-risking from individual stocks.

Stockproof had an excellent year in 2015 **with a growth in turnover in excess of 20%.**

Health & Safety Policy

A thorough policy statement on safety, health and welfare at work is in place and is regularly updated. It is the policy of the Society that the well-being of its employees is protected through the implementation and review of this policy statement.

Outlook for 2016

Unfortunately, the outlook for the remainder of 2016 is not pretty at this stage. Whilst milk volumes will increase again to record levels, milk price reductions will put many suppliers under pressure. We would encourage all suppliers who are facing difficulties to talk to us earlier rather than later. The Society will do all in its power to support suppliers, financial and otherwise, through this difficult time. A similar situation applies to our grain growers who it is anticipated will also suffer a significant reduction in payment for their produce. Difficult weather conditions this Spring have impacted on both sectors and it is a case of trying to 'weather the storm' and hope for improved returns in 2017. Input cost reductions may help to mitigate some of the losses.

Overall turnover in the Society is expected to trend lower with milk volume increases not sufficient to compensate for price reductions. Profitability in this sector will decline as we support suppliers. On the trading side, the reduced spending power available to farmers will have an impact on turnover as will reduced prices for feed and fertiliser. Predicted increased volumes of both feed and fertiliser may see trading turnover at similar levels to 2015. Margin and cost pressures may put profitability under pressure. Liquid milk financial performance will improve but branded milk volumes will inevitably decline. We are optimistic for 2016 for Stockproof and performance at Bramblemore will be dependent on pigmeat prices. Overall the main source of profitability at the Society will once again come from returns on financial investments.

We have an excellent business today, and one of which we are exceptionally proud. The foresight of successive Committees of Management along with the Executive Management have brought us to this stage. The current Committee continues to invest in our business to enable future generations benefit from the strength of this Society. I thank the Committee for the commitment and dedication shown over the last 12 months. In particular I would like to acknowledge the support and assistance of our Vice-Chairmen, Paddy Daly and Noreen Barry.

I would also like to express my continued appreciation to management and staff for their contributions and similarly to our customers and shareholders my appreciation for your continued loyalty and support.

The Society will do all in its power **to support suppliers, financial and otherwise.**

Five Year
Financial Review

	2015 €,000	2014 €,000 (As restated)	2013 €,000	2012 €,000	2011 €,000
Dairy turnover	43,803	46,021	46,796	37,005	40,333
Agricultural goods turnover	34,261	33,779	40,946	36,371	31,292
Pig turnover	1,471	1,194	39	1,450	1,266
Total turnover	79,535	80,994	87,781	74,826	72,891
Operating profit	422	831	1,838	746	948
Profit before tax	1,375	7,154	4,391	748	830
Taxation	727	1,439	924	214	177
Retained profit	648	5,715	3,467	534	653
Equity shareholders funds	54,811	52,704	35,128	30,330	32,325
No. of milk suppliers	363	366	364	372	380

2015 Finances

Centenary Thurles Co-operative Society Ltd.

Consolidated Financial Statements for the year ended 31st December 2015

Committee of Management
Responsibility Statement

The Committee of Management is required by legislation 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 the financial statements, the Committee of Management is required to:

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

The Committee of Management is responsible for maintaining proper books of account which disclose with reasonable accuracy at any time the financial position of the society and to enable them to ensure that the financial statements comply with the Industrial and Provident Societies Act 1893 to 2014. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Jim Russell, *Chairman*
Joe Kerrigan, *Secretary*

Date: 7 April 2016

Auditor's Report

We have audited the consolidated financial statements of Centenary Thurles Co-Operative Society Limited for the year ended 31 December 2015 which comprise the Consolidated Profit and Loss Account, the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, the Co-Op Balance Sheet, the 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. Our audit work has been undertaken so that we might state to the Society's members 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 Committee of Management and Auditors

As explained more fully in the Committee of Management Responsibility Statement set out on page 1, the Committee of Management are responsible for the preparation of the financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board Ethical Standards for Auditors.

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 Committee of Management; 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 2015 and of its profits for the year then ended; and
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland.

As required by Section 13 (2) of the Industrial and Provident Societies Acts 1893 to 2014 we examined the balance sheets 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.

Russell Brennan Keane Partnership
Chartered Accountants and Registered Auditors
RBK House, Irishtown, Athlone
Co. Westmeath

Date : 7 April 2016

Consolidated Profit and Loss Account for the year ended 31st December 2015

	Notes	2015 €	2014 € (As restated)
Turnover - continuing activities	3	79,534,727	80,994,128
Cost of sales		(68,696,604)	(69,578,489)
Gross profit		10,838,123	11,415,639
Operating costs		(9,050,996)	(9,050,926)
Administrative costs		(1,365,414)	(1,533,278)
Operating profit - continuing activities		421,713	831,435
Exceptional items	7	—	2,904,271
Other income	8	739,841	434,131
Fair value movements	9	213,966	2,984,212
Profit before taxation		1,375,520	7,154,049
Tax on profit on ordinary activities	10	(727,259)	(1,438,969)
Retained profit for the year		**648,261**	**5,715,080**

The difference between the results as disclosed in the profit and loss account and the result on an unmodified historical cost basis is not material. The financial statements were approved by the board on 7th April 2016 and signed on its behalf by: ***Jim Russell*** *Chairman,* ***Joe Kerrigan*** *Secretary.*
The notes on pages 37–57 form part of these Accounts. Auditors' report pages 27–28.

Consolidated Statement of Comprehensive Income for the year ended 31st December 2015

	Notes	2015 €	2014 € (As restated)
Profit on ordinary activities after taxation		648,261	5,715,080
Other comprehensive income			
Actuarial gain/(loss) on pension obligations		1,636,068	(1,292,150)
Movement on deferred tax relating to pension gain/(loss)		(204,508)	161,519
Other comprehensive income		1,431,560	(1,130,631)
Total comprehensive income for the year		2,079,821	4,584,449

The financial statements were approved by the board on 7th April 2016 and signed on its behalf by :
Jim Russell *Chairman,* ***Joe Kerrigan*** *Secretary.*
The notes on pages 37–57 form part of these Accounts. Auditor's report pages 27–28.

Consolidated Balance Sheet as at 31st December 2015

	Notes	2015 €	2014 € (As restated)
Fixed assets			
Tangible assets	11	15,027,582	14,781,435
Investments	12	28,849,785	28,124,093
		43,877,367	42,905,528
Current assets			
Stocks	13	9,556,203	9,091,901
Debtors	14	9,417,267	8,805,586
Cash at bank and in hand	15	4,852,639	6,189,694
		23,826,109	24,087,181
Creditors: amounts falling due within one year	16	**(4,843,372)**	**(4,455,738)**
Net current assets		**18,982,737**	**19,631,443**
Total assets less current liabilities		**62,860,104**	**62,536,971**
Creditors: amounts falling due after more than one year	17	**(140,345)**	**(151,273)**
Deferred Tax Liability	18	**(6,835,669)**	**(6,957,136)**
Net assets excluding pension liability		**55,884,090**	**55,428,562**
Net pension liability	25	(1,073,000)	(2,724,999)
Net assets including pension liability		**54,811,090**	**52,703,563**
Capital and reserves			
Called up share capital	20	5,997,027	5,847,583
Share premium account	19	5,481,676	5,481,676
Capital reserve	19	15,510	15,510
Other reserves	19	13,868,332	15,049,744
Profit and loss account		29,448,545	26,309,050
Equity shareholders' funds		**54,811,090**	**52,703,563**

The financial statements were approved by the board on 7th April 2016 and signed on its behalf by:
***Jim Russell** Chairman, **Joe Kerrigan** Secretary.*
The notes on pages 37–57 form part of these Accounts. Auditor's report pages 27–28.

Co-op Balance Sheet as at 31st December 2015

	Notes	2015 €	2014 € (As restated)
Fixed assets			
Tangible assets	11	8,835,169	8,582,751
Investments	12	28,879,583	28,153,891
		37,714,752	36,736,642
Current assets			
Stocks	13	30,008	36,116
Debtors	14	26,688,597	24,334,128
Cash at bank and in hand	15	3,835,614	4,241,980
		30,554,219	28,612,224
Creditors: amounts falling due within one year	16	**(13,120,779)**	**(10,154,974)**
Net current assets		**17,433,440**	**18,457,250**
Total assets less current liabilities		**55,148,192**	**55,193,892**
Provision for liabilities			
Deferred tax	18	(6,883,506)	(7,162,804)
Pension liability	25	(362,450)	(1,023,563)
Net assets		**47,902,236**	**47,007,525**
Capital and reserves			
Called up share capital	20	5,997,027	5,847,583
Share premium aaccount	19	5,481,676	5,481,676
Capital reserve	19	15,510	15,510
Other reserves	19	13,868,332	15,049,744
Profit and loss account	19	22,539,691	20,613,012
Equity shareholders' funds		**47,902,236**	**47,007,525**

The financial statements were approved by the board on 7th April 2016 and signed on its behalf by:
***Jim Russell** Chairman, **Joe Kerrigan** Secretary.*
The notes on pages 37–57 form part of these Accounts. Auditor's report pages 27–28.

Consolidated Statement of Changes in Equity as at 31st December 2015

	Share capital	Share premium	Capital reserve	Other reserves (As restated)	Retained earnings (As restated)	Total equity
	€	€	€	€	€	€
At 1 January 2014 (as previously stated)	**5,847,583**	**5,481,676**	**15,510**	**—**	**26,309,050**	**37,653,819**
Prior year adjustment	—	—	—	15,049,744	—	15,049,744
At 1 January 2014 (as restated)	**5,847,583**	**5,481,676**	**15,510**	**15,049,744**	**26,309,050**	**52,703,563**
Profit for the year	—	—	—	—	648,261	648,261
Actuarial gains on pension scheme	—	—	—	—	1,431,560	1,431,560
Transfer to/ from Other reserves	—	—	—	—	1,181,414	1,181,414
Capitalisation/bonus issue	—	—	—	—	(121,740)	(121,740)
Shares issued/ bonus shares issued during the year	168,089	—	—	—	—	168,089
Shares redeemed during the year	(18,645)	—	—	—	—	(18,645)
Fair value adjustment on disposals	—	—	—	(2,426,967)	—	(2,426,967)
Deferred tax adjustment on disposal	—	—	—	800,899	—	800,899
Fair value movements	—	—	—	663,665	—	663.665
Deferred tax on fair value movements	—	—	—	(219,009)	—	(219,009)
At 31st December	**5,997,027**	**5,481,676**	**15,510**	**13,868,332**	**29,448,545**	**54,811,090**

The financial statements were approved by the board on 7th April 2016 and signed on its behalf by:
***Jim Russell** Chairman, **Joe Kerrigan** Secretary.*
The notes on pages 37–57 form part of these Accounts. Auditor's report pages 27–28.

Consolidated Statement of Changes in Equity as at 31st December 2014

	Share capital	Share premium	Capital reserve	Other reserves (As restated)	Retained earnings (As restated)	Total equity
	€	€	€	€	€	€
At 1 January 2014 (as previously stated)	**5,434,492**	**5,481,676**	**15,510**	**—**	**24,195,947**	**35,127,625**
Prior year adjustment	—	—	—	13,050,322	—	13,050,322
At 1 January 2014 (as restated)	**5,434,492**	**5,481,676**	**15,510**	**13,050,322**	**24,195,947**	**48,177,947**
Profit for the year	—	—	—	—	5,715,080	5,715,080
Actuarial gains on pension scheme	—	—	—	—	(1,130,630)	(1,130,630)
Transfer to/ from Other reserves	—	—	—	—	(1,999,422)	(1,999,422)
Capitalisation/bonus issue	—	—	—	—	(471,923)	(471,923)
Shares issued/ bonus shares issued during the year	489,480	—	—	—	—	489,480
Shares redeemed during the year	(76,389)	—	—	—	—	(76,389)
Fair value movements	—	—	—	2,984,212	—	2,984,212
Deferred tax on fair value movements	—	—	—	(984,790)	—	(984,790)
At 31st December	**5,847,583**	**5,481,676**	**15,510**	**15,049,744**	**26,309,050**	**52,703,563**

The financial statements were approved by the board on 7th April 2016 and signed on its behalf by:
***Jim Russell** Chairman, **Joe Kerrigan** Secretary.*
The notes on pages 37–57 form part of these Accounts. Auditor's report pages 27–28.

Company Only Statement of Changes in Equity as at 31st December 2015

	Share capital	Share premium	Capital reserve	Other reserves (As restated)	Retained earnings (As restated)	Total equity
	€	€	€	€	€	€
At 1 January 2015 (as previously stated)	**5,847,583**	**5,481,676**	**15,510**	**—**	**20,613,012**	**31,957,781**
Prior year adjustment	—	—	—	15,049,744	—	15,049,744
At 1 January 2015 (as restated)	**5,847,583**	**5,481,676**	**15,510**	**15,049,744**	**20,613,012**	**47,007,525**
Profit for the year	—	—	—	—	295,200	295,200
Actuarial gains on pension scheme	—	—	—	—	571,805	571,805
Transfer to/ from Other reserves	—	—	—	—	1,181,414	1,181,414
Capitalisation/bonus issue	—	—	—	—	(121,740)	(121,740)
Shares issued/ bonus shares issued during the year	168,089	—	—	—	—	168,089
Shares redeemed during the year	(18,645)	—	—	—	—	(18,645)
Fair value adjustment on disposal	—	—	—	(2,426,967)	—	(2,426,967)
Deferred tax adjustment on disposal	—	—	—	800,899	—	800,899
Fair value movements	—	—	—	663,665	—	663,665
Deferred tax on fair value movements	—	—	—	(219,009)	—	(219,009)
At 31st December 2015	**5,997,027**	**5,481,676**	**15,510**	**13,868,332**	**22,539,691**	**47,902,236**

The financial statements were approved by the board on 7th April 2016 and signed on its behalf by:
Jim Russell *Chairman,* ***Joe Kerrigan*** *Secretary.*
The notes on pages 37–57 form part of these Accounts. Auditor's report pages 27–28.

Company Only Statement of Changes in Equity as at 31st December 2014

	Share capital	Share premium	Capital reserve	Other reserves (As restated)	Retained earnings (As restated)	Total equity
	€	€	€	€	€	€
At 1 January 2014 (as previously stated)	**5,434,492**	**5,481,676**	**15,510**	**—**	**19,716,694**	**30,648,372**
Prior year adjustment	—	—	—	13,050,322	—	13,050,322
At 1 January 2014 (as restated)	**5,434,492**	**5,481,676**	**15,510**	**13,050,322**	**19,716,694**	**43,698,694**
Profit for the year	—	—	—	—	3,823,160	3,823,160
Actuarial gains on pension scheme	—	—	—	—	(455,497)	(455,497)
Transfer to/ from Other reserves	—	—	—	—	(1,999,422)	(1,999,422)
Capitalisation/bonus issue	—	—	—	—	(471,923)	(471,923)
Shares issued/ bonus shares issued during the year	489,480	—	—	—	—	489,480
Shares redeemed during the year	(76,389)	—	—	—	—	(76,389)
Fair value movements	—	—	—	2,984,212	—	2,984,212
Deferred tax on fair value movements	—	—	—	(984,790)	—	(984,790)
At 31st December 2014	**5,847,583**	**5,481,676**	**15,510**	**15,049,744**	**20,613,012**	**47,007,525**

The financial statements were approved by the board on 7th April 2016 and signed on its behalf by:
***Jim Russell** Chairman, **Joe Kerrigan** Secretary.*
The notes on pages 37–57 form part of these Accounts. Auditor's report pages 27–28.

Consolidated Cash Flow Statement for the year ended 31st December 2015

	2015 €	2014 €
Cash flows from operating activities		
Operating profit	421,713	831,435
Adjustments for:		
Depreciation	1,021,761	1,008,412
Amortisation of capital grant	(10,718)	(10,718)
(Increase) in stocks	(464,302)	(1,056,288)
(Increase)/Decrease in debtors	(1,088,188)	1,549,814
(Decrease)/Increase in creditors	(370,659)	133,543
Pension payments on defined benefit pension scheme	(330,933)	(317,148)
Other non-cash movements on defined benefit pension scheme	269,000	253,000
Corporation Tax	181,466	(1,288,944)
Net cash inflow from operating activities	**(370,860)**	**2,392,050**
Cash flows from investing activities		
Payments to acquire tangible assets	(1,289,321)	(1,256,706)
Payments to acquire investments	(3,715,665)	(1,752,410)
Receipts from sales of investments	3,203,832	53,932
Net cash proceeds from sale of assets	34,682	20,991
Interest received	30,307	88,625
Dividends received	726,550	437,635
Rental income	12,798	12,798
Sundry income	2,918	2,380
Net cash from investing activities	**(993,899)**	**(2,392,755)**
Cash flows from financing activities		
Issue of ordinary share capital	46,349	17,557
Repurchase of ordinary share capital	(18,645)	(76,389)
Net cash used in financing activities	**27,704**	**(58,832)**
Net (Decrease) in cash and cash equivalents	**(1,337,055)**	**(1,355,125)**
Cash and cash equivalents at beginning of the year	**6,189,694**	**7,544,819**
Cash and cash equivalents at end of the year	**4,852,639**	**6,189,694**

The financial statements were approved by the board on 7th April 2016 and signed on its behalf by:
***Jim Russell** Chairman, **Joe Kerrigan** Secretary.*
The notes on pages 37–57 form part of these Accounts. Auditor's report pages 27–28.

Notes to the Consolidated Financial Statements
for the year ended 31st December 2015

1. Accounting Policies

1.1. Basis of preparation of financial statements

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Industrial and Provident Society's, Act 1893 to 2014.

Information on the impact of first time adoption of FRS 102 is given in note 28.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Group's accounting policies (see note 2).

The following principal accounting policies have been applied:

1.2. Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Society has transferred the significant risks and rewards of ownership to the buyer;
- the Society retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Society will receive the consideration due under the transaction;
- the cost incurred or to be incurred in respect of the transaction can be measured reliably.

1.3. Tangible fixed assets and depreciation

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost included expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight- line method. The estimated useful lives range as follows:

Buildings	4 -10%	Straight Line
Machinery	10 - 15 %	Straight Line
Fixtures & equipment	10 - 20%	Straight Line
Transport	10 - 20 %	Straight Line

The assets' residual values, useful lives and depreciation methods are viewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

1.4. Valuation of Investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

Investments in unlisted company shares, which have been classified as fixed asset investments as the Group intends to hold them on a continuing basis, are re-measured to market value at each Balance Sheet date. Gains and losses on re-measurement are recognised in profit or loss for the period.

Investments in listed company shares are re-measured to market value at each Balance Sheet date. Gains and losses on re-measurement are recognised in profit or loss for the period.

1.5. Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less cost to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less cost to complete and sell. The impairment loss is recognised immediately in profit or loss.

1.6. Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.7. Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.8. Financial Instruments

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out right short term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and Loss Account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

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

1.9. Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.10. Foreign currency translation

Functional and presentation currency

The group's functional and presentational currency is Euros.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit and Loss Account except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Profit and Loss Account within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Profit and Loss Account within 'other operating income'.

1.11. Pensions

The group operates various defined benefit and contribution pension schemes. Contributions to the defined contribution schemes are charged to the accounts as incurred.

The defined benefit scheme provides benefits based on the final pensionable salary. Defined benefit pension scheme assets are measured using bid prices. Pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on bonds. The increase in the present value of liabilities of the group defined benefit pension scheme expected to arise from employee service in the period is charged to operating profit. The expected return on the scheme assets and the increase during the period in the present value of the schemes liabilities arising from the passage of time, are included in other finance income. Actuarial gains and losses are recognised in the Statement of Comprehensive Income. The group defined benefit pension scheme is closed to new members.

The Society is also a member of The Irish Co-Operative Societies Pension Scheme (ICSPS). This scheme is classified as a multi-employer scheme. Under FRS102, multi-employer plans are those where the participating employers are not under common control. Multi-employer plans are classified as defined benefit or defined contribution depending on the basis of the terms of the plan, but where sufficient information is not available to use defined benefit accounting, multi-employer plans can continue to account for the plan as a defined contribution plan. Where the employer participates in a defined benefit plan that is accounted for as if the plan were a defined contribution plan and the employer has entered into an agreement to fund a deficit, the employer is required to recognise a liability for the deficit contributions and the resulting expense in the profit and loss.

1.12. Provisions for Liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Profit and Loss Account in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

1.13. Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss Account, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Group operates and generates income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and

Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

1.14. Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Profit and Loss Account at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in the creditors as deferred income.

Grants of a revenue nature are recognised in the profit and Loss Account in the same period as the related expenditure.

1.15. Basis of Consolidation

The Group Accounts incorporate the financial statements of Centenary Thurles Co-Operative Society Limited and its subsidiaries. Subsidiaries are included in the consolidated financial statements from the date on which control over the operating and financial decisions is obtained and cease to be consolidated from the date on which control is transferred out of the Group. Inter-group balances and transactions have been eliminated on consolidation.

2. Judgements in applying accounting policies and key sources of estimation uncertainty

The Committee of Management consider the accounting estimates and assumptions below to be its critical accounting estimates and judgements:

Impairment of Trade Debtors

The Group trades with a large and varied number of customers on credit terms. Some debts due will not be paid through the default of a small number of customers. The Group uses estimates based on historical experience and current information in determining the level of debts for which an impairment charge is required. The level of impairment required is reviewed on an ongoing basis.

Useful Lives of Tangible Fixed Assets

Assets comprising primarily of property, plant and machinery represent a significant portion of fixed assets. The annual depreciation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of residual values. Management regularly review these useful lives and change them if necessary to reflect current conditions. In determining these useful lives management consider physical condition and expected economic utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation and amortisation charge for the financial year.

Defined Benefit Pension Scheme

The deficit on the defined benefit pension scheme is determined based on a number of key estimates, the discount rate at the year end, mortality rates and inflation rates. Changes in these assumptions will have an impact on the scheme. Although the plan assets are expected to provide a good hedge against inflation over the long-term, movements over the short term could lead to further deficits emerging. In the event that members live longer than assumed a further deficit will emerge in the scheme.

3. Turnover

	2015 €	2014 €
Milk	43,802,731	46,021,445
Agri Business	34,261,455	33,778,572
Pigs	1,470,541	1,194,111
	79,534,727	**80,994,128**

The total turnover of the society for the year has been derived from its principal activity wholly undertaken in Ireland.

4. Profit on ordinary activities before taxation

	Notes	2015 €	2014 €
Profit on ordinary activities before taxation is stated after charging:			
Depreciation		1,021,630	1,008,444
Staff costs	5	5,316,099	5,322,432
Auditors' remuneration		48,000	48,000

5. Employees

	2015 No.	2014 No.
The average weekly numbers of employees during the year were:		
Production and transport	30	31
Sales	70	67
Administration	21	20
	121	**118**

Employment costs	2015 €	2014 €
Wages and salaries	4,588,032	4,606,233
Social welfare costs	459,067	463,199
Pension service costs	269,000	253,000
	5,316,099	**5,322,432**

6. Key Management Personnel Compensation

	2015 €	2014 €
The total benefits paid to key management personnel during the year are analysed below:		
Salary	778,206	791,549
Benefit-in kind	22,649	22,649
Current service costs of pension schemes	154,613	154,186
	955,468	**968,384**

7. Exceptional Items

	2015 €	2014 €
Defined Benefit Pension Scheme credits and gains	—	2,832,999
Reversal of impairment of unlisted investments	—	107,353
Impairment of listed investments	—	(36,081)
	—	**2,904,271**

8. Other Operating Income

	2015 €	2014 €
Deposit interest	30,307	88,625
Dividends	726,550	437,635
Profit on disposal of fixed assets	13,269	6,408
Loss on disposal of financial investments	—	(22,715)
Rental income	12,798	12,798
Sundry income	2,918	2,380
Expected return on pension scheme assets	—	387,000
Interest on pension scheme liabilities	(46,001)	(478,000)
	739,841	**434,131**

9. Fair Value Movements

	2015 €	2014 €
Fair value movement on investments	663,665	2,984,212
Fair value adjustments on disposal of investments	(449,699)	—
	213,966	**2,984,212**

10. Taxation

	2015 €	2014 € (As restated)
Corporation tax		
Current year	999,251	150,502
Prior year	53,983	—
	1,053,234	**150,502**
Deferred tax	(325,975)	1,288,467
Current year	**727,259**	**1,438,969**

Factors affecting tax charge for the year	2015 €	2014 € (As restated)
The tax assessed for the year is higher than (2014 - higher than) the standard rate of corporation tax in Ireland of 12.5% (2014: 12.5%) as set out below:		
Profit on ordinary activities before tax	1,375,520	7,154,049
Profit on ordinary activities multiplied by standard rate for the year of 12.5% (2014:12.5%)	171,940	894,256
Effects of:		
Depreciation in excess of capital allowances	46,322	49,874
FRS Pension adjustments	(942)	(350,769)
Income taxed at non-standard rates	58,649	9,987
Other timing differences	(7,273)	(14,804)
Expenses not deductible for tax purposes	4,882	717
Chargeable gains	774,997	2,839
Non taxable income	(11,318)	(10,856)
Adjustments in respect of prior period	53,983	—
Adjustments in respect of investments	—	(57,715)
Fair value adjustments	(26,746)	(373,026)
Foreign income	(11,260)	—
Deferred Tax	(325,975)	1,288,467
Current year taxation	**727,259**	**1,438,969**

11. Tangible Fixed Assets Consolidated

	Land & Buildings	Machinery	Fixtures & Equipment	Transport	Total
	€	€	€	€	€
Cost					
At 1st January 2015	18,586,324	8,312,862	3,290,682	2,905,554	33,095,422
Additions	413,808	394,829	254,617	226,067	1,289,321
Disposals	—	(15,000)	(94,546)	(130,057)	(239,603)
At 31st December 2015	**19,000,132**	**8,692,691**	**3,450,753**	**3,001,564**	**34,145,140**
Depreciation					
At 1st January 2015	5,694,013	7,362,997	2,818,128	2,438,849	18,313,987
Charge for the year	493,076	187,274	186,498	154,913	1,021,761
On disposals	—	(13,000)	(94,160)	(111,030)	(218,190)
At 31st December 2015	**6,187,089**	**7,537,271**	**2,910,466**	**2,482,732**	**19,117,558**
Net book values					
At 31st December 2015	**12,813,043**	**1,151,420**	**540,287**	**518,832**	**15,027,582**
At 31st December 2014	12,892,311	949,865	472,554	466,705	14,781,435

Included in Land & Buildings cost is €12,522,796 in respect of depreciable buildings

	Land & Buildings	Machinery	Fixtures & Equipment	Transport	Total
	€	€	€	€	€
Cost					
At 1st January 2014	18,008,709	8,162,599	2,960,096	2,850,725	31,982,129
Additions	577,615	150,263	333,586	195,242	1,256,706
Disposals	—	—	(3,000)	(140,413)	(143,413)
At 31st December 2014	**18,586,324**	**8,312,862**	**3,290,682**	**2,905,554**	**33,095,422**
Depreciation					
At 1st January 2014	5,218,592	7,160,903	2,667,363	2,387,547	17,434,405
Charge for the year	475,421	202,094	153,765	177,132	1,008,412
On disposals	—	—	(3,000)	(125,830)	(128,830)
At 31st December 2014	**5,694,013**	**7,362,997**	**2,818,128**	**2,438,849**	**18,313,987**
Net book values					
At 31st December 2014	**12,892,311**	**949,865**	**472,554**	**466,705**	**14,781,435**
At 31st December 2013	12,790,117	1,001,696	292,733	461,178	14,547,724

Included in Land & Buildings cost is €12,869,566 in respect of depreciable buildings

Co-op Tangible Fixed Assets	Land & Buildings	Machinery	Fixtures & Equipment	Transport	Total
	€	€	€	€	€
Cost					
At 1st January 2015	10,378,273	77,992	1,273,858	1,825,402	13,555,525
Additions	368,210	—	92,246	128,784	589,240
Disposals	—	—	(94,546)	(73,441)	(167,987)
At 31st December 2015	**10,746,483**	**77,992**	**1,271,558**	**1,880,745**	**13,976,778**
Depreciation					
At 1st January 2015	2,219,895	57,220	1,079,680	1,615,979	4,972,774
Charge for the year	193,563	5,908	77,166	59,799	336,437
On disposals	_	_	(94,160)	(73,441)	(167,602)
At 31st December 2015	**2,413,458**	**63,128**	**1,062,686**	**1,602,337**	**5,141,609**
Net book values					
At 31st December 2015	**8,333,025**	**14,864**	**208,872**	**278,408**	**8,835,169**
At 31st December 2014	8,158,378	20,772	194,178	209,423	8,582,751

	Land & Buildings	Machinery	Fixtures & Equipment	Transport	Total
	€	€	€	€	€
Cost					
At 1st January 2014	9,953,702	77,992	1,091,993	1,816,210	12,939,897
Additions	424,571	—	184,865	106,167	715,603
Disposals	—	—	(3,000)	(96,975)	(99,975)
At 31st December 2014	**10,378,273**	**77,992**	**1,273,858**	**1,825,402**	**13,555,525**
Depreciation					
At 1st January 2014	2,038,936	50,420	1,020,289	1,631,051	4,740,696
Charge for the year	180,960	6,800	62,390	81,903	332,053
On disposals	_	_	(3,000)	(96,975)	(99,975)
At 31st December 2014	**2,219,896**	**57,220**	**1,079,679**	**1,615,979**	**4,972,774**
Net book values					
At 31st December 2014	**8,158,377**	**20,772**	**194,179**	**209,423**	**8,582,751**
At 31st December 2013	7,914,767	27,572	71,704	185,159	8,199,201

Included in Land & Buildings cost is €4,594,798 in respect of depreciable buildings

12. Consolidated Financial Fixed Assets

	Notes	2015 €	2014 € (As restated)
Other investments			
1. Listed			
At 1st January		26,441,066	22,158,161
Additions		3,715,665	16,22,410
Disposals		(3,653,384)	(76,647)
Impairment		—	(36,081)
Movement in fair value		269,829	2,773,223
At 31st December		**26,773,176**	**26,441,066**
2. Unlisted			
At 1st January		1,683,027	1,342,038
Additions		—	130,000
Disposal		(254)	—
Movement in fair value		393,836	210,989
At 31st December		2,076,609	1,683,027
Total financial fixed assets		**28,849,785**	**28,124,093**

Co-op Financial Fixed Assets

	Notes	2015 €	2014 € (As restated)
A. Shares in group undertakings			
Cost of investment at 1st January and 31st December		30,048	30,048
B. Other investments			
1. Listed			
At 1st January		26,441,066	22,158,161
Additions		3,715,665	1,622,410
Disposals		(3,653,384)	(76,647)
Impairment		—	(36,081)
Movement in fair value		269,829	2,773,223
At 31st December		**26,773,176**	**26,441,066**
2. Unlisted			
At 1st January		1,682,777	1,341,788
Additions		—	130,000
Movement in fair value		393,836	210,989
Disposal		(254)	—
At 31st December		**2,076,359**	**1,682,777**
Total financial fixed assets		**28,879,583**	**28,153,891**

Listed Investments

Listed Investments are fair valued at each reporting date. For financial assets traded in active markets, fair value is determined by reference to stock exchange quoted bid price.

Unlisted Investments

Included in unlisted investments are equity shares in One 51 plc, these are currently trading on an informal 'grey' market. The fair value for these shares is determined by reference to published bid prices.

Other unlisted investments are carried at cost less impairment because their fair value cannot be measured reliably.

13. Stocks

	Group 2015 €	Group 2014 €	Co-op 2015 €	Co-op 2014 €
Goods for resale	8,930,090	8,469,175	—	—
Expense	192,502	183,938	30,008	36,116
Livestock	433,611	438,788	—	—
	9,556,203	**9,091,901**	**30,008**	**36,116**

14. Debtors

	Group 2015 €	Group 2014 €	Co-op 2015 €	Co-op 2014 €
Trade debtors	7,253,576	6,594,350	349,039	388,728
Amounts owed by subsidiary undertakings	–	–	24,390,371	22,042,989
Amounts owed by milk debtors	937,512	631,422	776,437	518,062
VAT refund due	641,499	559,329	662,791	586,511
Corporation Tax repayable	–	476,507	–	350,644
Amounts outstanding on called up share capital	26,226	9,367	26,226	9,367
Prepayments & other debtors	558,454	534,611	483,733	437,827
	9,417,267	**8,805,586**	**26,688,597**	**24,334,128**

15. Cash and Cash Equivalents

	Group 2015 €	Group 2014 €	Co-op 2015 €	Co-op 2014 €
Cash at bank and in hand	4,938,553	6,590,777	3,835,614	4,241,980
Less: bank overdrafts	(85,914)	(401,083)	–	–
	4,852,639	**6,189,694**	**3,835,614**	**4,241,980**

16. Creditors: Amounts Falling Due Within One Year

	Group 2015 €	Group 2014 €	Co-op 2015 €	Co-op 2014 €
Trade creditors & accruals	3,952,458	4,322,937	1,225,533	1,116,325
Amounts owed to group undertakings	–	–	11,079,069	8,996,892
Corporation tax	758,193	–	778,986	–
PAYE/PRSI	132,721	132,801	37,191	41,757
	4,843,372	**4,455,738**	**13,120,779**	**10,154,974**

17. Creditors: Amounts Falling Due After More Than One Year

	Group 2015 €	Group 2014 €	Co-op 2015 €	Co-op 2014 €
Accruals and deferred income	140,345	151,273	–	–

This deferred income relates to government grants which are amortised over the expected useful economic life of the assets to which they relate.

18. Net Deferred Tax Liability

	Group 2015 €	Group 2014 € (As restated)	Co-op 2015 €	Co-op 2014 € (As restated)
Deferred tax is analysed over the following timing differences:				
Accelerated capital allowance	9,551	93,763	69,070	121,501
Other timing differences		21,038	—	311
Deficit on group defined benefit pension obligations	134,125	340,624	45,306	127,945
Fair value adjustments	(6,997,882)	(7,412,561)	(6,997,880)	(7,412,561)
	(6,835,669)	**(6,957,136)**	**(6,883,506)**	**(7,162,804)**
Movements on the provision for deferred taxation are:				
At 1st January	**(6,957,136)**	**(5,830,187)**	**(7,162,804)**	**(6,118,357)**
Charge to the profit of loss	325,975	(1,288,468)	360,984	(1,109,518)
Charged to OCI	(204,508)	161,519	(81,686)	65,071
At 31st December	**(6,835,669)**	**(6,957,136)**	**(6,883,506)**	**(7,162,804)**

19. Reserves

Share premium

The share premium account represents the premium on issue of ordinary shares.

Capital Reserve

The capital reserve represents cancelled society shares.

Other reserves

Other reserves represents unrealised movements on the fair value of investments and deferred tax arising on same. Amounts included in other reserves are transferred to the profit and loss reserve when the investments are sold.

Profit & loss account

The profit and loss account represents cumulative gains and losses recognised in the profit and loss account.

20. Share Capital

	Group 2015 €	Group 2014 €	Co-op 2015 €	Co-op 2014 €
Authorised, allotted, called up and fully paid				
5,997,027 (2014 — 5,847,583) Ordinary shares of €1	5,997,027	5,847,583	5,997,027	5,847,583

21. Guarantee

Pursuant to the provision of Section 357 of the Companies Act, 2014, the Co-Operative has guaranteed the liabilities of its subsidiaries Centenary Thurles Stores Ltd, Stockproof Fencing Products Ltd, Bramblemore Ltd, Thurles Fresh Milk Ltd and Centenary Feed & Grain Ltd and as a result, such subsidiaries are exempt from the filing of their own accounts under the provision of Section 357 of the Companies Act, 2014.

22. Related Party Disclosures

Transactions with committee members

In the ordinary course of their business as farmers, Committee members, members who hold office and members of their immediate family and their connected companies trade with the Society and its subsidiaries on standard commercial terms. All transactions are carried out on the same terms as those applied to dealing with unrelated parties.

A summary of transactions during the year ended 31st December 2015 and 31st December 2014 is provided below:

	2015 €	2014 €
Sales (VAT exclusive) to Committee members and individuals who held office during the year or for part of the year including sales to their immediate family and connected companies	2,206,916	2,039,928
Purchases (VAT exclusive) from Committee members and individuals who held office during the year or part of the year including purchases from their immediate family and connected companies.	4,930,713	5,063,801
Amounts due (VAT inclusive) at 31st December in respect of trade accounts from Committee members or individuals who held office during the year or for part of the year including amounts due from their immediate family and connected companies.	361,363	248,776
Amounts due (VAT inclusive) at 31st December from advances to Committee members or individuals who held office during the year or for part of the year including amounts due from their immediate family and connected companies.	186,915	115,110
Amounts due (VAT inclusive) at 31st December to Committee members or individuals who held office during the year or part of the year including amounts due to their immediate family and connected companies.	91,451	76,811

23. Financial Instruments

	2015 €	2014 €
Financial assets		
Financial assets measured at fair value through profit or loss	28,033,703	27,307,507
Financial assets that are equity instruments measured at cost less impairment	816,082	816,586
Financial assets that are debt instruments measured at amortised cost	8,749,542	7,760,383
	37,599,327	**35,884,476**
Financial liabilities		
Financial liabilities measured at amortised cost	(3,952,458)	(4,322,937)
	(3,952,458)	**(4,322,937)**

- Financial assets measured at fair value through profit or loss comprise of listed investments and investments trading on an informal market.
- Financial assets that are equity instruments measured at cost less impairment comprise of unlisted investments (excluding those trading on an informal market)
- Financial assets measured at amortised cost comprise of trade debtors and other debtors.
- Financial liabilities at amortised cost comprise of trade creditors and accruals.

24. Prior Year Adjustment

From 1 January 2015 the society elected to present its annual financial statements in accordance with FRS 102. The comparative figures in respect of 2014 financial statements have been restated to reflect the society's adoption of FRS 102 from the date of transition at 1 January 2014. Information on the impact of the first- time adoption of FRS 102 is given in note 28.

25. Pensions

Centenary Thurles Co-Operative Society Limited operates a defined benefit pension scheme in Ireland. An actuarial valuation to determine the value of the liabilities in accordance with FRS 102 was carried out at 31 December 2015 by a qualified independent actuary.

The major assumptions used by the actuary were:	2015 %	2014 %
Rate of increase in salaries	2.00	2.00
Discount rate	2.30	1.80
Inflation rate	1.50	1.50
Future pension increase	0.00	0.00

Mortality	2015	2014
Pre-retirement (males)	All members are assumed to survive until normal retirement age	All members are assumed to survive until normal retirement age
Pre-retirement (females)	All members are assumed to survive until normal retirement age	All members are assumed to survive until normal retirement age.
Post-retirement (males)	62% PNMLOO with allowance for mortality improvements by increasing the value of pension for each year between 2008 and year of retirement	62% PNML00 with allowance for mortality improvements by increasing the value of pension for each year between 2008 and year of retirement
Post-retirement (females)	70% PNFL00 with allowance for mortality improvements by increasing the value of pension for each year between 2008 and year of retirement	70% PNFL00 with allowance for mortality improvements by increasing the value of pension for each year between 2008 and year of retirement

	2015	2014
Expectation of life from age 65 for males under the above tables	21.7	21.7
Expectation of life from age 65 for females under the above tables	23.4	23.4

Amount recognised in the balance sheet	2015 €'000	2014 €'000
Present value of funded obligations	(14,640)	(15,691)
Fair value of plan assets	(13,567)	12,966
Net (liability) at end of year	**(1,073)**	**(2,725)**

Amounts recognised in the profit or loss for year	2015 €'000	2014 €'000
Service cost (including scheme expense)	361	378
Less employee contributions	(92)	(113)
Company service cost	**269**	**265**
Interest cost	222	466
Interest income on plan assets	(176)	(315)
Net Interest on the Net Defined Benefit Liability	**46**	**151**
Past service cost/ (credit)	–	(2,746)
Curtailment gain	–	(87)
Total	**315**	**(2,417)**
Actual return on income generating assets	**765**	**1,304**
Changes in the present value of the defined benefit obligation are as follows:		
Opening defined benefit obligation	15,691	15,428
Current service cost (including scheme expenses)	269	265
Employee contribution	92	113
Interest cost	222	466
Past service cost/ (credit)	–	(2,746)
Curtailment gain	–	(87)
Actuarial loss/(gains)	(1,248)	2,582
Benefits paid	(386)	(330)
Closing defined benefit obligation	**14,640**	**15,691**
Changes in the fair value of plan assets are as follows:		
Opening fair value of plan assets	12,966	11,189
Interest Income on Plan Assets	176	315
Actuarial gains and (losses) arising on the plan assets	385	1,361
Employer contributions	334	317
Employee contributions	92	113
Benefits paid	(386)	(330)
Fair value of plan assets at end of the year	**13,567**	**12,966**
Remeasurement effects recognised in Other Comprehensive Income (OCI):		
Actuarial Gains/ (Losses) on liabilities	1,248	(2,582)
Actuarial gains and (losses) arising on the plan assets	385	1,361
	1,633	**(1,221)**

Amount of the fair value of plan assets represented by major categories of assets:	2015 €'000	2014 €'000
Equities	6,855	6,840
Bonds	3,037	2,363
Property	658	541
Cash	–	–
Total	**10,550**	**9,745**
Value of annuity contracts matching pension in payment liabilities	3,017	3,221
Total	**13,567**	**12,965**

Amount for the current and previous four periods

Year Ending 31 December	2015 €'000	2014 €'000	2013 €'000	2012 €'000	2011 €'000
Present value of funded obligations	(14,640)	(15,691)	(15,428)	(15,751)	(11,712)
Value of fund assets	13,567	12,966	11,189	10,107	9,084
(Deficit) in scheme	**(1,073)**	**(2,725)**	**(4,239)**	**(5,644)**	**(2,628)**

26. Subsidiaries

At 31st December 2015 the Society holds 20% or more of the share capital of the following companies:

Company	Holding	Activity
Subsidiaries		
Centenary Thurles Stores Ltd	100%	Agri-trading
Bramblemore Ltd	100%	Piggery
Stockproof Fencing Products Ltd	100%	Wholesale of wire products
Thurles Fresh Milk Ltd	100%	Manufacturing & distribution of milk products
Centenary Feed & Grain Ltd	100%	Manufacturing of animal feeds

Centenary Thurles Stores Ltd, Bramblemore Ltd, Stockproof Fencing Products Ltd, Thurles Fresh Milk Ltd and Centenary Feed & Grain Ltd have availed of the exemption available under Section 357 of the Companies Act 2014. They will file Group Financial Statements with their annual returns instead of their own financial statements.

27. Capital Commitments

	2015 €	2014 €
The Society had the following capital commitments at the balance sheet date:		
Capital Expenditure authorised but not contracted for	748,000	355,480

28. First Time Adoption of FRS 102

Group Balance Sheet	As previously stated 1 Jan 2014 €	Effect of transition 1 Jan 2014 €	FRS 102 (as restated) 1 Jan 2014 €	As previously stated 31 Dec 2014 €	Effect of transition 31 Dec 2014 €	FRS 102 (as restated) 31 Dec 2014 €
Fixed assets	14,547,724	—	14,547,724	14,781,435	—	14,781,435
Investment	3,914,753	19,478,092	23,392,845	5,661,788	22,462,306	28,124,094
Current assets	25,459,325	(309,413)	25,149,912	24,087,181	(249,757)	23,837,424
Creditors: amounts falling due within one year	(5,011,735)	—	(5,011,735)	(4,455,738)	—	(4,455,738)
Net current assets	**20,447,590**	**(309,413)**	**20,138,177**	**19,631,443**	**(249,757)**	**19,111,686**
Total assets less current liabilities	**38,910,067**	**19,168,679**	**58,078,746**	**40,074,666**	**22,212,549**	**62,287,215**
Provisions for liabilities	(3,782,442)	(6,118,357)	(9,900,799)	(2,420,847)	(7,162,804)	(9,583,651)
Net assets	**35,127,625**	**13,050,322**	**48,177,947**	37,653,819	15,049,745	52,703,564
Capital and reserves	**35,127,625**	**13,050,322**	**48,177,947**	37,653,819	15,049,745	52,703,564

Group Profit and loss account	As previously stated 31 Dec 2014 €	Effect of transition 31 Dec 2014 €	FRS 102 (as restated) 31 Dec 2014 €
Turnover	80,994,128	—	80,994,128
Cost of sales	(69,578,489)	—	(69,578,489)
	11,415,639	**—**	**11,415,639**
Operating cost	(9,050,926)	—	(9,050,926)
Administrative expenses	(1,533,278)	—	(1,533,278)
Operating profit	**831,435**	**—**	**831,435**
Exceptional items	2,904,271	—	2,904,271
Other income	434,131	—	434,131
Other finance income	—	2,984,212	2,984,212
Taxation	(454,180)	(984,790)	(1,438,970)
Profit on ordinary activities after taxation and for the financial year	**3,715,657**	**1,999,422**	**5,715,079**

Co-Op Balance Sheet	As previously stated 1 Jan 2014 €	Effect of transition 1 Jan 2014 €	FRS 102 (as restated) 1 Jan 2014 €	As previously stated 31 Dec 2014 €	Effect of transition 31 Dec 2014 €	FRS 102 (as restated) 31 Dec 2014 €
Fixed assets	12,143,752	19,478,092	31,621,844	14,274,337	22,462,306	36,736,643
Current assets	29,545,586	(309,413)	29,236,173	28,861,979	(249,757)	28,612,222
Creditors: amounts falling due within one year	(9,411,830)	—	(9,411,830)	(10,154,975)	—	(10,154,975)
Net current assets	**20,133,756**	**(309,413)**	**19,824,343**	**18,707,004**	**(249,757)**	**18,457,247**
Total assets less current liabilities	**32,277,508**	**19,168,679**	**51,446,187**	**32,981,341**	**22,212,549**	**55,193,890**
Provisions for liabilities	(1,629,138)	(6,118,357)	(7,747,495)	(1,023,563)	(7,162,804)	(8,186,367)
Net assets	**30,648,370**	**13,050,322**	**43,698,692**	31,957,778	15,049,745	47,007,523
Capital and reserves	**30,648,370**	**13,050,322**	**43,698,692**	31,957,778	15,049,745	47,007,523

Explanation of change to previously reported profit and equity:

1. FRS 102 now requires investments to be shown at market value, previously these were shown at cost. This has resulted in an increase of €19,478,092 to investments plus an additional deferred tax liability of €6,427,771 in the Balance Sheet at 1 January 2014. It has also resulted in a gain of €2,984,212 as a result of the movement in fair value of investments and an additional deferred tax charge of €984,790 during 2014. The cumulative fair value and deferred tax movements are included in 'Other Reserves'. Amounts included in 'Other Reserves' are transferred to the profit and loss reserve when the investments are sold.

29. Approval of Accounts

The accounts were approved by the Committee of Management on 7th April 2016.

Centenary Thurles
Co-operative Society Ltd

CENTENARY
Dairy

CENTENARY
Home & Garden

CENTENARY
Agri

centenarythurles.com