

FRESH PRODUCE

LOCAL

HIGH QUALITY

INNOVATIVE

LEADERSHIP

CUSTOMER ORIENTED



EFFICIENCY

PROFESSIONAL



ADELAIDE
PRODUCE MARKET
2014 ANNUAL REPORT

TEAM FOCUSED

SAFETY FIRST

2014 ACHIEVEMENTS

TOTAL ASSETS

\$91.4 MILLION
($\$3.4\text{M}$ UP FROM $\$88\text{M}$ IN FY2013)

CONSOLIDATED PROFIT (EXCLUDING REVALUATION GAIN/LOSS AND INCOME TAX)

\$5.63 MILLION

NET ASSET BACKING (PER SHARE)

\$9.94

DISTRIBUTION (PER SHARE)

60 CENTS
(FULLY FRANKED - MAINTAINED FROM FY2013)

**STRONG FINANCIAL POSITION WITH BALANCE SHEET GEARING
OF 26.9% AND INTEREST COVERAGE RATIO OF 6.9 X EARNINGS**

**ADELAIDE PRODUCE MARKETS' GROWERS AND WHOLESALERS
COMMENCED SUPPLY DIRECT INTO THE APY LANDS**

**APML AND SA CHAMBER OF FRUIT AND VEGETABLES JOINED
FORCES TO ESTABLISH MARKET FRESH SA PTY LTD**

**275,000 KG OF FRESH FRUIT AND VEGETABLES DONATED IN 2013/2014
THROUGH THE NEW FOODBANK FACILITY WITHIN THE MARKET**

**A $\$587,000$ MARKET OFFICE REFURBISHMENT CREATED A CENTRAL HUB
FOR CREDIT, ADMINISTRATION, OPERATIONS AND INDUSTRY GROUPS**

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CHAIRMAN'S REPORT



Mr David Schirripa
Chairman

“It is the company’s strategy to develop its undeveloped land with a view to creating future rental income from the vacant land assets it already owns.”

Dear Shareholders,

On behalf of the APML Board of Directors, I present the 2014 Annual Report for your consideration. The Group has had a stable year of trading and performance during a period of economic uncertainty.

With respect to the Company’s performance, it is important to note that the Group’s results in recent years have been affected by the valuation of the Group’s real estate assets. Accounting standards require that any short term reduction or increase in value is reflected in the Group’s operating profit even if no real estate has been sold and therefore no actual loss or profit on the sale of property has occurred. Property valuations reflect the current state of the commercial property market. As the Group is a long term investor in commercial real estate with low bank borrowings and a strong cash flow, the long term fundamentals of the Group remain sound and a fully franked 60 cent dividend for the year ended 30 June 2014 has been achieved.

In recent months the APML Board decided to pursue the development of its remaining vacant land. As many shareholders may be aware, APML has a number of parcels of vacant land which are adjacent to the Market site at Pooraka. The Company has commenced the process of seeking expressions of interest with respect to the construction and leasing of some of the vacant lots.



As noted above, APML is a long term investor in commercial real estate. Accordingly, it is the Company’s strategy to develop its undeveloped land with a view to creating future rental income from the vacant land assets it already owns.

Over the past year, the Company has considered other potential commercial property investments. The APML Board has established a set of commercial parameters by which any acquisition is measured. To date, no additional property acquisitions have occurred due to the fact that the potential acquisitions have not met the strict commercial parameters set by the APML Board.

Furthermore, the APML Board wishes to develop its remaining vacant land assets as a priority. In order to properly manage the commercial risks associated with developing any other non-Market property investments, the development of the remaining vacant land may require a restructure of the Group’s legal entities which own the various parcels of vacant land. The process of considering the restructure of those land parcels has commenced.

As landlord of the Market and a service provider to the industry, the APML Board is always looking at ways of increasing the volume of produce that comes through our Market.

CHAIRMAN'S REPORT

(CONTINUED)

APML is engaged in discussions with a number of government and non-government agencies outside of South Australia about ways in which the traders in our Market may be able to sell produce beyond South Australia and Australia's borders.

There are a myriad of regions outside of Australia's capital cities that are poorly serviced in terms of the supply, quality and price of fresh produce. The APML Board views these regions as potential new areas of supply for our Market traders.

The APML Board is also in the process of conducting reviews of:

- the Company's operating expenses and organisational structure to ensure best practice and a cost structure (and therefore Market operating expenses that are passed onto tenants) which is consistent with APML's goal of operating an efficient and safe wholesale produce market;
- the Company and Market's communications and branding initiatives to ensure that our Market's role as the sole operator and facilitator of South Australia's wholesale fresh produce market is effectively communicated to all its stakeholders; and
- all the insurance policies to ensure all risks to Market assets and activities and the Company's non-Market assets and activities are adequately covered.

I take this opportunity to thank our Chief Executive Officer Angelo Demasi, his management team and APML staff members for their diligence and dedication to APML and its stakeholders.

Finally, I wish to acknowledge the efforts of each Director of the APML Board. The APML Board functions very effectively and in a collegiate manner to set the course for the Company in terms of strategy and direction whilst maintaining vigilant oversight over the Company's assets and operations.

Yours sincerely



David Schirripa
Chairman

Adelaide Produce Markets Limited
Wednesday 15 October 2014

BOARD OF DIRECTORS



Mr David Schirripa Chairman

David has been a Board member since 2010 and Chairman since 2011 and previously served on the Board from 2004 to 2007, including a period as Deputy Chairman. In addition to being an avocado grower on the Fleurieu Peninsula, David is a solicitor and a Director of Schirripa Evans Lawyers. David's family previously owned La Manna Bananas Adelaide (formerly Carbis Banana) and prior to that were fruit and vegetable retailers. He currently sits on the Audit, Corporate Governance & Finance Committee.



Mr Nicola (Nic) Minicozzi Deputy Chairman

Nic has been a Director since 2000 and Deputy Chairman since 2003. He is the Managing Director of Minicozzi Lawyers with 40 years' experience in non-litigious and litigious commercial law. He also specialises in a broad range of legal services, including land transactions, litigation and business law. Nic currently sits on the Audit, Corporate Governance & Finance Committee.



Mr Pasquale (Pat) Scalzi, OAM Director

Pat has served on the Board since APML's inception in 1987. Bringing over 49 years' experience in the fruit and vegetable wholesale industry, Pat is the Managing Director of Scalzi Produce, a fresh produce wholesaling business based at the Adelaide Produce Market. In 2000 he received an Order of Australia Medal for his service and extensive contribution to the local horticulture industry.



Mr David Trosti Director

David has been a Director since 2004 and brings 19 years' experience in the fruit and vegetable industry. David is the Managing Director of Stramare Produce, a fresh produce wholesaling business based at the Adelaide Produce Market.



Mr Daniele (Danny) De Ieso Director

Danny has been a Director since 2002 and brings over 35 years' experience in the fruit and vegetable industry. A market gardener in the Waterloo Corner/Gawler River area, Danny is the Managing Director of Thorndon Park Produce. He holds qualifications in horticulture and business management and is a Member of the Industry Advisory Committee (Horticulture Australia Limited).

BOARD OF DIRECTORS

(CONTINUED)



Mr Antonio (Tony) Ceravolo Director

Tony has been a Board member since 2007 and brings 32 years' experience in the fruit and vegetable industry. Tony is the Managing Director of R Ceravolo & Co Pty Ltd, a major apple and pear grower in the Adelaide Hills. He is also the Managing Director of Ashton Valley Fresh Co Pty Ltd and Ceravolo Orchards Pty Ltd. All of these companies have a wholesaling presence at the Adelaide Produce Market. Tony also serves as a Director of The Apple and Pear Growers Association.



Mr Michael Ruggiero Director

Michael has been a Board member since 2008 and brings 26 years' accounting and taxation experience. A qualified Chartered Accountant and a Chartered Taxation Adviser, Michael is a partner of Bentleys Accountants and Business Advisors. He specialises in finance, Capital Gains Tax, taxation, business and property and currently sits on the Audit, Corporate Governance & Finance Committee.



Mr Vincenzo (Jim) Dimasi Director

A fresh produce retailer, Jim has been a Board member since 2008 and brings 33 years' experience in the fruit and vegetable retail industry. He is the past President of the South Australian Fruit & Vegetable Retailers Association and is a former Councillor for Mallala Council. Jim also has seven years grower experience.



Mr Gregory Griffin Director

Gregory has been a Board member since 2008 and brings 32 years of legal expertise. Greg is the Managing Partner of Griffins Lawyers and represents a number of high profile clients, including sporting celebrities. Greg is the Chairman of the Adelaide United Football Club. He is also a current and former Board member for a number of community organisations, including the Law Society of South Australia and Taekwondo Australia. Greg currently sits on the Audit, Corporate Governance & Finance Committee.

CHIEF EXECUTIVE OFFICER'S REPORT



Mr Angelo Demasi
Chief Executive Officer

“APML delivered a stable financial result for the 2013/14 financial year despite a freeze on rents, whilst growing our assets by \$3.4M and continuing the delivery of our business strategy.”

Financial Results

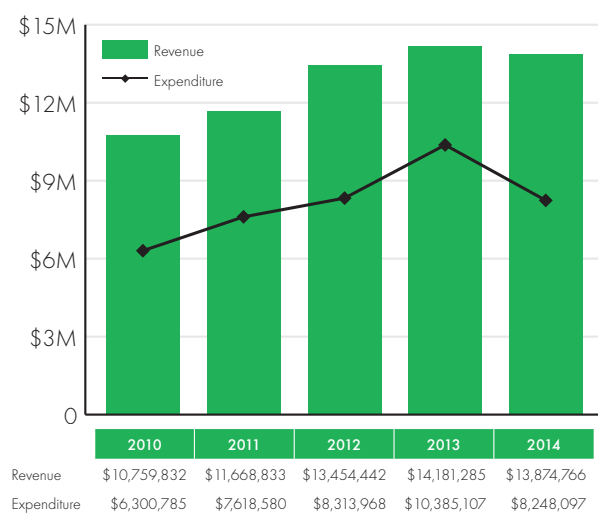
As I reported last year, the APML Board voted to freeze store rents for the 2014 financial year. Despite the freeze, the net profit after tax from continuing operations (excluding revaluation gain, bitumen maintenance and income tax) for the 2014 year increased from \$5.54M in 2013 to \$5.63M, representing a 1.55% increase on last year's result.

This is an exceptional result considering the economic circumstances coupled with a \$300k decrease in total group revenue (\$13.9M down from \$14.2M in 2013).

The decrease in revenue was a result of the transfer of marketing activities to Market Fresh SA Pty Ltd, a Company equally owned by APML and the SA Chamber of Fruit and Vegetable Industries.

This result was also made possible by strong management controls in expenditure including savings in salary and wages, marketing expenses and interest costs.

APML Historical Revenue And Expenditure



I am delighted to report that the APML Board has also been able to maintain the full year's dividend at 60 cents fully franked.

The net asset backing of issued shares was at \$9.94 per share, with 634,263 shares traded during the 2013/14 financial year at an average selling price of \$7.51 per share. This compares to 196,530 shares traded during the 2012/13 financial year, with an average selling price of \$8.35 per share.

The reduction in share price was again as a direct result of a portion of shares sold due to a shareholder experiencing hardship. It is important to note that 614,523 shares were sold prior to last year's AGM where the Company Constitution was revised to improve the liquidity of shares.

The past eight years has seen operating revenue increase by 89% and consistent growth in net profit as indicated in the financial performance table opposite.

CHIEF EXECUTIVE OFFICER'S REPORT

(CONTINUED)

APML Consolidated Group Financial Performance

	2013/14	2012/13	2011/12	2010/11	2009/10	2008/09	2007/08	2006/07
	\$	\$	\$	\$	\$	\$	\$	\$
Operating Revenue	13,874,766	14,181,285	13,454,442	11,552,603	10,759,832	9,433,838	8,361,383	7,342,231
Increase In Value Of Investment Properties	1,438,237	(221,587)	(3,749,495)	4,675,000	1,955,473	2,200,000	-	3,705,231
Total Revenue	15,313,003	13,959,698	9,704,947	16,227,603	12,715,305	11,633,838	8,361,383	11,047,462
Operating Expenses	7,042,366	8,949,203	6,691,900	6,068,804	4,851,581	3,665,808	3,907,315	3,265,924
Net Profit Before Income Tax and Interest and Depreciation	8,270,637	5,010,495	3,013,047	10,158,799	7,863,724	7,968,030	4,454,068	7,781,538
Depreciation Expense	251,976	268,610	289,996	227,432	234,649	214,696	212,488	168,086
Net Profit Before Income Tax and Interest	8,018,661	4,741,885	2,723,051	9,931,367	7,629,075	7,753,334	4,241,580	7,613,452
Interest Expense	953,755	1,167,291	1,332,072	1,282,085	1,214,555	1,281,926	1,391,893	1,323,349
Net Profit Before Income Tax	7,064,906	3,574,594	1,390,979	8,649,282	6,414,520	6,471,408	2,849,687	6,290,103
Income Tax Expense	2,155,694	1,102,188	89,278	2,031,415	1,616,439	1,500,595	764,268	1,800,847
Net Profit After Tax	4,909,212	2,472,406	1,301,701	6,617,867	4,798,081	4,970,813	2,085,419	4,489,256
Net Profit Excluding Revaluation and Deferred Tax	4,209,151	3,014,498	3,926,347	3,343,824	3,415,898	3,430,813	2,368,573	2,241,383
Dividends Paid	3,464,736	3,176,008	2,598,552	2,309,824	2,309,824	2,309,824	2,309,824	1,101,609
Total Assets	91,428,805	88,044,737	88,995,918	89,062,783	83,271,569	80,611,151	76,856,607	76,005,403
Total Liabilities	34,038,951	32,099,359	32,346,938	32,897,248	31,414,077	31,333,250	30,232,575	29,986,636
Total Equity	57,389,854	55,945,378	56,648,980	56,165,535	51,857,492	49,277,901	46,624,032	46,018,767
Net Tangible Assets Per Share	9.92	9.67	9.79	9.71	8.96	8.51	8.05	7.95
Earnings Per Share Including Revaluation Impact	0.85	0.43	0.23	1.15	0.83	0.86	0.36	0.78
EPS Adjusted For Revaluation Impact	0.73	0.52	0.68	0.58	0.59	0.59	0.41	0.39
Total Number Of Ordinary Shares @ 30 June	5,774,560	5,774,560	5,774,560	5,774,560	5,774,560	5,774,560	5,774,560	5,774,560

CHIEF EXECUTIVE OFFICER'S REPORT

(CONTINUED)

Property Segment

After a strong start to the year, take-up of industrial space across the State was more subdued in the second quarter. Favourable conditions for tenants were resulting in a lack of urgency and extended transaction timeframes. Rents and land values remained steady in the last quarter of the financial year, hence the decision to freeze Market rents for the 2013/14 financial year.

An independent valuation of the Group's property assets was again undertaken by Jones Lang LaSalle, revealing the total property valuation has increased by \$2.7M, from \$83.85M to \$86.55M as at 30 June 2014.

The Market site was valued at \$53.85M, compared to \$52.35M in the previous year, an increase of \$1.5M. The full revenue and valuation impact of building A, D and J canopy extensions have been realised in the 2013/14 financial year. In this year's valuation, the valuer opted for a 10.12% capitalisation rate compared to 10.19% in the 2012/13 financial year.

The value of land leased to Goodman increased by \$1.8M in the 2013/14 financial year due to an increase in rent and a capitalisation rate moving from 7.59% in 2012/13 to 7.15% in the 2013/14 financial year.

The 2013/14 valuation currently stands at \$21M, compared to \$19.2M in the previous year. The land lease APML has with Goodman will undergo a market review in November 2015 where it is anticipated that APML should realise the full benefit of this lease.

The cold store facility currently leased to Auscold Logistics Pty Ltd is valued using a yield of 9.42% compared to 9.63% in the previous year. The decrease in the yield reflects the lease term expiring in 2016.

The effect of the increased valuation this year can be explained as follows:

Valuation @ 30/6/14	\$86,550,000
Valuation @ 30/6/13	\$83,850,000
Movement in Valuation	\$2,700,000
Capital Additions 2014	\$1,261,763
Revaluation Increment	\$1,438,237

As reported by the Chairman, APML investigated many property acquisition opportunities, however due to extremely low yields for commercial properties under \$15M in South Australia, it was decided not to proceed.

APML also explored larger property acquisitions where the yield was slightly more attractive, however due to the risk profile of the properties on offer, the APML Board decided not to proceed. Instead, focusing on development opportunities within the Market has been set as a short to medium term priority.

All property units under APML's management are fully leased, with an expansion area of 4.47ha of vacant land currently available for lease.

A concept plan of logistics, warehousing and ancillary facilities to market operations are currently the focus of the new precinct. APML is currently seeking expressions of interest from existing or new operators to lease premises within the new precincts.

Developments will only proceed at this stage on an agreement for lease basis and not on speculation.

New Precinct Concept Drawing – Eastern Merchant Crescent Land Development



CHIEF EXECUTIVE OFFICER'S REPORT

(CONTINUED)

Property activities for 2014/15 will see the emphasis on lease expiries and market reviews within the portfolio in an endeavour to have all agreements in place prior to expiry dates.

The lease expiry profile of all market leases has a weighted average of 4.12 years. The tenants who had an early termination clause for 2013 did not exercise this option and the leases will therefore remain in force for a further five years.

Leading up to 2018/19, there are a minimal number of stores to which an early termination clause applies. The majority of leases will expire in October 2018 and negotiations to renew will be undertaken early to ensure the continuity of store occupancy rates.

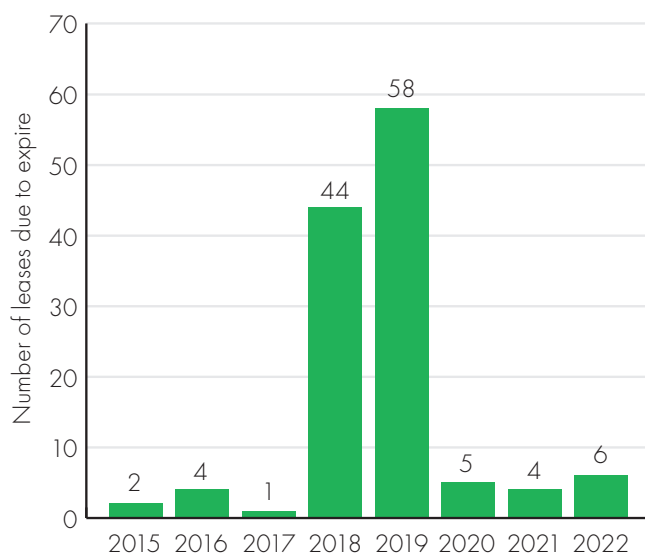
Grower's licences have seen one Grower opt for early termination and two Growers downsizing by one stand.

Revenue growth will mainly come from CPI increases, however additional new facilities will be developed in order to meet our tenants demand for cold storage.

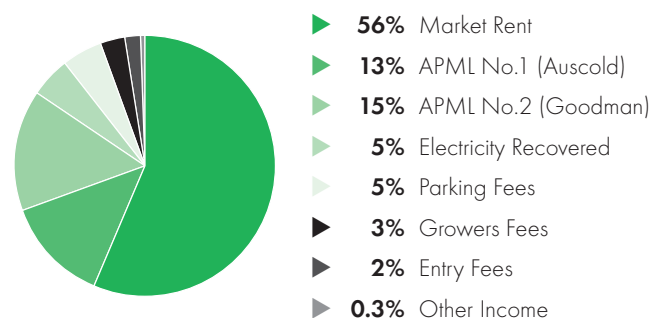
The approximate lettable areas within the Market last year totalled 245,616 inclusive of loading docks and existing canopies.

With the completion of canopy works for Shed A, D and J in 2013/14 the lettable area has now increased to 247,629m² in 2013/14.

APML Lease Expiry Profile



APML Revenue Segments (%)



Non-Property Related Businesses

The APML Unloading Service and APML Equipment Management business have continued to operate. Revenue from these two businesses remains steady with slight increases from \$1.07M in 2012/13 to \$1.09M in the 2013/14 financial year.

The review completed last year in relation to the current location of the APML Equipment Management Yard resulted in the Yard remaining on the existing site.

The introduction of additional equipment including the black plastic crate business has at this stage not required additional space.

APML has continued to collaborate with Growers and Wholesalers to explore opportunities of reducing the cost of packaging for the industry with the introduction of plastic returnable crates and bins. The added benefits of reducing market waste brought into the Market should result in savings throughout the Market supply chain.

CHIEF EXECUTIVE OFFICER'S REPORT

(CONTINUED)

Capital Works And Market Operations

The 2014 financial year has been a relatively quiet year with all major construction projects completed. This has allowed us to continue with ongoing planned preventative regimes across the site's roadways and buildings.

In late 2014, APML completed a replacement of the sites existing analogue electricity meters with national compliant digital meters (also known as Smart Meters), which have been integrated into a computerised comprehensive billing and building management system at a cost of \$300k.

The work involved upgrading electrical cabling and distribution boards to all tenancies prior to the removal of the old analogue meters, and the installation of the digital meters. The works were carried out during the day which allowed trading to continue uninterrupted. The expected benefits for APML and our tenants with this upgrade are:

- comprehensive and customisable billing structure which provides detailed consumption and cost data;
- eliminating manual meter reading of the sites (100 meters);
- accurate recording of energy consumption; and
- transparent billing.

The Integrated Building Management System can produce a number of detailed reports which is a vital tool to assist with reducing energy consumption and business costs to both APML and our tenants.

Other types of reports available include trend reporting, which tracks energy consumption in 15 minute intervals on a month by month basis. These reports will show spikes in energy usage for example, when refrigeration is programmed to start and provide identification of energy waste and factors contributing to peak demands.



APML continually strives to deliver new initiatives to the business and believes this system will enable us to evaluate and review common area energy consumption, identifying potential cost savings to the business including the ongoing reduction of our carbon footprint.

In the 2013/14 financial year, the refurbishment of the first level of the Administration building was completed, as well as the upgrade of the foyer and amenities within the building. The refurbishment was required in order to combine the administration and operational teams under one roof, including upgrading all systems to the building inclusive of fire, security, IT and telecommunications.

The revised office layout provides for more effective use of the available areas, enabling the SA Chamber of Fruit and Vegetable Industries, Market Fresh and APML to be centrally located in modern, efficient office facilities, embracing the old market's history and providing for the future.



The scope and main criteria for the builders included:

- to maintain the comfort and efficiency for APML and the SA Chamber of Fruit and Vegetable Industries staff during the project;
- to capture the essence of the old East End Market by showcasing, in the best possible way, our history and vision to visitors, with the first point of contact at Reception;
- to always maintain focus on the bottom line, looking for clever and innovative ways to transform the office space; and
- to have a strong understanding of the facilities and services that required upgrading (our security system is now an electronic swipe card system integrated with Cardax).

The teamwork of staff, architects and builders resulted in the transformation and additional office space completed on time and within budget.

CHIEF EXECUTIVE OFFICER'S REPORT

(CONTINUED)

Our operations team and Safety and Compliance Manager have been updating the APML Operating Articles and Market Rules and the Work, Health and Safety booklets.

The current safety induction DVD has been updated to ensure the site is compliant with new Work, Health and Safety harmonisation laws.

APML continues to maintain a zero tolerance on drugs and alcohol, completing 96 random tests during the 2013/14 financial year.

During the 2013/14 financial year, the site had 6 days reported of lost time due to accidents occurring within the Market, with 11 near misses recorded. Although this is an encouragingly low base, APML will continue to work to improve safety and ensure these statistics are reduced during the next 12 months.

Market Fresh SA Pty Ltd

As reported last year, on 1 July 2013 APML created a new partnership with the SA Chamber of Fruit and Vegetable Industries. Market Fresh SA Pty Ltd was funded equally by both organisations.

Market Fresh SA is responsible for a number of marketing programs that are designed to promote local fresh produce and drive sales through the independent retail sector, such as greengrocers, Foodland Supermarkets and IGA stores.

Over the past 12 months, a *Support the Stores that Support Local Growers* print and social media campaign has been the main driver for Market Fresh SA, with in-store promotional activities (such as cooking demonstrations with local foodie Callum Hann), mascot appearances and fresh produce give-aways in partnership with local radio station 107.9 Life FM also occurring.

Market Fresh SA also provides a daily price reporting program, a weekly summary report and is involved in two live radio market reports to promote fresh produce that is high in supply.

Market Fresh SA receives significant financial support through store membership fees, corporate sponsorships and fee-for-service work.

Market Fresh SA currently employs 1.8 full time equivalent (FTE) staff and casual contract staff when required. The Board of Directors consists of the SA Chamber of Fruit and Vegetables CEO and myself.

The fundamental founding objective of Market Fresh SA is to increase the volume of produce sold through the Adelaide Produce Market by the independent retail sector.

More specifically, the objectives include:

- To promote fresh produce, healthy eating and a healthy lifestyle;
- To promote the retailers who source fresh produce through the Adelaide Produce Market; and
- To educate the public about the role the Adelaide Produce Market plays in the horticulture industry and how fresh produce gets from farms to retail stores.

The Market Fresh SA programs that help deliver these objectives include:

- To run and promote the *Crunch Bunch* mascot program;
- To run and promote the *Burst of Freshness* recipes and cooking demonstrations; and
- To run and promote the price reporting program.

Over the 2013/14 financial year, Market Fresh SA achieved the following results:

- Retail store membership retention rate of 95.5%;
- 89 store memberships;
- 24 full-page ads in leading newspapers;
- 23 new stores signing up;
- 5 media interviews and 4 media releases;
- 52 live radio market reports with store appearances by the 107.9 Life FM 'roadies';
- 156 price reports generated with 59 ongoing price reporting customers;
- 54 *Crunch Bunch* appearances and 16 cooking demonstrations;
- 2 retailer competitions and a Market Open Day;
- Our new publication "Market Directory – Buyer and Suppliers Guide";
- A short-listing (and nomination from the industry) for the AUSVEG *Innovative Marketing Award*; and
- 1 submission made on the Department of Agriculture's *White Paper*.

CHIEF EXECUTIVE OFFICER'S REPORT

(CONTINUED)

Tours

Throughout the 2013/14 financial year, we received a number of visits from influential members of parliament including SA Opposition Leader, Steven Marshall.

The SA Citrus industry launched the start of the Citrus season with the newly appointed Agricultural Minister, Leon Bignell launching the season.

Over 100 tours occurred during the year from overseas delegations to Government officials to new buyers. APML will continue to be the focal point for Local, State and Federal Government when it comes to the Horticultural sector in SA.



Industry Matters

As reported last year, APML was instrumental in the formation of the South Australian Horticulture Coalition. APML continues to contribute its expertise at committee level for this organisation.

During the last few months Susie Green was appointed Chairperson taking over from the inaugural Chair, Trevor Ranford.

We take this opportunity to thank Trevor for his tireless efforts and the contribution he has made to the industry and the Coalition during his term in office. APML is delighted to be reappointed as Secretariat and welcomes two new members, AUSVEG SA and Hortex to the organisation.

APML also had stands at the PMA - Fresh Connections and AUSVEG conferences under the CMAA (Central Wholesale Markets of Australia) banner. APML accepted the national Secretariat role at the May meeting.

We will work together with all member Markets to ensure the Wholesale Markets system continues to be promoted on a national basis.

Strategic Review

The APML Board and management have engaged with external brand management consultants to review the current brand name of the Adelaide Produce Markets business. This review will be further developed in the 2014/15 financial year.

Further to my report last year regarding APML's partnership with Foodbank, we have successfully achieved the implementation of the new initiative that will result in less produce from the Adelaide Produce Market being wasted and instead redirected to feeding the homeless and needy.

The Minister for Sustainability, Environment and Conservation, Ian Hunter launched the new Foodbank facility within the Market located at Store 27 in August 2014.

This partnership has ticked all the right boxes with APML providing a much needed facility to ensure our homeless and families experiencing hardship do not go without fresh fruit and vegetables. Aside from reducing landfill costs for our tenants, it also consolidated the number of wholesalers, decreasing our trading floor by 1,100m².

Through this new facility, Foodbank has set a target by the end of 2016 to receive and distribute 1 Million kg of donated Fruit and Vegetables each year, via a whole-of-community effort, to gift it free of cost to people most in need across all corners of our State.

For the 2013/14 financial period I am delighted to report that we have been successful in receiving 275,000 kg of donated Fruit and Vegetables with 2014/15 expected to deliver 600,000 kg.

We thank the Market Community and the growers and packers further up the horticultural supply chain for their very generous support.



CHIEF EXECUTIVE OFFICER'S REPORT

(CONTINUED)

APML also collaborated with Foodbank by providing new access to Fruit and Vegetables on the APY Lands utilising APML Growers and Wholesalers. This has been a major step forward, as access to fresh Fruit and Vegetables has been a problem within the region for decades.

The Adelaide Produce Market community now supplies directly into the APY Lands regional food stores. This initiative not only looked at the supply chain, but also the transport issues that remote indigenous communities experienced in the APY Lands.

I am delighted to report that the Mai Wiru stores located in the APY Lands are now a registered buyer with our Market and receive weekly fresh produce in 48 hours of purchase, as compared to an almost 2 week turnaround previously. The Board of Mai Wiru is comprised of very senior men and women from the various communities and Anangu organisations on the APY Lands.

Prior to committing to this project, the entire Board visited the Adelaide Produce Markets to ensure they were comfortable with where their produce was coming from and to meet the people involved with the Markets. This was yet another landmark achievement and we welcome Mai Wiru to the Adelaide Produce Markets community.

APML has also worked closely with the Northern Territory Government in exploring opportunities where we can work together in exploring export markets, growing opportunities for SA Growers within the NT, and the more frequent use of rail. A Memorandum of Understanding between APML and the Northern Territory Government is currently being developed and will be further explored in the coming year.

Due to increasingly competitive market conditions, the Adelaide Produce Market has decided to undertake an operating expense review to make sure that we are operating in the most effective and efficient way possible. APML has engaged BDO Industrial & Organisational Psychology (BDO IOP) to assist with this review.

BDO IOP is a group of Organisational Psychologists, experienced in working with organisations to strengthen performance and internal functioning. It is valuable to engage an external party to conduct the review, as they will consider our processes and systems from an impartial and objective perspective.

Over the course of their engagement, BDO IOP will review our current policies, procedures and practices, as well as consult with a number of parties including managers, staff and stakeholders.

APML is confident that this review will strengthen our organisation by identifying areas and ways in which we can operate more effectively and efficiently. This will help ensure that we remain competitive in today's difficult economy and continue to provide value to our stakeholders, shareholders, market users, leaseholders and customers.

Once a final report is completed and considered in early January 2015, the APML Board and management will finalise the APML business plan.

Future Outlook

APML's focus for the 2014/15 financial year will be the review of its operations, whilst continuing to explore opportunities and develop the surplus land development within the market precinct. The implementation of the new brand name will also be finalised and communicated. APML will continue to work with existing tenants to ensure leases are renewed by both parties. As reported last year, APML is not immune from a downturn in the economy, and we will continue to look at ways of improving our business practices to ensure our wholesale market is run efficiently and according to best practice standards while maintaining healthy returns to shareholders.

On the capital front, APML will seek to continue to maintain our ageing electrical infrastructure, including the purchase of a new transformer at a cost of \$150k and also explore solar opportunities for the site in order to drive costs down for tenants.

The collaboration with APML and Foodbank will continue in 2014/15 with further opportunities being explored.

Opportunities within the Northern Territory and regional South Australia will continue to be explored as well as a complete review of our Retail Market and possible opportunities that may exist.

It is imperative that I thank and congratulate all APML staff members for their hard work and commitment (even throughout our office renovations) over the 2013/14 financial year. The support of a strong team has been invaluable, and it has been great working with such a positive team. I look forward to a proactive and productive 2014/15.



Angelo Demasi
Chief Executive Officer

Adelaide Produce Markets Limited
Wednesday 15 October 2014

DIRECTORS' REPORT

Your Directors present their report on the parent company (Adelaide Produce Markets Limited) and its two controlled entities, APML No. One Pty Ltd and APML No. Two Pty Ltd (Consolidated Group), for the financial year ended 30 June 2014.

The names of the Directors in office at any time during or since the end of the year (until the date of this report) are:

- Mr David Schirripa (Chairman)
- Mr Nicola Minicozzi (Deputy Chairman)
- Mr Pasquale Scalzi
- Mr David Trosti
- Mr Daniele De Ieso
- Mr Antonio Ceravolo
- Mr Michael Ruggiero
- Mr Vincenzo Dimasi
- Mr Gregory Griffin

Directors have been in office since the start of the financial year to the date of this report.

Company Secretary

The position of Company Secretary is held by the Consolidated Group's Chief Executive Officer, Mr Angelo Demasi.

Principal Activities

The principal activities of the Group during the financial year were the management of the wholesale market and related property investment. No significant changes in the nature of these activities occurred during the year.

Operating Result: Summary

	Consolidated Group	
	2014	2013
	\$	\$
Consolidated profit before income tax	7,064,906	3,574,594
Revaluation gain/(loss) included in consolidated profit	1,438,237	(221,587)
Consolidated profit before income tax excluding the revaluation gain/(loss)	5,626,669	3,796,181
Current income tax payable	1,417,518	781,683
Consolidated profit after income tax excluding revaluation gain/(loss)	4,209,151	3,014,498

Dividends

The dividends paid and declared to be paid since the start of the 2014 financial year are as follows:

- Fully franked final dividend of 30 cents per share (for the year ended 30 June 2013) paid in December 2013, (making a total fully franked dividend for the year ended 30 June 2013 of 60 cents per share: \$3,464,736).
- Fully franked interim dividend of 30 cents per share (for the year ended 30 June 2014) paid in May 2014, as declared by the Directors: \$1,732,368.

DIRECTORS' REPORT

(CONTINUED)

Review Of Operations

A review of operations of the Consolidated Group and the results of those operations are contained in the accompanying Chairman's and Chief Executive Officer's Reports.

During the year the Consolidated Group continued to engage in its principal activities, the results of which are disclosed in the accompanying financial report.

Significant Changes In The State Of Affairs

No significant changes in the state of affairs of the Consolidated Group occurred during the year.

After Reporting Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

Future Developments, Prospects And Business Strategies

Future developments, prospects and business strategies in the operations of the Consolidated Group are referred to in the accompanying Chairman's and Chief Executive Officer's Reports.

Share Options

No options to have shares issued in the Consolidated Group were granted during or since the end of the financial year and there were no options outstanding at the end of the financial year.

Environmental Issues

The Consolidated Group has complied with all environmental regulations under Commonwealth or State legislation.

DIRECTORS' REPORT

(CONTINUED)

Information On Directors



Mr David Schirripa Director & Chairman

Qualifications:

- Lawyer LLB (Hons) GDLP
- B. Econ.(Accg)

Experience:

- Two generations of family interest in fresh produce industry at grower, wholesale and retail level
- APML Director from November 2004 to Nov 2007 including period as Deputy Chairman
- Director of Schirripa Evans Lawyers, a private client commercial law practice
- Director, Schirripa Orchards Pty Ltd

Registered Interest In Shares And Options:

253,900

Attendance: Meetings Of Directors 1 July 2013 to 30 June 2014 (for the Consolidated Group)

Board Meetings:

- Number eligible to attend 10
- Number attended 10

Committee Meetings:

- Number eligible to attend 6
- Number attended 6

Committees Presided On:

- Audit, Corporate Governance & Finance Committee



Mr Nicola Minicozzi Director & Deputy Chairman

Qualifications:

- Bachelor of Laws (LLB)
- Notary Public

Experience:

- Admitted Legal Practitioner in 1974
- Experience in non-litigious and litigious Commercial Law

Registered Interest In Shares And Options:

Nil

Attendance: Meetings Of Directors 1 July 2013 to 30 June 2014 (for the Consolidated Group)

Board Meetings:

- Number eligible to attend 10
- Number attended 10

Committee Meetings:

- Number eligible to attend 6
- Number attended 6

Committees Presided On:

- Audit, Corporate Governance & Finance Committee

DIRECTORS' REPORT

(CONTINUED)



Mr Pasquale Scalzi Director

Experience:

- 49 years wholesale fruit and vegetable industry
- Wholesaler Board Member since 1987

Registered Interest In Shares And Options:

845,199

Attendance: Meetings Of Directors 1 July 2013 to 30 June 2014 (for the Consolidated Group)

Board Meetings:

- Number eligible to attend 10
- Number attended 9



Mr David Trosti Director

Experience:

- 19 years' experience in fruit and vegetable industry

Registered Interest In Shares And Options:

46,600

Attendance: Meetings Of Directors 1 July 2013 to 30 June 2014 (for the Consolidated Group)

Board Meetings:

- Number eligible to attend 10
- Number attended 9



Mr Daniele De Ieso Director

Qualifications:

- Advanced Diploma in Horticulture Production
- Diploma of Rural Business Management

Experience:

- Over 35 years' experience in fruit and vegetable industry
- Grower Board Member since 2002
- Industry Advisory Committee Member to Horticulture Australia

Registered Interest In Shares And Options:

2,400

Attendance: Meetings Of Directors 1 July 2013 to 30 June 2014 (for the Consolidated Group)

Board Meetings:

- Number eligible to attend 10
- Number attended 9

DIRECTORS' REPORT

(CONTINUED)



Mr Antonio Ceravolo Director

Qualifications:

- Managing Director, R Ceravolo & Co Pty Ltd
- Director, Ashton Valley Fresh Juices
- Director, Ceravolo Orchards Pty Ltd
- Director, Apple & Pear Growers Association of SA

Experience:

- 32 years of orchard experience
- 32 years' experience in wholesale of fruit and vegetables

Registered Interest In Shares And Options:

126,300

Attendance: Meetings Of Directors 1 July 2013 to 30 June 2014 (for the Consolidated Group)

Board Meetings:

- | | |
|-----------------------------|----|
| • Number eligible to attend | 10 |
| • Number attended | 10 |



Mr Michael Ruggiero Director

Qualifications:

- Bachelor of Arts (Accounting)
- Chartered Accountant
- Fellow – Taxation Institute of Australia
- Diploma in Financial Services

Experience:

- 26 years' experience as a Chartered Accountant
- Partner, Bentleys Accountants, Auditors and Advisors
- Advisor in the area of taxation and business consulting in the property, retail and wholesale sectors and professional services industry
- Experience in Capital Gains Tax, international taxation, structuring property and business acquisitions

Registered Interest In Shares And Options:

Nil

Attendance: Meetings Of Directors 1 July 2013 to 30 June 2014 (for the Consolidated Group)

Board Meetings:

- | | |
|-----------------------------|----|
| • Number eligible to attend | 10 |
| • Number attended | 9 |

Committee Meetings:

- | | |
|-----------------------------|---|
| • Number eligible to attend | 6 |
| • Number attended | 6 |

Committees Presided On:

- Audit, Corporate Governance & Finance Committee

DIRECTORS' REPORT

(CONTINUED)



Mr Vincenzo Dimasi Director

Experience:

- Former Councillor for Mallala Council
- 33 years' experience in the retail industry
- 7 years' Grower experience
- Past President of Two Wells Football Club (life member)
- Past President of Adelaide Plains Football Club (life member)
- Past President of South Australian Fruit & Vegetable Retailers Association

Registered Interest In Shares And Options:

Nil

Attendance: Meetings Of Directors 1 July 2013 to 30 June 2014 (for the Consolidated Group)

Board Meetings:

- | | |
|-----------------------------|----|
| • Number eligible to attend | 10 |
| • Number attended | 10 |



Mr Gregory Griffin Director

Qualifications:

- Managing Partner at Griffins Lawyers (formed July 1996)
- Admitted to practice in January 1981

Experience:

- 32 years legal practice experience
- Former Partner of Ward & Partners (now Hunt & Hunt)
- Former Partner of Phillips Fox, Adelaide from 1989 to 1996
- Registered player's representative of the Australian Football League Players' Association
- Chairman of Adelaide United Football Club
- Secretary General of Taekwondo Australia
- Current member on various charitable boards
- Presiding member on the Board of Integrated Waste Services & Broadwater Hospitality
- Lawyer for numerous high profile sporting personalities
- Former member of the Executive of the Law Society of South Australia

Registered Interest In Shares And Options:

Nil

Attendance: Meetings Of Directors 1 July 2013 to 30 June 2014 (for the Consolidated Group)

Board Meetings:

- | | |
|-----------------------------|----|
| • Number eligible to attend | 10 |
| • Number attended | 9 |

Committee Meetings:

- | | |
|-----------------------------|---|
| • Number eligible to attend | 6 |
| • Number attended | 3 |

Committees Presided On:

- Audit, Corporate Governance & Finance Committee

DIRECTORS' REPORT

(CONTINUED)

Remuneration Report

The Consolidated Group's policy for determining the nature and amount of emoluments of Directors and Senior Executives is as follows:

Directors' Emoluments

Directors' emoluments were determined at the Annual General Meeting of the Parent Entity and are made in accordance with the Constitution.

Senior Executive – Chief Executive Officer

The Chief Executive Officer's emoluments are determined by the Board of Directors of the Parent Entity and are reviewed on an annual basis, based on the industry comparisons and overall performance.

The emoluments of each Director together with the Chief Executive Officer of the Company paid for the financial year ended 30 June 2014 are as follows:

Name	Title	Directors' Fee	Committee Fees	Salary	Retirement And Superannuation Contributions	Non Cash Benefits	Total Emoluments
		\$	\$	\$	\$	\$	\$
Mr D Schirripa	Chairman of Directors	50,000	-	-	4,625	-	54,625
Mr N Minicozzi	Deputy Chairman	40,000	2,500	-	3,931	-	46,431
Mr P Scalzi	Director	30,000	-	-	2,775	-	32,775
Mr D De lesio	Director	30,000	-	-	2,775	-	32,775
Mr D Trosti	Director	30,000	-	-	2,775	-	32,775
Mr V Dimasi	Director	30,000	-	-	2,775	-	32,775
Mr A Ceravolo	Director	30,000	-	-	2,775	-	32,775
Mr M Ruggiero	Director	30,000	2,500	-	3,006	-	35,506
Mr G Griffin	Director	30,000	1,000	-	2,868	-	33,868
TOTAL DIRECTORS		300,000	6,000	-	28,305	-	334,305
Mr A Demasi	Chief Executive Officer (non Director) and Company Secretary	-	-	158,140	14,768	22,089	194,997
		300,000	6,000	158,140	43,073	22,089	529,302

There were no retirement benefits paid by the Consolidated Group to its Directors, Senior Executives or other employees. There were no emoluments paid by APML No. One Pty Ltd and APML No. Two Pty Ltd.

DIRECTORS' REPORT

(CONTINUED)

Directors' Benefits – Other Than Benefits Separately Disclosed In Note 24: Related Party Disclosures

Other than that disclosed in Note 24, no Director has received or become entitled to receive during or since the financial year, a benefit because of a contract made by the Company or a related body corporate with a Director, a firm of which the Director is a member or an entity in which the Director has a substantial financial interest.

Indemnifying Officers Or Auditor

The Company has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the Company or a related body corporate:

- Indemnified or made any relevant agreement for indemnifying against a liability as an officer or auditor, including costs and expenses in successfully defending legal proceedings; or
- Paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer or auditor for the costs or expenses to defend legal proceedings, with exception of the following:

The Company paid insurance premiums to insure all Directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director of the Company, other than conduct involving a wilful breach of duty in relation to the company.

Share Options

There are no share options that have been granted over the unissued shares of the Company.

Proceedings On Behalf Of The Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.


Non-Audit Services – External Auditor

Fees for non-audit services were not paid/payable to the external auditor during the year ended 30 June 2014.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's independence declaration as required under Section 307C of the Corporations Act 2001 is following this report.

Signed in accordance with a resolution of the Board of Directors.



David Schirripa

Chairman of Directors

Diagonal Road Pooraka South Australia 5095

Dated Wednesday 15 October 2014



Level 1,
67 Greenhill Rd
Wayville SA 5034

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W www.grantthornton.com.au

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF ADELAIDE PRODUCE MARKETS LIMITED**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Adelaide Produce Markets Limited for the year ended 30 June 2014, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



J L Humphrey
Partner – Audit & Assurance

Adelaide, 15 October 2014

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2014

	Note	Consolidated		Parent	
		2014	2013	2014	2013
		\$	\$	\$	\$
Revenue	2	13,874,766	14,181,285	11,979,983	12,472,247
Investment property revaluation gain/loss		1,438,237	(221,587)	2,038,237	28,413
Employee benefits expense		(1,160,617)	(1,308,623)	(1,160,616)	(1,308,623)
Depreciation expense	3	(251,976)	(268,610)	(185,171)	(153,840)
Finance costs	3	(953,755)	(1,167,291)	(897,513)	(1,111,269)
Other expenses	3	(5,881,749)	(7,640,580)	(4,724,535)	(6,543,529)
Profit before income tax		7,064,906	3,574,594	7,050,385	3,383,399
Income tax (expense)/benefit	4	(2,155,694)	(1,102,188)	(2,151,338)	(1,045,063)
Profit after income tax		4,909,212	2,472,406	4,899,047	2,338,336
Other comprehensive income		-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		4,909,212	2,472,406	4,899,047	2,338,336
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO MEMBERS OF THE PARENT		4,909,212	2,472,406	4,899,047	2,338,336

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2014

	Note	Consolidated		Parent	
		2014	2013	2014	2013
		\$	\$	\$	\$
CURRENT ASSETS					
Cash and cash equivalents	6	2,532,122	1,644,451	2,192,743	1,104,377
Trade and other receivables	7	450,849	503,840	450,849	503,840
Other current assets	8	456,175	494,001	388,586	385,229
TOTAL CURRENT ASSETS		3,439,146	2,642,292	3,032,178	1,993,446
NON-CURRENT ASSETS					
Investments - equity method	30	-	-	-	-
Trade and other receivables	7	59,942	59,942	9,840,785	10,665,920
Investment properties	9	86,550,000	83,850,000	75,850,000	72,550,000
Plant and equipment	10	1,259,717	1,372,503	1,244,662	1,290,645
Financial assets	29	-	-	2	2
Intangible assets	11	120,000	120,000	120,000	120,000
TOTAL NON-CURRENT ASSETS		87,989,659	85,402,445	87,055,449	84,626,567
TOTAL ASSETS		91,428,805	88,044,737	90,087,627	86,620,013
CURRENT LIABILITIES					
Trade and other payables	12	1,431,357	1,446,908	1,497,500	1,448,587
Short-term borrowings	13	3,404	-	3,404	-
Current tax liabilities	15	739,626	184,861	647,491	151,258
Short-term provisions	14	325,667	316,555	325,667	316,555
TOTAL CURRENT LIABILITIES		2,500,054	1,948,324	2,474,062	1,916,400
NON-CURRENT LIABILITIES					
Long-term borrowings	13	22,241,451	21,606,261	22,241,451	21,606,261
Long-term provisions	14	30,496	16,000	30,496	16,000
Deferred tax liabilities	15	9,266,950	8,528,774	9,641,858	8,815,903
TOTAL NON-CURRENT LIABILITIES		31,538,897	30,151,035	31,913,805	30,438,164
TOTAL LIABILITIES		34,038,951	32,099,359	34,387,867	32,354,564
NET ASSETS		57,389,854	55,945,378	55,699,760	54,265,449
EQUITY					
Issued capital	16	5,774,560	5,774,560	5,774,560	5,774,560
Reserves		392,750	392,750	392,750	392,750
Retained earnings		51,222,544	49,778,068	49,532,450	48,098,139
TOTAL EQUITY		57,389,854	55,945,378	55,699,760	54,265,449

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2014

	Note	Issued Capital	Retained Earnings	Share Premium Reserve	Total
		\$	\$	\$	\$
CONSOLIDATED					
Balance as at 1 July 2012		5,774,560	50,481,670	392,750	56,648,980
Profit for the year		-	2,472,406	-	2,472,406
Other comprehensive income		-	-	-	-
TOTAL COMPREHENSIVE INCOME		-	2,472,406	-	2,472,406
Transactions with owners					
Dividends paid or provided for	5	-	(3,176,008)	-	(3,176,008)
TOTAL TRANSACTIONS WITH OWNERS		-	(3,176,008)	-	(3,176,008)
Balance as at 30 June 2013		5,774,560	49,778,068	392,750	55,945,378
Profit for the year		-	4,909,212	-	4,909,212
Other comprehensive income		-	-	-	-
TOTAL COMPREHENSIVE INCOME		-	4,909,212	-	4,909,212
Transactions with owners					
Dividends paid or provided for	5	-	(3,464,736)	-	(3,464,736)
TOTAL TRANSACTIONS WITH OWNERS		-	(3,464,736)	-	(3,464,736)
Balance as at 30 June 2014		5,774,560	51,222,544	392,750	57,389,854
PARENT					
Balance as at 1 July 2012		5,774,560	48,935,811	392,750	55,103,121
Profit for the year		-	2,338,336	-	2,338,336
Other comprehensive income		-	-	-	-
TOTAL COMPREHENSIVE INCOME		-	2,338,336	-	2,338,336
Transactions with owners					
Dividends paid or provided for	5	-	(3,176,008)	-	(3,176,008)
TOTAL TRANSACTIONS WITH OWNERS		-	(3,176,008)	-	(3,176,008)
Balance as at 30 June 2013		5,774,560	48,098,139	392,750	54,265,449
Profit for the year		-	4,899,047	-	4,899,047
Other comprehensive income		-	-	-	-
TOTAL COMPREHENSIVE INCOME		-	4,899,047	-	4,899,047
Transactions with owners					
Dividends paid or provided for	5	-	(3,464,736)	-	(3,464,736)
TOTAL TRANSACTIONS WITH OWNERS		-	(3,464,736)	-	(3,464,736)
Balance as at 30 June 2014		5,774,560	49,532,450	392,750	55,699,760

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2014

	Note	Consolidated		Parent	
		2014	2013	2014	2013
		\$	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers		13,907,243	14,154,220	11,554,977	13,116,187
Payments to suppliers and employees		(6,985,764)	(9,173,990)	(5,805,268)	(7,949,198)
Interest received		20,512	41,935	100,530	121,951
Borrowing costs		(953,755)	(1,167,291)	(520,046)	(1,111,269)
Income tax received/(paid)		(862,753)	(1,114,255)	(829,150)	(1,114,256)
NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES	19	5,125,483	2,740,619	4,501,043	3,063,415
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from sale of property, plant and equipment		34,091	-	34,091	-
Payments for property plant and equipment		(1,445,761)	(345,767)	(1,445,761)	(342,456)
NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES		(1,411,670)	(345,767)	(1,411,670)	(342,456)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from borrowings - Commercial Bills		638,594	-	638,594	-
Proceeds from borrowings - Related Party		-	-	825,135	-
Dividends paid		(3,464,736)	(3,176,008)	(3,464,736)	(3,176,008)
NET CASH (USED IN)/PROVIDED BY FINANCING ACTIVITIES		(2,826,142)	(3,176,008)	(2,001,007)	(3,176,008)
Net increase/(decrease) in cash held		887,671	(781,156)	1,088,366	(455,049)
Cash at the beginning of financial year		1,644,451	2,425,607	1,104,377	1,559,426
CASH AT THE END OF FINANCIAL YEAR	6	2,532,122	1,644,451	2,192,743	1,104,377

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

General Information and Statement of Compliance

The consolidated general purpose financial statements of the Group have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. Compliance with Australian Accounting Standards results in full compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). Adelaide Produce Markets Ltd is a for-profit entity for the purpose of preparing the financial statements.

Adelaide Produce Markets Ltd is the Group's Ultimate Parent Company. Adelaide Produce Markets Ltd is a public Company incorporated and domiciled in Australia. The address of its registered office and its principal place of business is Burma Road, Pooraka, SA 5095, Australia.

The consolidated financial statements for the year ended 30 June 2014 (including comparatives) were approved and authorised for issue by the Board of Directors.

New and Revised Standards that are effective for these Financial Statements

A number of new and revised standards are effective for annual periods beginning on or after 1 July 2013. Information on these new standards is presented below.

AASB 10 Consolidated Financial Statements

AASB 10 supersedes AASB 127 Consolidated and Separate Financial Statements (AASB 127) and AASB Interpretation 112 Consolidation – Special Purpose Entities. AASB 10 revises the definition of control and provides extensive new guidance on its application.

These new requirements have the potential to affect which of the Group's investees are considered to be subsidiaries and therefore to change the scope of consolidation. The requirements on consolidation procedures, accounting for changes in non-controlling interests and accounting for loss control of a subsidiary are unchanged.

Management has reviewed its control assessments in accordance with AASB 10 and has concluded that there is no effect on the classification (as subsidiaries or otherwise) of any of the Group's investees held during the period or comparative periods covered by these financial statements.

AASB 11 Joint Arrangements

AASB 11 supersedes AASB 131 Interests in Joint Ventures (AASB 131) and AASB Interpretation 113 Jointly Controlled Entities – Non-Monetary-Contributions by Venturers. AASB 11 revises the categories of joint arrangement, and the criteria for classification into the categories, with the objective of more closely aligning the accounting with the investor's rights and obligations relating to the arrangement. In addition, AASB 131's option of using proportionate consolidation for arrangements classified as jointly controlled entities under that Standard has been eliminated. AASB 11 now requires the use of the equity method for arrangements classified as joint ventures (as for investments in associates).

The Group's only joint arrangement within the scope of AASB 11 is its fifty per cent (50%) investment in Market Fresh Pty Ltd. Management has reviewed the classification of Market Fresh in accordance with AASB 11 and has concluded that it is a joint venture. AASB 11 requires the use of equity accounting for joint ventures.

Amendments to AASB 119 Employee Benefits

Under the amendments, employee benefits 'expected to be settled wholly' (as opposed to 'due to be settled' under the superseded version of AASB 119) within 12 months after the end of the reporting period are short-term benefits, and are therefore not discounted when calculating leave liabilities. As the Group does not expect all annual leave for all employees to be used wholly within 12 months of the end of reporting period, annual leave is included in 'long term provisions' and discounted when calculating the leave liability. This change has had no impact on the presentation of annual leave as a current liability in accordance with AASB 101 Presentation of Financial Statements.

Accounting Standards issued but not yet effective and not been adopted early by the Group

AASB 1031 Materiality (December 2013)

The revised AASB 1031 is an interim standard that cross-references to other Standards and the Framework for the Preparation and Presentation of Financial Statements (issued December 2013) that contain guidance on materiality. The AASB is progressively removing references to AASB 1031 in all Standards and Interpretations, and once all these references have been removed, AASB 1031 will be withdrawn.

When the revised AASB 1031 is first adopted for the year ending 30 June 2015, it is unlikely to have any significant impact on the entity.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014 (CONTINUED)

AASB 2014-1 Amendments to Australian Accounting Standards (Part A: Annual Improvements 2010–2012 and 2011–2013 Cycles)

Part A of AASB 2014-1 makes amendments to various Australian Accounting Standards arising from the issuance by the International Accounting Standards Board (IASB) of International Financial Reporting Standards Annual Improvements to IFRSs 2010-2012 Cycle and Annual Improvements to IFRSs 2011-2013 Cycle.

Among other improvements, the amendments arising from Annual Improvements to IFRSs 2010-2012 Cycle are to:

- a) clarify that the definition of a 'related party' includes a management entity that provides key management personnel services to the reporting entity (either directly or through a Group entity); and
- b) amend AASB 8 Operating Segments to explicitly require the disclosure of judgements made by management in applying the aggregation criteria.

Among other improvements, the amendments arising from Annual Improvements to IFRSs 2011-2013 Cycle are to:

- a) clarify that an entity should assess whether an acquired property is an investment property under AASB 140 Investment Property; and
- b) perform a separate assessment under AASB 3 Business Combinations to determine whether the acquisition of the investment property constitutes a business combination.

When these amendments are first adopted for the year ending 30 June 2015, there will be no material impact on the entity.

IFRS 15 Revenue from Contracts with Customers

IFRS 15:

- replaces IAS 18 Revenue, IAS 11 Construction Contracts and some revenue-related Interpretations
- establishes a new control-based revenue recognition model
- changes the basis for deciding whether revenue is to be recognised over time or at a point in time
- provides new and more detailed guidance on specific topics (e.g. multiple element arrangements, variable pricing, rights of return, warranties and licensing)
- expands and improves disclosures about revenue

In the Australian context, the Australian Accounting Standards Board (AASB) is expected to issue the equivalent Australian Standard (AASB 15 Revenue from Contracts with Customers) by September 2014.

The entity has not yet assessed the full impact of this Standard.

Summary of Accounting Policies

The significant accounting policies that have been used in the preparation of these consolidated financial statements are summarised below.

The consolidated financial statements have been prepared using the measurement bases specified by Australian Accounting Standards for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below. They have been consistently applied unless otherwise stated.

The Financial Report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(a) Basis of Consolidation

The Group financial statements consolidate those of the parent Company and its subsidiaries as of 30 June 2014. The parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. The subsidiaries have a reporting date of 30 June.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a Group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014 (CONTINUED)

(b) Investments in Joint Ventures

A joint venture is an arrangement that the Group controls jointly with one or more other investors, and over which the Group has rights to a share of the arrangement's net assets rather than direct rights to underlying assets and obligations for underlying liabilities. A joint arrangement in which the Group has direct rights to underlying assets and obligations for underlying liabilities is classified as a joint operation.

Investments in joint ventures are accounted for using the equity method. Interests in joint operations are accounted for by recognising the Group's assets (including its share of any assets held jointly), its liabilities (including its share of any liabilities incurred jointly), its revenue from the sale of its share of the output arising from the joint operation, its share of the revenue from the sale of the output by the joint operation and its expenses (including its share of any expenses incurred jointly).

Any goodwill or fair value adjustment attributable to the Group's share in the associate or joint venture is not recognised separately and is included in the amount recognised as investment.

The carrying amount of the investment in joint ventures is increased or decreased to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture, adjusted where necessary to ensure consistency with the accounting policies of the Group.

(c) Income Tax

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity. The entity is a tax Consolidated Group.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, the Australian Taxation Office ('ATO') and other fiscal authorities relating to the current or prior reporting periods that are unpaid at the reporting date.

Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases.

However, deferred tax is not provided on the initial recognition of goodwill or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income, based on the Group's forecast of future operating results which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full.

Deferred tax assets and liabilities are offset only when the Group has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income (such as the revaluation of land) or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

(d) Investment Property

Investment property, comprising all land and buildings owned by the Consolidated Group, is held to generate long term rental yields. All tenant leases are on an arm's length basis, in accordance with AASB 140 Investment Properties. Investment properties are carried at fair value, determined annually by an independent valuer. Changes to fair value are annually recorded in the Statement of profit or loss and other comprehensive income as other income.

An independent valuation of all land and building assets (including all plant and equipment considered to be an integral component of the relevant asset) was conducted by Jones Lang LaSalle as at 30 June 2014. All buildings assets were valued at market value in accordance with AASB 140.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014 (CONTINUED)

(e) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Plant and Equipment

Plant and equipment is measured on the costs basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal.

Depreciation

Depreciation is calculated both on a straight-line and diminishing value basis so as to write off the net cost of each depreciable asset over its expected useful life to the Company commencing from the time the asset is held ready for use. Depreciation rates have been reviewed during the financial year by the Board of Directors.

The independent valuation of buildings as at 30 June 2014 included all plant and equipment that was considered to be an integral component of the relevant asset and included additions at cost since the previous valuation. Consistent with previous financial years, buildings are not depreciated for accounting purposes as they are held for investment purposes.

Class of Fixed Asset	Depreciation Rate
Plant and equipment	3.75 - 50%
Motor vehicles	18.50%
Furniture and fittings	9 - 50%
Office equipment	9 - 50%

The assets' residual values and useful lives are reviewed and adjusted where deemed appropriate, at each balance date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Statement of profit or loss and other comprehensive income.

(f) Rents and Fees in Advance

Rents and fees in advance are brought to account as income in the financial period to which they relate.

(g) Land and Development Expenditure

As at 30 June 2014 any construction in progress and land re-development costs are separately disclosed.

(h) Revenue

Revenue from the rendering of a service is recognised upon the delivery of the service to the customer, adjusted where applicable for any amount that is prepaid.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

All revenue stated is net of the amount of goods and services tax.

(i) Intangibles

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognised. Goodwill is carried at cost less accumulated impairment losses.

(j) Employee Entitlements

Provisions are made in the Financial Statement for all employee benefits. On-costs have been recognised in calculating employee provisions. Liabilities for wages, salaries and annual leave are recognised in the provision for employee benefits in respect of employees' services up to the reporting date and are measured at amounts which are expected to be paid as the liability is settled.

Liability for long-service leave expected to be settled within the next 12 months from the reporting date are recognised in employee provisions and measured with the same principals as annual leave. The liability for long-service leave and annual leave expected to be settled more than 12 months from the reporting date is recognised in the provisions for employee benefits and is measured at the present value of the expected future payments to be made to settle the liability in respect of services provided by employees up to the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014 (CONTINUED)

(k) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits at call with banks and other short-term highly liquid investments with original maturities of three months or less.

(l) Financial Instruments

Recognition and Initial Measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

– Financial assets at fair value through profit and loss

Financial assets at FVTPL include financial assets that are either classified as held for trading or that meet certain conditions and are designated at FVTPL upon initial recognition. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

– Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in Groups, which are determined by reference to the industry and region of a counterparty and other shared credit risk characteristics. The impairment loss estimate is then based on recent historical counterparty default rates for each identified Group.

Classification and subsequent measurement of financial liabilities

The Group's financial liabilities include borrowings and trade and other payables.

Financial liabilities are measured subsequently at amortised cost using the effective interest method, except for financial liabilities held for trading or designated at FVTPL, that are carried subsequently at fair value with gains or losses recognised in profit or loss.

(m) Impairment of Assets

At each reporting date, the Board of Directors review the carrying values of tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of profit or loss and other comprehensive income.

Impairment testing is performed annually by the Board of Directors for goodwill and intangibles with indefinite lives, as applicable.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of cash-generating unit to which the asset belongs.

(n) Comparative Figures

Where required by Australian Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014 (CONTINUED)

(o) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST components of investing and financing activities, which are disclosed as operating cash flows.

(p) Critical Accounting Estimates and Judgements

The preparation of the Adelaide Produce Markets Limited Financial Statements requires management to make estimates and judgements based on the information available at that time that has an effect on the reported amounts of assets and liabilities and the disclosure of any contingent assets and liabilities at the date of the Financial Report and the reported revenues and expenses during the reporting period.

On an ongoing basis, management evaluates judgements and estimates made that impact on the Financial Report. Management bases its judgements and estimates on historical experience and on various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements and estimates about carrying values of transactions that are not readily apparent from other sources. There may be variances between estimates and actual results which are monitored by management as mentioned above.

Key Estimates - Impairment

The Consolidated Group assesses impairment at each reporting date by evaluating conditions specific to the Consolidated Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amounts incorporate a number of key estimates.

Based on the performance of the Sunday Markets, the Board of Directors have resolved that no impairment in respect of goodwill is required for the year ended 30 June 2014.

Key Judgements - Provision for Impairment of Receivables

The Board of Directors have resolved that a provision for impairment of receivables is required for the year ended 30 June 2014.

(q) Parent Entity Information

The financial information for the parent entity, Adelaide Produce Markets Limited, has been prepared on the same basis as the consolidated financial statements.

(r) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in 'finance costs'.

(s) Leases

The economic ownership of a leased asset is transferred to the lessee if the lessee bears substantially all the risks and rewards of ownership of the leased asset. Where the Group is a lessee in this type of arrangement, the related asset is recognised at the inception of the lease at the fair value of the leased asset or, if lower, the present value of the lease payments plus incidental payments, if any. A corresponding amount is recognised as a finance lease liability.

See Note 1(e) for the depreciation methods and useful lives for assets held under finance lease. The corresponding finance lease liability is reduced by lease payments net of finance charges. The interest element of lease payments represents a constant proportion of the outstanding capital balance and is charged to profit or loss, as finance costs over the period of the lease.

All other leases are treated as operating leases. Where the Group is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

(t) Equity, Reserves and Dividend Payments

Share capital represents the fair value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from share capital, net of any related income tax benefits.

Retained earnings include all current and prior period retained profits.

Dividend distributions payable to equity shareholders are included in other liabilities when the dividends have been approved in a general meeting prior to the reporting date.

All transactions with owners of the parent are recorded separately within equity.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014 (CONTINUED)

NOTE 2 – REVENUE

	Consolidated		Parent	
	2014	2013	2014	2013
	\$	\$	\$	\$
Rental Revenue				
Rents and recoveries	13,779,682	14,134,671	11,432,191	11,823,166
Other Revenue				
Insurance recoveries	74,570	4,679	69,795	10,000
Interest received	20,514	41,935	100,530	121,951
Interest recoveries	-	-	377,467	517,130
	13,874,766	14,181,285	11,979,983	12,472,247

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014 (CONTINUED)

NOTE 3 – PROFIT FOR THE YEAR

	Consolidated		Parent	
	2014	2013	2014	2013
	\$	\$	\$	\$
Expenses				
Finance costs	953,755	1,167,291	897,513	1,111,269
Depreciation of property, plant and equipment	251,976	268,610	185,171	153,840
Remuneration of Auditor				
Audit	25,500	25,000	25,500	25,000
Taxation services	-	-	-	-
	25,500	25,000	25,500	25,000

There have been no non-audit services during the year.

Other Expenses				
25th Anniversary dinner	120,308	7,400	120,308	7,400
Accounting and legal expenses	189,516	263,114	189,516	262,984
Bad debts	153	53,488	153	53,488
Cleaning	324,380	361,292	324,380	362,069
Director Fees	306,000	319,000	306,000	319,000
Emergency services levy	81,947	81,774	27,953	27,781
Equipment hire	76,425	59,170	76,425	59,170
Insurance expense	382,928	331,917	332,518	287,563
Land tax	756,029	756,029	487,189	487,189
Loss on sale of plant and equipment	10,719	-	10,719	-
Market Fresh SA Pty Ltd contribution	148,958	-	148,958	-
Market vehicle expenses	54,533	63,441	54,533	63,441
Other	764,402	734,356	760,406	732,304
Professional fees	127,287	176,390	127,287	174,756
Rates and taxes	744,062	700,380	219,888	210,013
Rent expense	375,993	365,603	375,993	365,603
Repairs and maintenance	266,767	1,958,047	203,061	1,930,583
Retail development program	-	226,718	-	226,717
Security	142,722	168,437	142,722	168,437
Subcontractor expenses	728,543	736,535	728,543	736,535
Water rates	280,077	277,489	87,983	68,496
	5,881,749	7,640,580	4,724,535	6,543,529

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014 (CONTINUED)

NOTE 4 – INCOME TAX EXPENSE

	Consolidated		Parent	
	2014	2013	2014	2013
	\$	\$	\$	\$
The components of Tax Expense comprise:				
Current tax	1,417,518	781,683	1,325,384	748,080
Deferred tax	738,176	320,505	825,954	296,983
	2,155,694	1,102,188	2,151,338	1,045,063
<i>The prima facie tax on profit before income tax is reconciled to the income tax as follows:</i>				
Prima facie tax payable on profit before income tax at 30% (2013: 30%)	2,119,472	1,072,543	2,115,116	1,015,418
<i>Add: Tax Effect of:</i>				
- revaluation	-	66,476	-	-
- provision for holiday pay	8,106	-	8,106	-
- provision for long service leave	10,984	-	10,984	-
- other non-allowable items	192,322	47,642	192,322	47,642
- under/over provision prior years	-	-	-	-
<i>Less: Tax Effect of:</i>				
- revaluation gain	(431,471)	-	(611,471)	(8,524)
- net movement in debtors	-	(91)	-	(91)
- depreciation/capital allowance	-	(3,034)	-	(3,034)
- allowable deduction for bitumen works	(357,589)	(376,972)	(265,367)	(278,450)
- other allowable items	(124,306)	(24,881)	(124,306)	(24,881)
	1,417,518	781,683	1,325,384	748,080

NOTE 5 – DIVIDENDS

	Consolidated		Parent	
	2014	2013	2014	2013
	\$	\$	\$	\$
Final Distribution Paid	1,732,368	1,732,368	1,732,368	1,732,368
Interim Distribution Paid	1,732,368	1,443,640	1,732,368	1,443,640
Franking Account	945,798	1,567,932	945,798	1,567,932

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014 (CONTINUED)

NOTE 6 – CASH AND CASH EQUIVALENTS

	Consolidated		Parent	
	2014	2013	2014	2013
	\$	\$	\$	\$
Cash on hand	1,050	1,050	1,050	1,050
Cash at bank	2,531,072	1,643,401	2,191,693	1,103,327
	2,532,122	1,644,451	2,192,743	1,104,377

Reconciliation of Cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the items in the statement of financial position as follows:

Cash and cash equivalents	2,532,122	1,644,451	2,192,743	1,104,377
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A security interest over cash and cash equivalents has been provided for certain debt. Refer to Note 13 - Borrowings.

NOTE 7 – TRADE AND OTHER RECEIVABLES

	Consolidated		Parent	
	2014	2013	2014	2013
	\$	\$	\$	\$
Current				
Trade debtors	440,132	523,903	440,132	523,903
Provision for impairment	(48,869)	(48,869)	(48,869)	(48,869)
	391,263	475,034	391,263	475,034
Other debtors	59,586	28,806	59,586	28,806
	450,849	503,840	450,849	503,840
Non-Current				
Trade debtors	59,942	59,942	59,942	59,942
Loan - Subsidiaries	-	-	9,780,843	10,605,978
	59,942	59,942	9,840,785	10,665,920

All of the Group's trade and other receivables have been reviewed for indicators of impairment. Certain trade receivables were found to be impaired and an allowance for credit losses of \$48,869 (2013: \$48,869) have been recorded accordingly within other expenses. The impaired trade receivables are due from circumstances in the business-to-business market that are experiencing financial difficulties.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014 (CONTINUED)

NOTE 7 – TRADE AND OTHER RECEIVABLES (CONTINUED) PAST DUE NOT IMPAIRED

	Gross Amount	Past Due & Impaired	Past Due But Not Impaired (Days Overdue)				Within Initial Trade Terms
			<30	31-60	61-90	90+ days	
	\$	\$	\$	\$	\$	\$	\$
2014							
Consolidated Group							
Trade Receivables	440,132	48,869	159,731	60,360	14,603	31,420	125,149
Parent Entity							
Trade Receivables	440,132	48,869	159,731	60,360	14,603	31,420	125,149
2013							
Consolidated Group							
Trade Receivables	523,903	48,869	106,506	105,008	10,691	28,992	223,837
Parent Entity							
Trade Receivables	523,903	48,869	106,506	105,008	10,691	28,992	223,837

NOTE 8 – OTHER CURRENT ASSETS

	Consolidated		Parent	
	2014	2013	2014	2013
	\$	\$	\$	\$
Current				
Prepaid Commercial Bill interest	97,176	142,340	67,387	84,360
Prepayments - other	358,999	351,661	321,199	300,869
	456,175	494,001	388,586	385,229

NOTE 9 – INVESTMENT PROPERTIES

	Consolidated		Parent	
	2014	2013	2014	2013
	\$	\$	\$	\$
Investment Properties				
Land	43,300,000	42,450,000	38,200,000	36,400,000
Buildings	43,250,000	41,400,000	37,650,000	36,150,000
Total Investment Properties	86,550,000	83,850,000	75,850,000	72,550,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014 (CONTINUED)

NOTE 9 – INVESTMENT PROPERTIES (CONTINUED) MOVEMENTS IN CARRYING AMOUNTS

Movements in the carrying amounts for investment properties for the financial year ended 30 June 2014 are as follows:

	Investment Properties	Total
	\$	\$
Consolidated Group		
Balances at 1 July 2013	83,850,000	83,850,000
Additions - at cost	674,095	674,095
Amounts reclassified from construction in progress	587,668	587,668
Revaluation increment/(decrement)	1,438,237	1,438,237
Carrying amounts at 30 June 2014	86,550,000	86,550,000
Parent Entity		
Balances at 1 July 2013	72,550,000	72,550,000
Additions - at cost	674,095	674,095
Amounts reclassified from construction in progress	587,668	587,668
Revaluation increment/(decrement)	2,038,237	2,038,237
Carrying amounts at 30 June 2014	75,850,000	75,850,000

Investment properties are leased out on operating leases. Rental income amounts to \$5,050,662 (2013: \$4,997,454) included in revenue.

NOTE 10 – PLANT AND EQUIPMENT

	Consolidated		Parent	
	2014	2013	2014	2013
	\$	\$	\$	\$
Construction in progress - at cost	-	13,005	-	13,005
Plant, Equipment and Vehicles				
Plant, equipment & vehicles - at cost	3,408,407	3,324,961	2,372,002	2,293,843
Less: accumulated depreciation	(2,148,690)	(1,965,463)	(1,127,340)	(1,016,203)
Total plant, equipment and vehicles	1,259,717	1,359,498	1,244,662	1,277,640
Total Plant and Equipment	1,259,717	1,372,503	1,244,662	1,290,645

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014 (CONTINUED)

NOTE 10 – PLANT AND EQUIPMENT (CONTINUED) MOVEMENTS IN CARRYING AMOUNTS

Movements in the carrying amounts for each class of plant and equipment for the financial year ended 30 June 2014 are as follows:

	Construction In Progress	Plant And Equipment	Total
	\$	\$	\$
Consolidated Group			
Balances at 1 July 2013	13,005	1,359,498	1,372,503
Additions - at cost	574,663	205,702	780,365
Disposals - carrying value	-	(53,507)	(53,507)
Amounts reclassified from construction in progress	(587,668)	-	(587,668)
Depreciation expense	-	(251,976)	(251,976)
Carrying amounts at 30 June 2014	-	1,259,717	1,259,717
Parent Entity			
Balances at 1 July 2013	13,005	1,277,640	1,290,645
Additions - at cost	574,663	205,702	780,365
Disposals - carrying value	-	(53,509)	(53,509)
Amounts reclassified from construction in progress	(587,668)	-	(587,668)
Depreciation expense	-	(185,171)	(185,171)
Carrying amounts at 30 June 2014	-	1,244,662	1,244,662

NOTE 11 – INTANGIBLE ASSETS

	Consolidated		Parent	
	2014	2013	2014	2013
	\$	\$	\$	\$
Goodwill: Sunday Markets	120,000	120,000	120,000	120,000
Reconciliation of Goodwill				
Balance at 1 July	120,000	120,000	120,000	120,000
Additions	-	-	-	-
Disposals	-	-	-	-
Amortisation change	-	-	-	-
Impairment losses	-	-	-	-
Carrying Value 30 June	120,000	120,000	120,000	120,000

The Board of Directors have determined that the Goodwill relating to the Pooraka Sunday Market is not impaired.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014 (CONTINUED)

NOTE 12 – TRADE AND OTHER PAYABLES

	Consolidated		Parent	
	2014	2013	2014	2013
	\$	\$	\$	\$
Current Unsecured Liabilities				
Trade payables	181,934	178,087	138,505	167,008
Sundry payables and accruals	1,249,423	1,268,821	1,358,995	1,281,579
	1,431,357	1,446,908	1,497,500	1,448,587

All amounts are short-term. The carrying values of trade payables and other payables are considered to be a reasonable approximation of fair value.

NOTE 13 – BORROWINGS

	Consolidated		Parent	
	2014	2013	2014	2013
	\$	\$	\$	\$
Current				
Finance lease liability	3,404	-	3,404	-
Non-Current				
Commercial Bills secured	22,221,261	21,606,261	22,221,261	21,606,261
Finance lease liability	20,190	-	20,190	-
	22,241,451	21,606,261	22,241,451	21,606,261

The Commercial Bills are secured by:

- a first registered mortgage over the APML property located at Diagonal Road, Pooraka SA.
- a first registered mortgage over the APML vacant land property located at Commerce Crescent, Pooraka SA.
- a guarantee unlimited as to the amount by APML No. One Pty Ltd supported by a first registered mortgage over vacant land property located at Allotments 1001 and 5002 Commerce Crescent, Pooraka.

The covenants for the above bank loans relate to interest cover, capital adequacy, dividend policy and reporting and administrative requirements. All required covenants have been met by the Company.

The finance lease liability is secured by a motor vehicle.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014 (CONTINUED)

NOTE 14 – PROVISIONS

	Consolidated		Parent	
	2014	2013	2014	2013
	\$	\$	\$	\$
Current				
Provision for dividends	65,575	65,575	65,575	65,575
Employee benefits	260,092	250,980	260,092	250,980
	325,667	316,555	325,667	316,555
Non-Current				
Employee benefits	30,496	16,000	30,496	16,000

NOTE 15 – TAX

	Consolidated		Parent	
	2014	2013	2014	2013
	\$	\$	\$	\$
Current				
Income Tax	739,626	184,861	647,491	151,258
Non-Current				
Deferred Tax Liabilities	9,266,950	8,528,774	9,641,858	8,815,903

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014 (CONTINUED)

NOTE 16 – ISSUED CAPITAL

	Note	Consolidated		Parent	
		2014	2013	2014	2013
		\$	\$	\$	\$
5,774,560 (2013: 5,774,560) fully paid Ordinary shares					
		5,774,560	5,774,560	5,774,560	5,774,560
Comprising:					
Ordinary Grower Shares		1,439,451			
Ordinary Wholesaler Shares		3,222,569			
Ordinary Retailer Shares		552,540			
Ordinary Unclassified Shares		560,000			
		5,774,560			
Total borrowings	13	22,244,855	21,606,261	22,244,855	21,606,261
Trade and other payables	12	1,431,357	1,446,908	1,497,500	1,448,587
Less cash and cash equivalents	6	(2,532,122)	(1,644,451)	(2,192,743)	(1,104,377)
Net Debt		21,144,090	21,408,718	21,549,612	21,950,471
Total Equity		57,389,854	55,945,378	56,145,593	54,265,449
Total Capital		78,533,944	77,354,096	77,695,205	76,215,920
Gearing Ratio		27%	28%	28%	29%

NOTE 17 – CAPITAL COMMITMENTS

There are no capital commitments at reporting date (2013: \$237,372).

NOTE 18 – CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no contingent liabilities or contingent assets recorded by the Company as at the date of this report (2013: Nil).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014 (CONTINUED)

NOTE 19 – CASH FLOW INFORMATION

	Consolidated		Parent	
	2014	2013	2014	2013
	\$	\$	\$	\$
Reconciliation of cash flows from operations with profit after income tax				
Profit after income tax	4,909,212	2,472,406	4,899,047	2,338,336
Non-cash flows in profit				
- revaluation (gain)/loss	(1,438,237)	221,587	(2,038,237)	(28,413)
- depreciation	251,976	268,610	185,171	153,840
- loss on sale of asset	10,719	-	10,719	-
Changes in assets and liabilities				
- (increase)/decrease in trade receivables	52,991	14,870	52,991	765,891
- (increase)/decrease in other current assets	37,826	10,725	(3,357)	(33,010)
- increase/(decrease) in trade payables	(15,551)	(290,220)	48,913	(118,744)
- increase/(decrease) in tax liability	1,292,939	(12,067)	1,322,188	(69,193)
- increase/(decrease) in provisions	23,608	54,708	23,608	54,708
	5,125,483	2,740,619	4,501,043	3,063,415
Non-cash financing and investing activities				
There were no transactions or events during the year which affected assets and liabilities and did not result in cash flows.				
Credit standby arrangements with banks to provide funds and support facilities.				
Credit facility	22,780,000	22,780,000	22,780,000	22,780,000
Credit facility utilised	(22,221,261)	(21,606,261)	(22,221,261)	(21,606,261)
Unused Credit Facility	558,739	1,173,739	558,739	1,173,739

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014 (CONTINUED)

NOTE 20 – LEASE COMMITMENTS

	Consolidated		Parent	
	2014	2013	2014	2013
	\$	\$	\$	\$
(a) Operating Lease Commitments				
Future operating lease rentals not provided for in the Financial Report and payable:				
Not later than 1 year	399,081	336,091	399,081	336,091
Later than 1 year but not later than 5 years	479,761	584,844	479,761	584,844
	878,842	920,935	878,842	920,935

The operating lease represents building rentals for the Pooraka Fruit and Vegetable at \$316,199 annual rental. The lease expires 31 March 2016. Two new leases were entered into in the current year with the Commonwealth Bank for a 3 year lease term ending January 2016 for plant and equipment rental, and a 5 year lease term ending February 2019 for electricity meter rentals. Annual rental payments are \$19,891 and \$62,990 respectively.

(b) Finance Lease Commitments				
Not longer than 12 months	4,778	-	4,778	-
Between 12 months and 5 years	21,483	-	21,483	-
Minimum lease payments	26,261	-	26,261	-
Less future finance charges	(2,667)	-	(2,667)	-
Present value of minimum lease payments	23,594	-	23,594	-

The finance lease is with the Commonwealth Bank for a Ford Ranger. The lease was entered into in August 2013.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014 (CONTINUED)

NOTE 21 – FINANCIAL RISK MANAGEMENT

Net Fair Values

The net fair value of Commercial Bills that are traded on organised financial markets is based on the quoted market offer price at balance date adjusted for transaction costs expected to be incurred.

The net fair values of other financial assets and financial liabilities approximate their carrying value. No financial assets and liabilities are readily traded on organised markets in standardised form other than Commercial Bills. Where the carrying amount of financial assets exceeds net fair values, they have not been written down as the Company intends to hold these assets to maturity. The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the Statement of Financial Position and in the notes to and forming part of the Financial Report.

Credit Risk

The maximum exposure to credit risk at balance date to recognised financial assets is the carrying amount, net of any provision for doubtful debts, as disclosed in the Statement of Financial Position and notes to the Financial Report. The Company does not have any material credit risk exposure to any single debtor or Group of debtors under financial instruments entered into by the Company.

Interest Rate Risk

The Company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014 (CONTINUED)

NOTE 21 – FINANCIAL RISK MANAGEMENT (CONTINUED)

	Floating Interest Rate	Fixed Interest Rate Within 1 Year	Maturing 1-5 Years	Non Interest Bearing	Total
	\$	\$	\$	\$	\$
2014					
Consolidated Group					
Financial assets					
Cash and cash equivalents	2,531,071	-	-	1,051	2,532,122
Trade and other receivables	-	-	-	450,849	450,849
Total financial assets	2,531,071	-	-	451,900	2,982,971
Interest rate (all inclusive)	1.8%	-	-	-	
Financial liabilities					
Trade and other payables	-	-	-	1,431,357	1,431,357
Borrowings - lease liability	-	3,404	-	-	3,404
Borrowings - Commercial Bills	14,231,451	-	8,010,000	-	22,241,451
Total financial liabilities	14,231,451	3,404	8,010,000	1,431,357	23,676,212
Interest rate (all inclusive)	3.49%	6.39%	6.24%	-	
2013					
Consolidated Group					
Financial assets					
Cash and cash equivalents	1,643,401	-	-	1,050	1,644,451
Trade and other receivables	-	-	-	503,840	503,840
Total financial assets	1,643,401	-	-	504,890	2,148,291
Interest rate (all inclusive)	1.8%	-	-	-	
Financial liabilities					
Trade and other payables	-	-	-	1,446,908	1,446,908
Borrowings - Commercial Bills	13,596,261	-	8,010,000	-	21,606,261
Total financial liabilities	13,596,261	-	8,010,000	1,446,908	23,053,169
Interest rate (all inclusive)	3.49%	-	6.24%	-	

The Board of Directors has determined that the carrying values of financial assets and financial liabilities are consistent with fair values.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014 (CONTINUED)

NOTE 21 – FINANCIAL RISK MANAGEMENT (CONTINUED)

	Floating Interest Rate	Fixed Interest Rate Within 1 Year	Maturing 1-5 Years	Non Interest Bearing	Total
	\$	\$	\$	\$	\$
2014					
Parent Entity					
Financial assets					
Cash and cash equivalents	2,191,693	-	-	1,050	2,192,743
Trade and other receivables	-	-	-	450,849	450,849
Total financial assets	2,191,693	-	-	451,899	2,643,592
Interest rate (all inclusive)	1.8%	-	-	-	
Financial liabilities					
Trade and other payables	-	-	-	1,497,500	1,497,500
Borrowings - lease liability	-	3,404	-	-	3,404
Borrowings - Commercial Bills	14,231,451	-	8,010,000	-	22,241,451
Total financial liabilities	14,231,451	3,404	8,010,000	1,497,500	23,742,355
Interest rate (all inclusive)	3.49%	6.39%	6.24%	-	
2013					
Parent Entity					
Financial assets					
Cash and cash equivalents	1,103,327	-	-	1,050	1,104,377
Trade and other receivables	-	-	-	503,840	503,840
Total financial assets	1,103,327	-	-	504,890	1,608,217
Interest rate (all inclusive)	1.8%	-	-	-	
Financial liabilities					
Trade and other payables	-	-	-	1,448,587	1,448,587
Borrowings - Commercial Bills	13,596,261	-	8,010,000	-	21,606,261
Total financial liabilities	13,596,261	-	8,010,000	1,448,587	23,054,848
Interest rate (all inclusive)	3.49%	-	6.24%	-	

The Board of Directors has determined that the carrying values of financial assets and financial liabilities are consistent with fair values.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014 (CONTINUED)

NOTE 22 – TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

Key management of the Group are the Board of Directors and the Chief Executive Officer.

	Consolidated		Parent	
	2014	2013	2014	2013
	\$	\$	\$	\$
Short term employee benefits				
Salaries & Directors fees	464,140	460,347	464,140	460,347
Other	22,089	21,303	22,089	21,303
	486,229	481,650	486,229	481,650
Post-employment benefits				
Superannuation Contributions	43,073	42,094	43,073	42,094
	43,073	42,094	43,073	42,094
Total Remuneration	529,302	523,744	529,302	523,744

NOTE 23 – FINANCIAL REPORTING BY SEGMENTS

The Company operates wholly within Australia and owns and operates a large scale facility for the wholesale marketing of fresh produce.

NOTE 24 – RELATED PARTY DISCLOSURES

Directors and Director-related entities hold directly, indirectly or beneficially as at balance date the following number of shares in this Company. Details of each Director's holdings are listed in the accompanying Director's Report.

	Consolidated		Parent	
	2014	2013	2014	2013
	No.	No.	No.	No.
Adelaide Produce Markets Ltd - Ordinary Shares	1,274,399	1,294,399	1,274,399	1,294,399

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014 (CONTINUED)

NOTE 24 – RELATED PARTY DISCLOSURES (CONTINUED)

The Group used the legal and accounting services of Director related entities over which they exercise significant influence. The amounts billed were based on normal market rates and amounts to:

	Consolidated		Parent	
	2014	2013	2014	2013
	\$	\$	\$	\$
Schirripa Evans Lawyers	108,478	117,114	108,478	117,114
Griffins Lawyers	2,850	6,600	2,850	6,600
Bentleys	27,091	14,570	-	1,800
Minicozzi Solicitors	3,542	-	3,542	-
	141,961	138,284	114,870	125,514

There were no outstanding balances at reporting date (2013:Nil).

Legal fees paid to the Director related law firms noted above may include fees paid to barristers acting on behalf of the Company and other disbursements incurred on the Company's behalf.

The Group transacted with several Directors in the Company and their related entities as customers, in relation to leased premises and market services. The amounts charged were based on normal market rates and amounted to:

	Consolidated		Parent	
	2014	2013	2014	2013
	\$	\$	\$	\$
P & E Scalzi Services Pty Ltd	277,986	238,160	277,986	238,160
Paseva Pty Ltd ATF P & E Scalzi Superannuation Fund	157,090	127,837	157,090	127,837
Thorndon Park Produce Co Pty Ltd	6,388	4,972	6,388	4,972
Dublin Fruit & Veg	3,679	2,854	3,679	2,854
R Ceravolo & Co Pty Ltd	248,224	215,901	248,224	215,901
Pooraka Fruit & Vegetable Supply	196	-	196	-
	693,563	589,724	693,563	589,724

The outstanding balances at the reporting date were as follows:

P & E Scalzi Services Pty Ltd	16,502	18,964	16,502	18,964
Paseva Pty Ltd ATF P & E Scalzi Superannuation Fund	6,606	10,906	6,606	10,906
Thorndon Park Produce Co Pty Ltd	404	608	404	608
Dublin Fruit & Veg	255	284	255	284
R Ceravolo & Co Pty Ltd	15,413	17,124	15,413	17,124
Pooraka Fruit & Vegetable Supply	-	-	-	-
	39,180	47,886	39,180	47,886

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014 (CONTINUED)

NOTE 24 – RELATED PARTY DISCLOSURES (CONTINUED)

The Group also leased Warehouse K from Pooraka Fruit & Vegetable Supply Pty Ltd during the year. Pooraka Fruit & Vegetable Supply Pty Ltd is a company in which P Scalzi has a financial interest. The rent paid for the warehouse was \$315,747 (2013: \$307,682). The outstanding balance at the reporting date was \$4,015.

Transactions with Joint Venturers

During 2014, Adelaide Produce Markets Ltd provided contribution to Market Fresh SA of \$100,799 (2013: Nil). At reporting date there is \$24,295 payable by Market Fresh SA to Adelaide Produce Markets (2013: Nil).

NOTE 25 – SUPERANNUATION COMMITMENTS

The Company does not participate in any employer sponsored defined benefit superannuation plans for its employees. All superannuation payments by the Company are in accordance with the relevant Superannuation Guarantee legislation.

NOTE 26 – EVENTS AFTER THE REPORTING DATE

There are no events subsequent to 30 June 2014 that would have a material effect on the 2014 Financial Report (2013: Nil).

NOTE 27 – ECONOMIC DEPENDENCY

The future revenue of the Consolidated Group is dependent on the commercial contribution of the principal activities disclosed in the Directors' Report.

NOTE 28 – CONTROLLED ENTITIES

Controlled Entities	Country Of Incorporation	Percentage Owned	
		2014	2013
APML No. One Pty Ltd	Australia	100%	100%
APML No. Two Pty Ltd	Australia	100%	100%

Controlled Entities Acquired

No controlled entities were acquired during the year.

Control Entity Disposal

No controlled entities were disposed during the year.

Controlled Entities with Ownership Interest of 50% or Less

No controlled entities are held by the Parent Entity with an ownership interest of 50% or less.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014 (CONTINUED)

NOTE 29 – OTHER FINANCIAL ASSETS

	Consolidated		Parent	
	2014	2013	2014	2013
	\$	\$	\$	\$
Non-Current				
Unlisted investments - at cost				
- Shares in Controlled Entities	-	-	2	2

NOTE 30 – INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

The Group has one material joint venture, Market Fresh SA Pty Ltd (Market Fresh SA). Market Fresh SA was incorporated in Australia and was formed for the purpose of establishing a jointly owned marketing Company to promote and increase the volume of fruit and vegetable produce sold through the Adelaide Produce Market.

	Percentage Owned	
	2014	2013
Proportion of ownership interests held by the Group	50%	-

The investment in Market Fresh SA is accounted for using the equity method in accordance with AASB 128. Market Fresh SA has made a loss in FY14 and as such the carrying value of the investment is nil. Adelaide Produce Markets Ltd paid share capital of \$50 upon the establishment of the new Company.

NOTE 31 – CHANGES IN ACCOUNTING POLICY

There were no changes in accounting policy for the year ended 30 June 2014.

NOTE 32 – RESERVES

Reserves represent share premiums.

NOTE 33 – COMPANY DETAILS

The registered office of the Consolidated Group is:

Burma Road Pooraka SA 5095

The principal place of business of the Consolidated Group is:

Burma Road Pooraka SA 5095

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Adelaide Produce Markets Limited, the Directors of the company declare that:

1. The financial statements and notes, as set out on pages 26 to 54, are in accordance with the Corporations Act 2001 and:
 - a. comply with Australian Accounting Standards which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standard (IFRS); and
 - b. give a true and fair view of the financial position as at 30 June 2014 and of the performance for the year ended on that date of the company and Consolidated Group.
2. In the Directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



David Schirripa

Chairman of Directors

Diagonal Road Pooraka South Australia 5095

Dated Wednesday 15 October 2014

Level 1,
67 Greenhill Rd
Wayville SA 5034

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Adelaide SA 5001

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ADELAIDE PRODUCE MARKETS LIMITED

We have audited the accompanying financial report of Adelaide Produce Markets Limited (the "Company"), which comprises the statement of financial position as at 30 June 2014, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the company, the consolidated entity, comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. The Directors also state, in the notes to the financial report, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

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In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

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

Auditor's opinion

In our opinion:

- a the financial report of Adelaide Produce Markets Limited is in accordance with the Corporations Act 2001, including:
 - i giving a true and fair view of the Company's and consolidated entity's financial position as at 30 June 2014 and of their performance for the year ended on that date; and
 - ii complying with Australian Accounting Standards and the Corporations Regulations 2001; and
- b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



J L Humphrey
Partner – Audit & Assurance

Adelaide, 15 October 2014

CORPORATE DIRECTORY

(AS AT THE DATE OF THIS REPORT)

Directors

David Schirripa (Chairman)
Nicola Minicozzi (Deputy Chairman)
Pasquale Scalzi
David Trosti
Daniele De Ieso
Antonio Ceravolo
Michael Ruggiero
Vincenzo Dimasi
Gregory Griffin

Secretary

Angelo Demasi

Registered Office

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Auditor

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Banker

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213 Glynburn Road
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Share Registrar

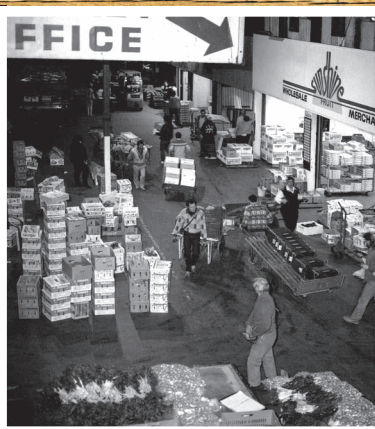
David Garry & Associates
225 Fullarton Road
Eastwood South Australia 5063





OUR VISION

**TO PROVIDE THE MOST EFFICIENT FACILITY
FOR TRADING FRUIT AND VEGETABLES IN
SOUTH AUSTRALIA, WITH AN ORDERLY
TRADING ENVIRONMENT, ACCESS TO ALL
INDUSTRY PARTICIPANTS IN ONE LOCATION
WHILST DIVERSIFYING INCOME STREAMS
TO LEVERAGE ASSET PORTFOLIOS AND
MAXIMISING RETURNS TO SHAREHOLDERS.**



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PRODUCE
MARKET**

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