Origin
ENTERPRISES PLC

Origin Enterprises plc
Annual Report 2014

Continued Growth & Profitability

Origin
At a Glance

Origin Enterprises plc is a leading Agri-Services business with operations in Ireland, the UK, Poland and Ukraine.

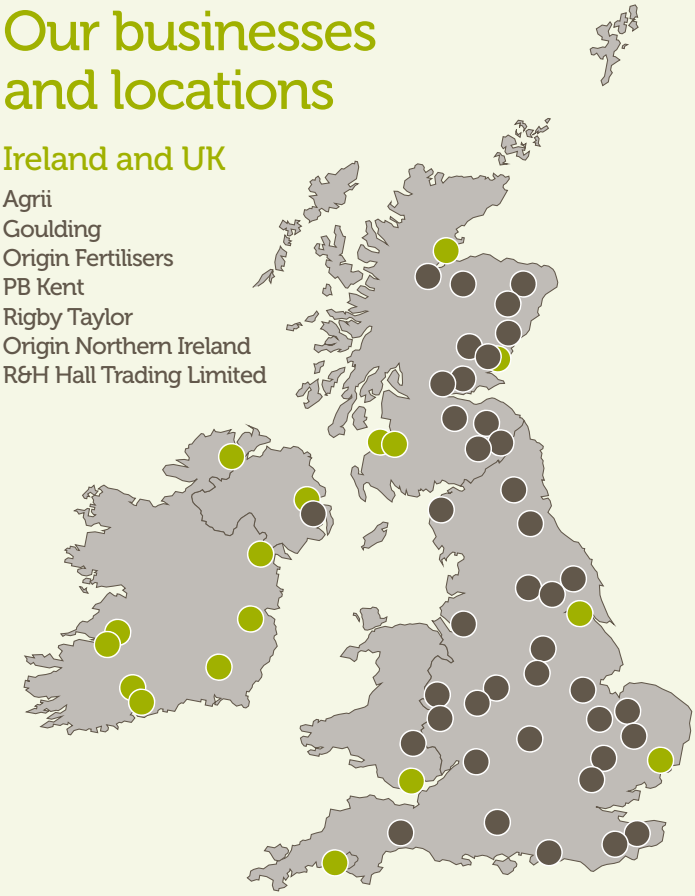
The Group's focus is to be the leading provider of value added services, technologies and strategic inputs that support sustainable and profitable food production systems for primary food producers.

Origin is listed on the ESM and AIM markets of the Irish and London Stock Exchanges respectively, is headquartered in Dublin, Ireland and currently employs over 1,500 people.

Our businesses and locations

Ireland and UK

Agrii
Goulding
Origin Fertilisers
PB Kent
Rigby Taylor
Origin Northern Ireland
R&H Hall Trading Limited



Highlights: 2014

Total Group Operating Profit* (€m)

↑ **2.4%**

2014	**€92.9**
2013	€90.7
2012	€82.3
2011	€85.9

Adjusted Diluted EPS* (cent)**

↑ **10.4%**

2014	**57.51**
2013	52.11
2012	45.16
2011	43.34

Group Revenue (€bn)

↓ **(0.2)%**

2014	**€1.415**
2013	€1.418
2012	€1.340
2011	€1.302

Dividend per Share (cent)

↑ **15.9%**

2014	**20.00**
2013	17.25
2012	15.00
2011	11.00

Poland

Dalgety Agra Polska

Ukraine

Agroscope

- Integrated Agronomy
- Business-to-Business Agri-Inputs

Overview

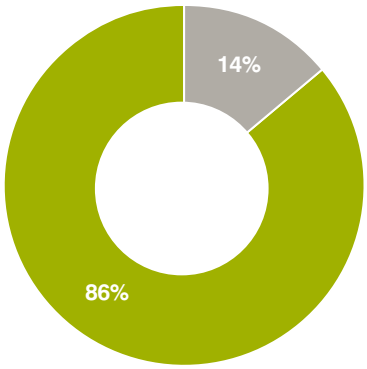
Business Review

Financial Statements and Directors' Report

	Year to 31 July 2014 €m	Year to 31 July 2013 €m
Revenue		
Agri-Services	**1,415.2**	1,418.2
Group operating profit*		
Agri-Services	**79.5**	68.9
Associates and joint ventures**	**13.4**	21.8
Total Group operating profit*	**92.9**	90.7
Financing cost	**(5.5)**	(6.1)
Profit before tax*	**87.4**	84.6
Adjusted diluted EPS*** (cent)	**57.51c**	52.11c
Dividend per share (cent)	**20.00c**	17.25c

* Before amortisation of non-ERP intangible assets and exceptional items.
** Profit after interest and tax before amortisation of non-ERP intangible assets and before exceptional items.
*** Before amortisation of non-ERP intangible assets, net of related deferred tax (2014: €6.4 million, 2013: €3.8 million) and exceptional items, net of tax (2014: €5.1 million charge, 2013: €4.7 million credit).

Group profit by business type



- Agri-Services
- Associates and joint ventures

Our Business

The focus of the Group is to be the leading provider of value added services, technologies and strategic inputs that support the delivery of sustainable and profitable food production solutions for primary producers.

What we stand for:

Origin
ENTERPRISES PLC

Innovation

Innovation and technology transfer are at the heart of Origin's business model.

Information

Information about weather, soil, seed variety, nutrition and crop protection is key to maximising yields and a cornerstone of successful farming.

Improvement

As an organisation we are continuously improving our systems, processes and the advice services and products we offer and supply.

Individuals

One of Origin's strategic priorities is to capture growth opportunities in the technology transfer of smart agriculture solutions and crop technologies for the sustainable development of primary crop enterprises.

What we do:

Agri-Services

Agri-Services comprises integrated on-farm agronomy services and business-to-business Agri-Inputs (fertiliser, feed ingredients and amenity inputs). These businesses provide customised solutions that address the efficiency, quality and output requirements of primary food producers in Ireland, the UK, Poland and Ukraine.

How we deliver:

Integrated Agronomy Services

Provides specialist agronomy services directly to arable, fruit and vegetable growers in the UK, Poland and Ukraine. The service encompasses varietal selection, nutrition, crop protection and application techniques necessary to ensure high performing marketable crops, which adhere to the highest levels of safety, quality, sustainability and environmental requirements.

Business-to-Business Agri-Inputs

Leading provider of blended fertiliser in Ireland and the UK and animal feed ingredients in Ireland. The UK's leading advisory and inputs provider to the professional sports turf, landscaping and amenity sectors.

Our Strategy

Origin's strategic priority is to capture growth opportunities in the technology transfer of smart agriculture solutions and crop technologies for the sustainable development of primary crop enterprises.

Origin has repositioned its business and is now focused on a capital light, advice centred and sustainable Agri-Services model. Having established market leading positions through acquisition and organic growth, the Group is well advanced in building an integrated platform with a unique capability to support primary producers in the management of the complex and evolving requirements of modern farming. This will transform the scope and scale of the business, providing growth opportunity through an extended technological capability, delivering an enhanced range of value added services that meet the needs of primary producers for scale and complete crop solutions.

Our strategic plan:

Strengths

Leading market positions

Long-term customer relationships

Trusted brands

Reputation for expertise and innovation excellence

Strategically located and well invested infrastructure

Strong cash flow generation

Strategic Priorities

Selective acquisitions

Sustainable growth

Build on core competencies

Strong cash conversion

Deliver long-term shareholder value

Our Vision

To become the market leader in the provision of integrated agronomy solutions and sustainable agricultural technologies.

Our Primary Goal

Create shareholder value

Agronomy Explained

Origin provides agronomy advice and solutions to over 30,000 farm businesses throughout the UK, Poland and Ukraine.

This innovative approach delivers a fully integrated production system, based on leading edge research and detailed on-farm agronomic management. The business combines an extensive research and development capability with a major sales, marketing and distribution focus, delivering a superior advisory and inputs offering to primary food producers. The service encompasses varietal seed selection, nutrition, crop protection, application and establishment techniques necessary to ensure high performing marketable crops, which adhere to the highest levels of safety, quality, sustainability and environmental requirements.

Step 1

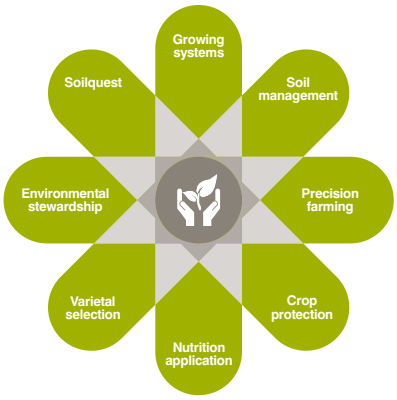
Research

> We invest in leading edge research to develop unique growing systems to maximise crop productivity on a sustainable basis.
> Our trials team manage over 60,000 replicated trial plots throughout the UK and Poland. We will commence the implementation of trial plots in the Ukraine during FY2015.
> Development of strategic partnerships with the leading global seed breeders and manufacturers of crop protection and nutrition input applications.

Analysis

> Farms are visited regularly throughout the growing season.
> Crops are closely inspected and monitored for health and development.
> Soil and tissue analysis is conducted to verify deficiencies.

Step 2



Prescription

> Input programmes are recommended for achievement of yield and quality targets.
> Agronomists advise across all components of crop and field management.
> Environmental stewardship and compliance requirements are assured.
> Computerised treatment plans are communicated to farmers.

Step 3

Application

> Agronomists advise on precise timing of applications to achieve maximum results.
> Seed, fertiliser and crop protection technology is delivered to farms from our local distribution centres on same/next day service.
> Crops continue to be monitored through to harvest.

Insights into Agrii R&D
Innovation to keep our customers at the forefront of science & technology

Agrii's R&D focuses on potential future innovations as well as the 'here and now'.

This is to ensure we stay at the cutting edge of science and can help identify solutions for customers.

Every year we invest significantly in R&D to ensure that our skilled Agrii agronomists are always equipped with, and can swiftly communicate, the most up to date intelligence, innovative technology and expertise.

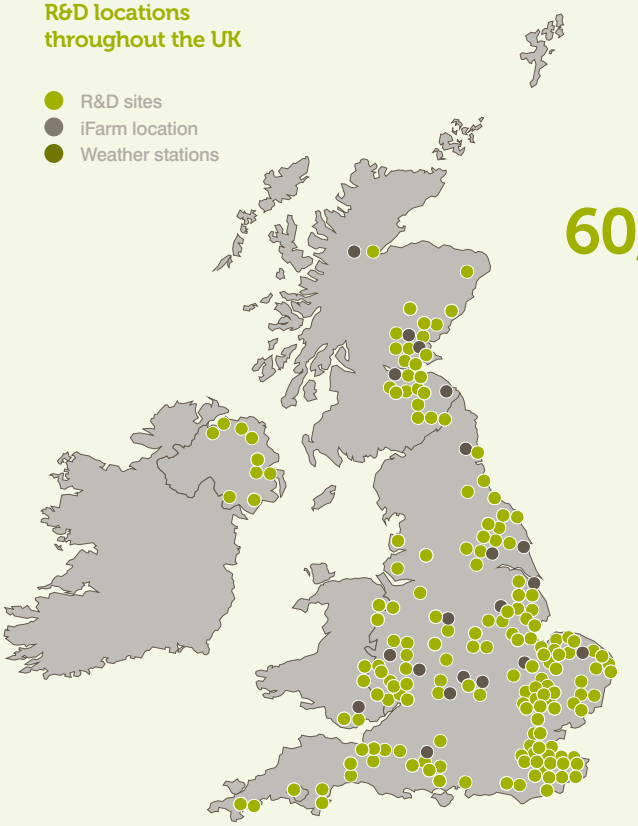
Agrii continuously seeks to better connect with scientific institutions to ensure we are working at the forefront of science. Over the last few years we have built strong links with a number of research bodies, offering to connect practical agronomy with the latest research.

Unrivalled in R&D

Agrii's national R&D programme represents the UK's leading trials facility and ensures that our agronomists, together with our customers, receive the best intelligence to support sustainable and profitable farming in the UK. Trials undertaken include:

Subject	Trials	Locations
Variety management	206	48
Drilling dates	14	9
Seed rates	11	11
Plant growth regulation	15	9
Micro-nutrients	5	3
Biologicals	1	1
Seed treatments	23	9
Insects/Pests	8	7
Cultivations	6	1
Black-grass management	33	7
Ryegrass management	3	2
Brome management	3	3
Annual meadow grass management	3	2

R&D locations throughout the UK



Agrii R&D facilities include:

4 Technology centres

60,000 Trial plots across the UK: representing all regions and crops

520 Replicated trials nationally

28 Demonstration iFarms: putting R&D into practice

166 Weather stations

> R&D experts qualified to the highest ORETO standards.

> Collaborations with key industry partners including: ADAS, HGCA, plant breeders, crop protection manufacturers, machinery experts, academic bodies.

Our Strategy in action

Focusing our business through acquisition: Agrii

Committed to the expansion in applied research, development and technical support for UK growers.

As a leading provider of agronomy services, technology and strategic advice, Agrii combines excellence and innovation with the latest research and development to ensure its customers can meet today's farming challenges with knowledge and confidence.

Agrii, launched in January 2012 was the result of a combination of Origin's UK agronomy services businesses, Masstock (acquired in February 2008) and UAP (acquired in March 2011).

www.agrii.co.uk

Agronomy is a complex challenge

With Agrii, you get the complete solution

What distinguishes Agrii is the DEPTH of our R&D and the BREADTH of our services on farm to connect up all the components of profitable and sustainable crop production.

Agronomy is a complex challenge and Agrii helps growers to put all the pieces in place to optimise the growing system and maximise the returns for our farming customers:

> Soil management – improving potential.
> Varieties and genetics – taking responsibility from seed-bed to harvest.
> Precision solutions – improved targeting of inputs and resources.
> Input technologies – utilising technology to drive up performance.
> Coordinated growing systems – optimising the whole production system.
> Efficiency and resilience – minimising risk and growing sustainably.

Decision Support Services (DSS) – Investment in technology based Decision Support Services is presently at the forefront in the Agrii business.

The challenges that growers have faced historically continue to present themselves today. Growers need to maximise yield and profitability in the face of multiple environmental variables that impact and threaten the health and development of crops. In addition growers must make intervention decisions that are appropriate, timely and balanced.

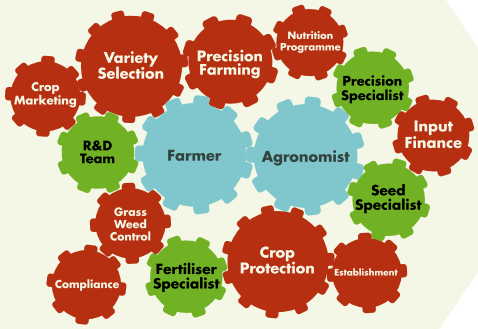
Today, Agrii uses digital information technology to help growers respond to those challenges in three ways:

> We deploy technologies that capture the environmental data (e.g. soil and weather) specific to the area, farm and field.
> We re-purpose that data into 'information', combining it with other data sources and present it in highly digestible and appropriate formats that enables the grower to make the right decisions.
> We provide the grower with a set of mobile tools to use in-field to make quick and timely decisions.

We also recognise that farmers work largely outdoors in all weather conditions, often miles from their office. Mobile technology coupled with improving mobile and rural broadband speeds can deliver many benefits to the grower and in Agrii we are highly focussed on this opportunity. We have built a number of specific applications on the Apple iOS and Android platforms that our customers can use on tablets and smartphones. For example, a very useful Seed Rate Calculator App, allows our growers to determine the appropriate rate of seed to apply based upon variables such as Thousand Grain Weight, Germination Percentage and Crop Area.

If it works together, it's working harder...

Through orchestrating a range of resources and technologies, Agrii agronomists equip their clients with a tailored advice and support package, enabling farmers to implement a precision production solution for each field.



Our Strategy in action

Focusing our business through acquisition: Agroscope

Excellent strategic fit for Origin adding complementary expertise and strong brand reputation on farm with a dedicated commitment to excellence in customer fulfilment.

Based in Ukraine, Agroscope (purchased in January 2014) provides agronomy services, high specification inputs, and advisory support to arable and root crop growers. Agroscope services over 1,200 customers, with a farming footprint of over 4 million hectares, through an established distribution network and a team of 45 agronomists and product specialists.

Agroscope's aim is to be a professional and reliable partner to Ukrainian agriculture producers in implementing solutions to meet their production needs in an effective and profitable manner.

www.agroscop.com.ua

Chairman's Statement

Origin's advisory centric farm services model is dedicated to providing customised and sustainable agronomic solutions to enhance farmer profitability and investment returns.

Origin has delivered an excellent financial and operating performance in the year. Adjusted diluted earnings per share increased by 10.4% to 57.51 cent. Net debt at the yearend was €11.9 million or just 0.14 times EBITDA, a reduction of €17.7 million on the previous year.

A return to more normal weather conditions in the current year led to a recovery in the demand for agronomy services and farm inputs following adverse weather conditions experienced in autumn and spring of 2013. The strong performance reflects the Group's strength in technically based agronomic application, the scope of service offer and the breath of product portfolios available to customers.

Origin has a long tradition in supporting primary food producers and with its established sector position and integrated service capability. It is ideally positioned to provide the very best agri-intelligence to agronomists and farmers. Extensive research across key product and service areas such as seed and precision agronomy is being harnessed to create sustainable revenue opportunities. Origin is also responding to the adoption of technology at the farm gate through continued investment in decision support systems.

Return of Capital – Tender Offer

Following approval from shareholders at the Extraordinary General Meeting held on 18 November 2013, Origin completed a Tender Offer in December 2013. The total number of Ordinary Shares purchased by the Company pursuant to the Tender Offer was 13,333,249 for a total consideration, before expenses, of approximately €100 million.

Dividend

The Board is recommending an increase in the dividend of 2.75 cent per ordinary share to 20.00 cent per ordinary share, an increase of 15.9 per cent. This represents a payout ratio of 35 per cent (2013: 33 per cent). Subject to shareholder approval at the Annual General Meeting, the dividend will be paid on 12 December 2014 to shareholders on the register on 28 November 2014.

Board and management changes

Mr. Brendan Fitzgerald, resigned as Chief Financial Officer and as a director of the Group on 31 July 2014. Brendan played a pivotal role in the development of Origin since our listing in 2007. I would like to express our sincere thanks and appreciation to Brendan and to wish him well in his future endeavors.

Ms. Imelda Hurley was appointed to the Board of Directors with effect from 1 August 2014. Ms. Hurley joined the Group in July 2014 as Chief Financial Officer designate from PCH International Holdings.

Management and employees

On behalf of the Board, I would like to take this opportunity to thank your CEO Tom O'Mahony and the entire management and staff at Origin for their commitment and dedication to their customers, suppliers and shareholders during the year.

Annual General Meeting (AGM)

The AGM will be held on Monday 24 November 2014 at 10.00am in the Westbury Hotel, Grafton Street, Dublin 2, Ireland.

Outlook

Origin has established a well invested and integrated service model that is fully aligned to the requirements of primary food producers for the technology transfer of specialist crop solutions. The backdrop to farming continues to remain positive and is supported by favorable long term fundamentals. The Group retains a strong capacity to fund new market opportunities and remains well positioned for further growth.

Owen Killian
Chairman
23 September 2014

Review of Business Operations
Overview

Origin has delivered an excellent performance in 2014 recording a 10.4 per cent increase in adjusted diluted earnings per share combined with continued strong cash generation.

Financial and Operating Highlights

- 10.4 per cent increase in adjusted diluted earnings per share to 57.51 cent
- Operating profit from Agri-Services increased 15.4% underpinned by an excellent cropping profile and strong activity levels on farm
- Operating margin increase of 70 basis points to 5.6%
- Robust contribution from Agroscope since acquisition in January 2014
- Continued strong cash generation with net debt reduction of €17.7 million to €11.9 million (net debt to EBITDA of 0.14 times)
- €100 million return of capital to shareholders in December 2013
- 15.9 per cent increase in proposed annual dividend to 20.0 cent per ordinary share

Origin achieved an excellent result in 2014 recording a 16.7 per cent increase in underlying adjusted diluted earnings per share with year-end net debt under €12 million. The performance for 2014 underlines the strength of the Group's positioning in Agri-Services with growth achieved against the dilutive impact of the disposal of our marine proteins and oils joint venture interest.

Near perfect planting and growing conditions led to a strong recovery in the demand for agronomy services and farm inputs. This is in contrast to the prior year when activity levels on-farm were adversely impacted by very unseasonal autumn and spring weather.

Tom O'Mahony, CEO (left), Declan Giblin, Executive Director (centre), Imelda Hurley, CFO (right).

Growers are currently managing through a demanding planning environment principally reflecting the challenges associated with volatile output markets. These challenges highlight the strategic relevance of customised agronomic application and its role in securing superior crop performance to sustain grower profitability and investment returns.

Our near term priority is to leverage the Group's application know-how and knowledge transfer capabilities through geographic extension and modular bolt-on opportunity. Origin has a strong capacity to fund new market opportunities and we are confident of delivering further earnings growth in 2015.

Integrated On-Farm Agronomy

United Kingdom

Agrii achieved an excellent performance in the year, recording higher revenues and profits as near perfect conditions on farm supported the early drilling and accelerated development of winter and spring crops. There was strong demand for full service agronomy applications as growers sought to maximise the potential of their crops.

The return to more normal cropping patterns in the period resulted in the majority of Agrii's revenues and profits being earned in Quarter 3 in contrast to last year when unseasonal winter and spring weather conditions slowed crop development and significantly curtailed in-field operations leading to significant catch up activity taking place during Quarter 4 of 2013.

The performance in the period is set against the background of a challenging planning backdrop for growers reflecting a volatile output price environment in addition to the intense operational demands of the season which required rapid and customised agronomy responses.

Supported by an extensive product portfolio and comprehensive technical specification strategies Agrii's commercial and technical teams were well placed to guide the critical planning, management and product specification decisions of growers.

Having established a single on-farm services organisation under the 'Agrii' identity, the business is now firmly focused on strengthening its applications and technology focus to further enhance the scope of service support to growers. There was solid development momentum within Agrii's seed and nutrition portfolios in the period with the emphasis on maximising grower return on investment through a combination of high output variety management and the adoption of specialist nutrition applications.

Global developments in data science, decision support and prescriptive farming technologies have the potential to transform the on-farm service relationship for the benefit of growers and agronomists. Agronomists are increasingly being empowered through electronic decision support systems to efficiently provide their farmers with the most comprehensive and up to date information, production technology and complementary expertise that are central to influencing the farm profit equation.

Agrii is well advanced in the development and implementation of a total agronomic decision support capability. This will incorporate a primary digital platform to integrate and present precision agronomy, disease and weather monitoring functionality supported by data analytics capabilities which will all be delivered through a single customer facing digital portal.

Maximising crop potential is identified as fundamentally strategic for growers to optimise competitive advantage and to positively influence their highly demanding planning and operating environment. A significant gap exists today between the outcomes of scientific research and their practical application on farm.

Agrii's ongoing commitment to deliver sustainable yields is reflected in the establishment of a focused scientific capability within the business. An independently chaired scientific strategy board is now guiding the overall direction and development of applied research in cooperation with highly respected specialists and scientific organisations. Our goal is to create relevant research and knowledge transfer that is targeted and focused on growers' needs.

Genetics, nutrition and soils, precision agronomy, crop protection and emerging technologies form the central pillars of a five year research strategy underpinning Agrii's €25 million total committed investment for an expansion in applied research, development and technical support for UK growers.

Enhanced infrastructure and resourcing supports a more focused regional technical approach to provide greater relevance to local growing conditions whilst also facilitating a wider cropping focus. The redevelopment and upgrade of Agrii's Central Crop Technology Centre at Throws Farm in Essex was completed during the period. The Centre will now form a key communication hub to connect Agrii with the wider UK farming community. The facility will also act as a centre of excellence for emerging technologies and replicated trials work throughout the UK in addition to acting as a vehicle for external innovation investment.

Poland

Dalgety Agra Polska ('Dalgety') performed satisfactorily overall in the period as the benefit of higher agronomy revenues offset lower crop marketing margins due to weaker export market conditions compared to last year. Favourable crop planting and growing conditions throughout the year supported positive farming sentiment and underpinned good demand for Dalgety's integrated technology and agronomy packages.

The realignment of Dalgety's product and service offer strongly contributed to the result in the period. The business continues to successfully reposition its offer under more customer focused market segments that facilitate the creation and delivery of tailored crop solutions emphasising total performance per hectare. The emphasis on exclusive technology portfolios incorporating multi-product offers is providing good development potential across the larger intensive cropping sector while also supporting Dalgety's franchise offering through the independent shops channel which service the requirements of smaller scale farmers.

Investment in the period to provide increased flexibility across Dalgety's supply chain and product support infrastructure will ensure that the business is positioned to maintain the highest levels of customer service into the future.

Review of Business Operations (continued)

Agrii Services

Ukraine

On 30 January 2014, the Group completed the acquisition of a controlling interest in the business of Agroscope. Based in Ukraine and founded in 2002, Agroscope, which employs 150 people, is a leading provider of agronomy services, high specification inputs and advisory support to arable and root crop growers. The business represents an excellent strategic fit for Origin adding complementary expertise and strong brand reputation on farm with a dedicated commitment to excellence in customer fulfilment.

Agroscope delivered a robust contribution in the period supported by favourable margins for agronomy services and inputs. The performance is set against the backdrop of the current political and economic uncertainty in Ukraine and is informing a cautious planning approach throughout the business.

The process to extend Origin's crop management systems and on-farm knowledge transfer capability to Agroscope was commenced in the period. Two crop centres will be launched in central and western Ukraine in autumn 2014 to showcase growing systems and specialist crop technologies. This infrastructure will support the delivery of focused and tailored agronomy offerings dedicated to large scale growers. Regional implementation programmes for decision support in the areas of precision agronomy and satellite monitoring were initiated in the period and will help to differentiate the Agroscope offer in terms of crop planning and nutrition recommendations.

Business-to-business Agri-Inputs – Ireland and the UK

Business-to-business Agri-Inputs delivered a strong performance in the period recording solid operating profit growth.

A combination of the strong backdrop to dairy output markets in the period together with favourable spring weather conditions resulted in Irish grassland farmers incorporating a higher proportion of specialist nutrition formulations to maximise grass growth and silage production for their winter fodder requirements. Prescription based and bespoke nutrition applications continue to provide value added growth opportunity and, importantly, address the requirements of primary producers for higher yielding and cost efficient output.

In the United Kingdom the business recorded higher fertiliser volumes in the period reflecting the benefit of a largely stable raw material pricing environment in the second half. In addition, there was a return to a more normal, albeit concentrated, demand pattern following last year's unseasonal weather with this year's mild and warm spring conditions encouraging earlier application.

The Group's fertiliser footprint benefits from well invested production facilities together with an extensive sourcing and logistical advantage. This capability underpins the prompt servicing of customers' requirements particularly during highly concentrated periods of peak demand.

Origin's amenity business, which provides advice and input solutions to the professional sports turf, landscaping and amenity sectors achieved a strong result in the period and performed ahead of last year. There was significant volume catch up activity during the second half of the financial year as customer sentiment improved following a return to more normal weather patterns. Building upon the successful integration of Rigby Taylor the business has strengthened its market positioning with a greater focus on core branded offerings and new product development. The professional sports turf sector continues to provide a strong innovation pipeline largely through the requirement for customised and specialist nutrition applications. The Group's expertise in raw material specification, process, product formulation and development ensures a highly responsive and flexible approach to meeting customers' requirements for innovation.

Feed ingredients performed well in the period against the backdrop of lower volumes following last year's very strong demand. The season was characterised by excellent grass production which resulted in a reduction in spot demand for feed ingredients. Favourable primary producer returns, principally in the case of dairy, supported robust demand in the period as grassland farmers were incentivised to supplement their winter feed programmes with high energy diets.

The recent volatility in ingredient pricing combined with higher levels of quality winter fodder stocks is expected to result in customers adopting a more cautious approach to their forward commitments for feed ingredients.

Associates and Joint Ventures

Valeo Foods Group Limited ('Valeo')
Origin's principal strategic investment, Valeo, in which the Group has a 32 per cent shareholding, is a leading consumer foods company with a portfolio of iconic food brands.

Valeo performed in line with expectations, building on market share positions across key categories, in the context of a highly challenging and competitive environment for the grocery sector.

During the year Valeo acquired the Rowse Honey business which is the UK's leading honey category brand. The acquisition strongly complements Valeo's existing categories and provides important geographic diversification to the business. Rowse has now been successfully integrated into the Valeo operating structure and is performing to plan.

The business in Ireland will continue to focus on brand investment through product innovation and packaging re-design as well as building joint business plans with its customers and broadening its channel reach. In parallel to this the business is also investing to accelerate growth in the professional channel which delivers food ingredients and hot beverage solutions to the B2B sector. The UK business is prioritising category additive growth within the preserves sector, whilst leveraging its key customer relationships to build a broader Valeo branded footprint.

John Thompson & Sons Limited ('John Thompson')
John Thompson, the largest single site multispecies animal feed mill in the European Union, in which Origin has a 50 per cent shareholding, delivered a satisfactory performance during the year.

Outlook

Origin has established a fully integrated and scalable business focused on meeting the requirements of primary food producers for innovation in growing systems and specialist crop solutions underpinning sustainable yields and farm profitability. Clear objectives have been set for on-farm knowledge transfer that emphasise the increased adoption of value added and integrated technologies.

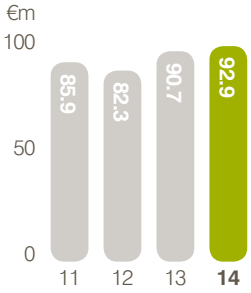
Our near term priority is to leverage the Group's research application know-how and on-farm knowledge transfer capabilities through geographic extension and modular bolt on opportunity.

Origin has a strong capacity to fund new market opportunities and we are confident of delivering further earnings growth in 2015.

Tom O'Mahony
Chief Executive Officer
23 September 2014

Total Group Operating Profit* (€m)

↑2.4%



* Before amortisation of non-ERP intangible assets and exceptional items.

Our Strategy in action

Focusing our business through acquisition: Dalgety

Realigning its product and service offer to maintain the highest level of customer service into the future.

Dalgety Agra Polska (acquired in 2003) provides agronomy advice and solutions to farm businesses throughout Poland. This leading approach delivers a fully integrated production system, based on superior research and on-farm agronomy management.

The business combines an extensive arable research and development capability with a major sales, marketing and distribution focus, delivering a superior advisory and inputs offering to leading growers.

www.dalgety.com.pl

Financial Review

Accounting policies and basis of preparation

The 2014 Group financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRSs') and their interpretations issued by the International Accounting Standards Board ('IASB') as adopted by the EU. Details of the significant accounting policies adopted by the Group are set out on pages 40 to 47.

Analysis of results

A comprehensive commentary on the Group's performance for 2014 is included in the review of business operations on pages 10 to 13.

Revenue

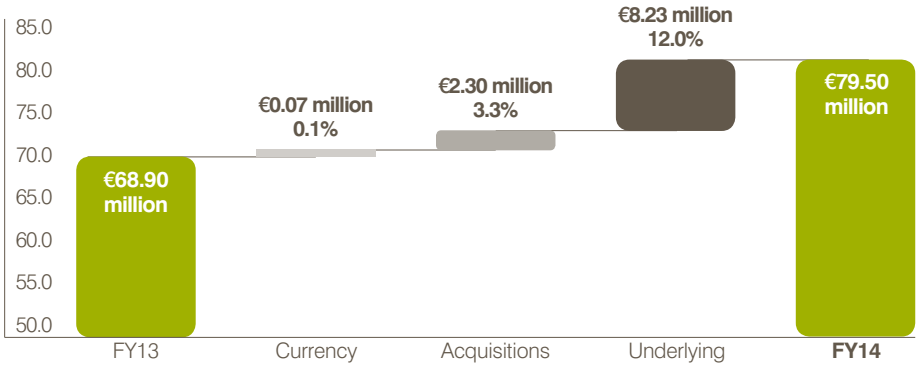
Revenue from Agri-Services was €1,415.2 million compared to €1,418.2 million in the previous year, a decrease of 0.2 per cent. On a like-for-like basis (excluding the impact of currency movements and the acquisition of Agroscope) Agri-Services revenues decreased by €46.5 million (3.3 per cent) principally reflecting a combination of lower global fertiliser and feed prices partially offset by higher fertiliser, crop protection and crop marketing volumes.

Operating profit*

Operating profit from Agri-Services amounted to €79.5 million compared to €68.9 million in the previous year. Excluding the impact of currency and the acquisition of Agroscope, operating profit from Agri-Services increased by €8.2 million (12.0 per cent) on a like-for-like basis. Agri-Services delivered a strong result reflecting a return to more normal cropping and growing conditions after the extreme weather conditions in the prior year.

* Operating profit is stated before amortisation of non-ERP intangible assets and exceptional items.

The following table shows the year on year movement:



The Group's earnings profile is significantly weighted towards the latter half of the year with circa 90 per cent of earnings typically arising in the second half of the year as shown in the table below:

	2014		2013	
	Quarter	**Cumulative**	Quarter	Cumulative
Quarter 1	**8.1**	**8.1**	6.3	6.3
Quarter 2	**(4.1)**	**4.0**	(3.9)	2.4
Quarter 3	**36.9**	**40.9**	20.5	22.9
Quarter 4	**38.6**	**79.5**	46.0	68.9

€75.5 million of operating profit was generated in the seasonally more important second-half of the year – an increase of €9.0 million (13.5 per cent) on the second half of 2013.

Financial Review
(continued)

Associates and joint ventures

Origin's share of the profit after interest and taxation (before exceptional items and non-ERP amortisation (net of tax)) from associates and joint ventures decreased by €8.5 million (38.7 per cent) to €13.4 million. The decrease is principally attributable to the disposal of the Group's marine proteins and oils business (Welcon).

Finance costs

Net finance costs amounted to €5.5 million, a decrease of €0.6 million (9.9 per cent) on the prior year. Average net debt amounted to €150 million compared to €207 million last year, reflecting not only the continued strong cash generative nature of the business but also the timing of the receipt of the proceeds from the disposal of our interest in Welcon and the return of capital to shareholders.

Taxation

The effective tax rate on ordinary activities relating to wholly owned businesses for the year ended 31 July 2014 was 16.2 per cent (2013: 18.5 per cent) principally reflecting the reduction in UK corporate tax rates.

Exceptional items

Exceptional items amounting to €5.1 million (net of tax) were incurred in the period principally relating to rationalisation costs arising from a restructuring of Agri-Services in the UK (€3.1 million), our share of associates and joint venture restructuring costs (€2.2 million), costs associated with the acquisition of Agroscope (€1.1 million) and a settlement gain arising on the closure of two of the Group's Irish based defined benefit schemes, net of other costs (€0.8 million).

Adjusted diluted earnings per share ('EPS')***

EPS amounted to 57.51 cent per share, an increase of 10.4 per cent from 2013. The year on year increase of 5.4 cent per share can be summarised as follows:

	Cent per share	%
Currency	(0.09)	(0.2)
Welcon disposal	(8.00)	(15.4)
Tender offer	3.40	6.5
Agroscope acquisition	1.45	2.8
Underlying growth	8.64	16.7
Total	**5.4**	**10.4**

*** Before amortisation of non-ERP intangible assets, net of related deferred tax (2014: €6.4 million, 2013: €3.8 million) and exceptional items, net of tax (2014: €5.1 million charge, 2013: €4.7 million credit).

The key drivers of the 16.7 per cent underlying increase was a strong result from Agri-Services reflecting a return to more normal cropping and growing conditions after the extreme weather conditions in the prior year along with lower interest and tax costs.

Dividends

The Board is recommending an increase in the dividend per ordinary share of 15.9 per cent to 20.0 cent. This represents a pay-out ratio of 35 per cent (2013: 33 per cent). Subject to shareholder approval at the Annual General Meeting, the dividend will be paid on 12 December 2014 to shareholders on the register on 28 November 2014.

Capital structure – bank facilities

The financial structure of the Group is managed to maximise shareholder value while providing the Group with the flexibility to take advantage of opportunities to develop the business. The Group targets acquisition and investment opportunities that are value enhancing and the Group's policy is to fund these transactions in the most efficient manner.

The Group has unsecured committed banking facilities of €330 million with a syndicate of five banks with €30 million due for repayment in March 2015 and the balance of €300 million in July 2016.

Cash flow and net debt

Actual net debt at 31 July 2014 was €11.9 million compared with €29.6 million at the end of the previous year and is 0.14 times EBITDA**.

** Earnings before interest, taxation, depreciation, amortisation and exceptional items.

A summary cashflow is presented below:

	2014 €m's	2013 €m's
Cash flow from operating activities	**75.6**	70.2
Change in working capital	**11.5**	(3.5)
Interest and taxation	**(11.8)**	(17.1)
Net cashflow from operating activities	**75.3**	49.6
Dividends received	**2.3**	6.9
Capital expenditure – Routine	**(7.1)**	(5.7)
– Investment	**(7.6)**	(7.9)
Acquisition expenditure	**(13.4)**	–
Cash consideration on disposal of Welcon	**94.0**	–
Share buyback	**(100.2)**	–
CFG Disposal	**–**	16.3
Contingent acquisition consideration	**–**	(8.8)
Dividends paid	**(23.9)**	(20.7)
Other	**(0.6)**	(0.6)
Decrease in debt	**18.8**	29.1
Opening net debt	**(29.6)**	(67.8)
Translation	**(1.1)**	9.1
Closing net debt – reduction of €17.7 million	**(11.9)**	(29.6)

The Origin businesses have a record of strong cash generation and 2014 sees a continuation of this trend. Since the IPO in 2007 the cumulative profits after tax have been converted to cash.

Return of Capital – Tender Offer

Following approval from shareholders at the Extraordinary General Meeting held on 18 November 2013, Origin completed a Tender Offer in December 2013. The total number of Ordinary Shares purchased by the Company pursuant to the Tender Offer was 13,333,249 for a total consideration, before expenses, of approximately €100 million.

Working capital

Investment in working capital remains a key area of focus for the Group given the funding costs and the related risks in the current environment. The year end represents the low point in the working capital cycle for the Group reflecting the seasonality of the business.

Financial Review
(continued)

Post employment benefit obligations

The Group operates a number of defined benefit and defined contribution pension schemes with assets held in separate trustee administered funds. All of the defined benefit schemes have been closed to new members for a number of years and the majority are closed to future accrual.

Under IAS 19, 'Employee Benefits' the amounts recognised in the Consolidated Statement of Financial Position as at 31 July 2014 are as follows:

	2014 €m	2013 €m
Non-current liabilities		
Deficit in defined benefit schemes	**5.2**	12.4

The movement during the year can be summarised as follows:

	2014 €m
Net liability at 1 August	**12.4**
Current service costs	**0.5**
Settlement gain	**(1.3)**
Other finance expense	**0.4**
Contributions – Normal	**(2.4)**
Contributions – Special	**(6.5)**
Remeasurements	**2.0**
Other	**0.1**
Net liability at 31 July	**5.2**

The remeasurements of €2.0 million principally relates to a reduction in the discount rate used for the Irish schemes from 3.7% to 3.1%.

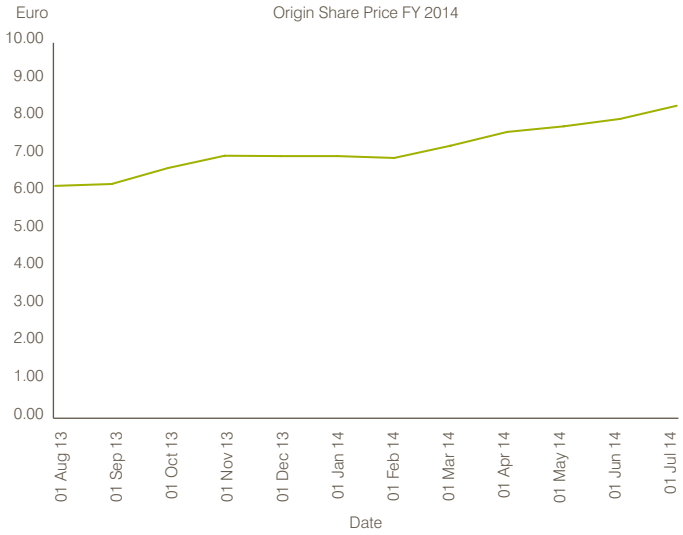
Risk exposures

The Group's international operations expose it to different financial risks that include currency risk, credit risk, liquidity risk and interest rate risk. The Group has a risk management programme in place which seeks to limit the impact of these risks on the financial performance of the Group. The Board has determined the policies for managing these risks. It is the policy of the Board to manage these risks in a non-speculative manner. Details of the Group's risk exposures and the controls in place to monitor such exposures are set out in Note 21 to the financial statements.

The Group is focussed on risk and its management. Accordingly, insurance is held for all significant insurable risks and against major catastrophes.

Share price

The Group's ordinary shares traded in the range of €6.23 to €8.85 during the period from 1 August 2013 to 31 July 2014 as illustrated in the graph below. The Group's share price at 31 July 2014 was €8.35 (31 July 2013: €6.00).



Our progress since establishment

The following table summarises the financial performance of the Group since flotation in June 2007. Over the period the Group has more than doubled EBITA* and delivered compound annual growth in adjusted diluted EPS of 16.6 per cent.

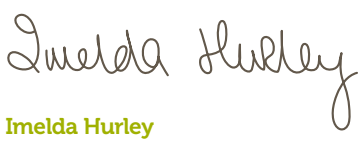
Cumulative cash flow over the period of approximately €395 million reflects the strong cash generative nature of the business. This cash flow has funded acquisition and development expenditure of €315 million.

Over the period the Group has delivered a return on investment of circa 21.5 per cent, well in excess of the Group's cost of capital. With year-end net debt of €11.9 million, committed banking facilities as outlined earlier and the cash generative nature of the businesses, Origin is well positioned to pursue future development opportunities.

	2007 €m	2008 €m	2009 €m	2010 €m	2011 €m	2012 €m	2013 €m	**2014 €m**	**CAGR**
Year ended 31 July									
EBITA*	42.8	74.1	81.0	82.4	89.8	85.7	97.1	**95.5**	**12.1%**
Adjusted diluted EPS** (cent)	19.63	34.05	36.16	37.26	43.34	45.16	52.11	**57.51**	**16.6%**
Acquisition expenditure (cumulative)	–	157.4	193.9	195.1	274.4	288.2	301.8	**315.2**	
Cashflow after Capex (cumulative)	38.8	91.9	145.3	197.4	236.7	293.1	333.9	**394.5**	
Return of capital to shareholders	–	–	–	–	–	–	–	**100.0**	
Year end net debt	71.7	175.1	153.8	111.9	92.1	67.8	29.6	**11.9**	
Net debt/EBITDA (times)	1.42	2.13	1.77	1.33	1.17	0.81	0.38	**0.14**	
Return on investment	16.8%	19.8%	21.0%	19.8%	20.4%	18.5%	19.5%	**21.5%**	

* Earnings before interest, taxation, amortisation and exceptional items including our share of the profit before tax of associates and joint ventures before exceptional items and non-ERP intangible amortisation.

** Before amortisation of non-ERP intangible assets, net of related deferred tax (2014:€6.4 million, 2013: €3.8 million) and exceptional items, net of tax (2014 :€5.1 million charge, 2013: €4.7 million credit). 2007 adjusted to reflect the current capital structure of the Group.



Imelda Hurley
Chief Financial Officer
23 September 2014

Principal Risks and Uncertainties

Significant time and resources have been invested in identifying specific risks across the Group and in developing a culture of balanced risk minimisation. To facilitate this, the Group has formal risk assessment processes in place through which risks and mitigating controls are evaluated.

These processes are driven by business unit management who are best placed to identify the significant on-going and emerging risks facing their businesses. The outputs of these risk assessment processes are subject to review and the risks identified and associated mitigating controls are also subject to audit as part of health and safety and operational/financial audit programmes.

The principal risks identified are set out below and fall broadly into three categories: strategic/commercial, operational and financial and are not listed below in order of importance.

Risk	Impact	Mitigation
Strategic/Commercial		
Competitor activity	The Group operates in a competitive environment. Innovation and pricing policy on the part of our competitors could have an adverse affect on market share and the Group's results.	The Group aims to combine an extensive research and development capability with a major focus on sales, marketing and distribution to deliver a superior advisory and inputs offering to primary food producers. The Group's ERP system, Microsoft Dynamics AX helps drive substantial business efficiencies and reduce costs.
Acquisitions	The Group faces the risks and challenges associated with acquiring new businesses including the failure to identify suitable acquisitions and to properly integrate acquisitions.	All significant acquisitions must be approved by the Board. Financial, commercial and operational due diligence is performed both by external consultants and in-house resources in advance of all acquisitions. There is substantial experience within the Group which lends itself to strong project management capability in the area of acquisitions.
Regulation and compliance	Product availability and potential changes in the regulatory environment and legislation affecting this supply could have a material impact on the Group's results.	The Group monitors closely all changes to such regulation and legislation. The Group develops diverse sources of supply and distribution capability to ensure it continues to compete effectively and to anticipate and meet customer requirements on a continuing basis.
Commodity prices	The Group is exposed to commodity price risk particularly in its Agri-Inputs business.	The Group prioritises margin delivery and cost management as a key focus point in mitigating commodity price risk.
Property market movements	The Group holds investment properties which are carried on its Consolidated Statement of Financial Position at fair value. The value of these investment properties may fluctuate depending on the general economic environment.	The Group manages its investment properties centrally and engages property and valuation specialists where necessary to assess the magnitude of any potential valuation fluctuations and to address this risk.
Political	The Group is a multi-national organisation and may be negatively impacted by political decisions, civil unrest or other developments in the geographies in which it operates.	Political decisions and civil unrest are not within the control of the company nor have they had a significant impact on the Group's performance to date. Nevertheless the Group monitors these risks and actively manages its businesses to ensure minimum disruption to its operations.

Risk	Impact	Mitigation
Operational		
Environmental and Health and Safety	The Group is subject to compliance requirements in the areas of emissions, effluent control and health and safety.	The Group has well-established environmental and discharge controls which ensure product traceability. The Group also operates thorough hygiene and health and safety systems across its businesses.
Loss of significant operational site	The loss of a significant site through natural catastrophe or act of vandalism or a significant IT failure represent risks that could have a material impact on the Group.	The Group ensures the presence of robust site security measures across its locations. In addition, the Board is satisfied that significant management attention has been given to the development of comprehensive operational and IT disaster recovery plans which would be implemented in the event of a significant business interruption event. The Group also has comprehensive business interruption insurance to cover such an event.
Key management personnel	The failure to attract, retain or develop suitably qualified and experienced management throughout the Group could impact on the Group's strategy and on business performance.	The Group has a track record of attracting and retaining high quality senior management and staff. The Board addresses the risks concerned through incentivisation and retention initiatives as well as robust succession planning.
Key supplier risk	The Group sources its products from a number of significant suppliers. The loss of any or a number of these suppliers could have a material impact on the Group.	The Group endeavours to maintain close commercial relationships with all its suppliers, the most significant of whom are large multi-national organisations which supply across the Group's geographical markets.
Seasonality	The environment in which the Group operates is highly seasonal. As a result, the Group's earning's profile is significantly weighted towards the second half of the financial year which has an ongoing impact on working capital requirements.	Investment in working capital and the management of inventories, customer receivables and current liabilities remains a key area of focus for the Group. Divisional management, in conjunction with Group treasury, closely monitor working capital performance throughout the financial year.
Financial		
Credit, liquidity and market risk	The Group is a multi-national organisation with interests outside the euro zone. As a result Origin is subject to the risk of adverse movement in foreign exchange rates as well as to fluctuations in interest rates. The Group is also exposed to credit risk arising on customer receivables and financial assets.	The Group treasury department manages such risks under the supervision of the Chief Financial Officer. Foreign exchange rate and interest rate exposures are managed through appropriate derivative financial instruments. Credit insurance is in place to mitigate credit risk. Financial risk management objectives and policies are further discussed in Note 21 to the financial statements.
Fraud	The Group, like all businesses, is at risk to fraudulent activities.	The Group places a high importance on the design and ongoing effectiveness of its internal control process. Physical and IT based security measures are in place across the Group's subsidiaries to mitigate such risk. The Group also maintains insurance cover in this area.
Defined benefit pension schemes	The Group operates a number of defined benefit pension schemes. The funding levels of these schemes may be adversely affected by a number of factors including but not limited to market values of investments and changes in interest rates.	The Group closely monitors the ongoing costs of its defined benefit schemes and has closed all schemes to new members. The majority of schemes are also now closed to future accrual. Appropriate contributions are paid into each scheme and investment strategies are designed to maintain funding levels.

Board of Directors

The Board of Origin Enterprises plc ('Origin') consists of a non-executive chairman, three executive directors and three non-executive directors.

Owen Killian (61)

Non-Executive Chairman

Owen Killian is CEO of ARYZTA AG and has been since its admission to trading in 2008. He was previously CEO of IAWS Group plc since 2003. Prior to this he held several executive positions within IAWS Group plc since it was listed in 1988.

Tom O'Mahony (52)

Chief Executive Officer

Tom O'Mahony was appointed CEO of Origin on its formation in 2006. Prior to this he held the role of Chief Operations Officer of IAWS. Tom joined IAWS in 1985 and on its public flotation in 1988 to form IAWS Group plc he held a number of senior management positions and was involved in acquisitions, disposals, business integration and financial control within the Group, until his appointment as CEO of Origin.

Imelda Hurley (42)

Executive Director

Imelda Hurley joined Origin in July 2014 as Chief Financial Officer. She was formerly Chief Financial Officer of PCH International Holdings ('PCH'), a global supply chain business with operations in Ireland, China and the United States. Prior to joining PCH Imelda held a number of senior leadership positions at Greencore Group plc having qualified as a Chartered Accountant with Arthur Andersen.

Declan Giblin (58)

Executive Director

Declan Giblin is Head of Corporate Development and Executive Chairman of Agrii. He was formerly Chief Executive of Masstock and has been the driving force behind the development of Agrii over a 20-year period.

Hugh McCutcheon (60)

Non-Executive Director

Hugh McCutcheon is a Chartered Accountant and was formerly head of corporate finance at Davy. He joined Davy in 1989 from PwC, where he qualified as a Chartered Accountant in 1979. Hugh was appointed to the Board of Origin on 21 November 2011. Hugh is a Director of a private business advisory company and also an Alternate Director at the Irish Takeover Panel.

Patrick McEniff (46)

Non-Executive Director

Patrick McEniff joined IAWS Group plc after its listing on the Irish Stock Exchange in 1988 and has fulfilled various senior management roles, focused on finance and systems development. In 2004, he was appointed to the board of IAWS Group plc as its Group Finance Director. In 2008, upon the formation of ARYZTA AG, he was also appointed as CFO and member of the Board of Directors and in 2012 was also appointed as Chief Operating Officer of the ARYZTA AG Group.

Rose McHugh (50)

Non-Executive Director

Rose McHugh was appointed to the Origin board on 18 May 2012. Rose is head of Corporate Finance with Merrion Capital Group. She is a fellow of the Institute of Chartered Accountants in Ireland, an Associate of the Institute of Taxation in Ireland, holding a law degree and MBA from University College Cork.

Financial Statements and Directors' Report

Directors' Report

The directors present their annual report together with the audited consolidated financial statements for the year ended 31 July 2014, which are prepared in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the EU.

Principal activity and business review

The Group's principal activities comprise the supply, distribution and manufacture of agri-service products as well as the holding of a strategic investment in consumer foods. Through its subsidiaries, joint ventures and associates, the Group currently has manufacturing, trading and distribution operations based in the Republic of Ireland, the United Kingdom, Poland and Ukraine.

During the year under review, the Group continued to develop its core activities. A comprehensive review of the performance of the Group is included in the Chairman's Statement and Chief Executive's Review of Operations. The directors consider the state of affairs of the Company and the Group to be satisfactory. A list of the Company's principal subsidiaries, associates and joint venture is set out in Note 34 to the Group financial statements.

Results for the year

The results for the year are set out in the Consolidated Income Statement on page 34. Revenue for the financial year was €1,415,239,000 (2013: €1,418,173,000). The profit after tax and exceptional items for the financial year was €63,487,000 (2013: €73,012,000).

Future developments

The Group will continue to pursue new developments to enhance shareholder value, through a combination of organic growth, acquisitions and development opportunities.

Dividends

The Board is recommending a dividend of 20 cent (2013: 17.25 cent) per share in respect of the 2014 financial year. Subject to shareholder approval at the Annual General Meeting on 24 November 2014 the dividend will be paid on 12 December 2014 to shareholders on the register on 28 November 2014.

Share Capital and Treasury Shares

At 31 July 2014, Origin's total authorised share capital comprised 250,000,000 ordinary shares of €0.01 each.

At 31 July 2014, the company's total issued share capital comprised 126,378,777 (31 July 2013: 139,712,026) ordinary shares of €0.01 each. Following approval from shareholders at an extraordinary general meeting on 18 November 2013 Origin completed a Tender Offer in December 2013. The total number of ordinary shares purchased by Origin at €7.50 per share pursuant to the tender offer was 13,333,249 for a total consideration before expenses of €100 million.

In the prior year, the issued ordinary share capital was increased by the issue of 1,212,871 ordinary shares pursuant to a share subscription by a wholly owned subsidiary for the purposes of the Origin Long Term Incentive Plan 2012 ('2012 LTIP plan'). Under the terms of the 2012 LTIP plan, Directors and senior management of Origin have an interest in these shares which is subject to certain financial targets being achieved over the three years to 31 July 2015 and their remaining in employment with the Group during that period. These shares are classified as treasury shares for accounting purposes pending satisfaction of the applicable terms of the 2012 LTIP plan.

The rights and obligations to the ordinary shares are set out in the Articles of Association of the company which are available on the company's web site www.originenterprises.com.

Principal risks and uncertainties

Under Irish Company law (Regulation 37 of the European Communities (Companies: Group Accounts) Regulations 1992, as amended), Origin is required to give a description of the principal risks and uncertainties facing the Group. These are addressed in the Principal Risks and Uncertainties section on pages 20 and 21.

Corporate governance

The Board recognises the importance of sound corporate governance and that it is accountable to its shareholders in this regard. There is no distinct Irish corporate governance regime required for companies whose shares are traded on the AIM and ESM markets, however the Board note the updates to AIM Rule 26 and the directors have provided the following disclosures in relation to Corporate Governance having regard to the Company's size and the markets on which its shares are traded.

The Board

The Board is responsible for the leadership, strategic direction, control and long term success of the Group. Its role involves ensuring the Group provides its stakeholders with an up to date understanding of the Group's current position and prospects.

The Board has reserved for itself decision making in the areas of:

> Strategic direction of the Group;
> Appointment or removal of the Chief Executive Officer and recommendation for appointment or removal of any member of the Board;
> Director and senior executive management succession planning;
> Policy on remuneration for executive directors and senior management;
> The issue of shares and debentures;
> Approval of borrowing facilities;
> Approval of financial statements;
> Approval of budgets;
> Authorisation of major capital expenditure, acquisitions and disposals; and
> Dividend policy.

Board membership and independence

The Board currently comprises the non-executive Chairman, three executive and three other non-executive directors. The names and brief biographies of all the directors are set out on page 22. The Board considers that between them, the directors have the range of knowledge, skills and experience necessary to address the various challenges facing Origin. The Board is satisfied that its size and structure reflects an appropriate balance between executive and non-executive directors. The Board has considered the relationships and circumstances that might affect a director's independence and after due regard considers all non-executive directors capable of exercising independent judgement.

Chairman and Chief Executive Officer

Enhanced and effective governance is achieved by the separation of the roles of Chairman and Chief Executive Officer. The Board has delegated responsibility for the day-to-day management of the Group, through the Chief Executive Officer, to executive management. The Chairman is responsible for the operational efficiency of the Board and for ensuring that all directors have full and timely access to the information necessary to enable them to discharge their duties.

Company Secretary

The directors have full access to the advice and services of the Company Secretary, who also acts as secretary to all of the Board committees, is responsible to the Board for ensuring that Board procedures are followed and ensuring compliance with applicable rules and regulations. The directors also have access to independent professional advice, at the Group's expense, if and when required.

Appointments and re-election

The Board does not have a formal Nominations Committee and considerations of appointments of non-executive directors are made by the Board having given due consideration to the individual's experience, industry background, professional background, nationality and gender. On appointment to the Board, non-executive directors are provided with an introduction to the Group's operations, including the opportunity to visit the Group's operations and meet with key management. Non-executive directors are appointed for an initial three year period and their period of service may be renewed thereafter. All directors are required to retire by rotation in accordance with the Company's Articles of Association. At every Annual General Meeting of the Company, as nearly as possible to one-third will retire by rotation. The directors to retire are those who have been longest in office. A retiring director shall be eligible for re-election.

Directors' Report
(continued)

Board meetings

Meetings of directors are held regularly. There is regular contact as required between meetings in order to progress the Group's business. Before the beginning of the financial year, the Board sets a schedule of Board and Committee meetings to be held in the following year. Prior to each meeting the directors receive a comprehensive Board pack to facilitate meaningful discussion and decision making in relation to the Group's business at each meeting. Details of the meetings held during the year, both of the Board and of the Board committees are contained in the schedule below, which also includes information on individual attendance.

Meetings held and attended in the financial year ended 31 July 2014

	Board		Audit		Remuneration	
	Attended	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend
B. Fitzgerald	8	8	3	3	–	–
D. Giblin	8	8	–	–	–	–
O. Killian	8	8	–	–	1	1
H. McCutcheon	8	8	3	3	–	–
P. McEniff	8	8	3	3	1	1
R. McHugh	8	8	–	–	–	–
T. O'Mahony	8	8	–	–	–	–

Board Committees

Certain matters are delegated to two Board committees, an Audit Committee and a Remuneration Committee, the details of which are set out below. Written terms of reference of both committees, setting out their responsibilities, have been established and were reviewed in August 2013 in line with the annual review policy. These are available on the Company's web site, www.originenterprises.com.

Audit Committee

The Audit Committee comprises two non-executive directors, namely Mr. H. McCutcheon (Chairman) and Mr. P. McEniff, both of whom have recent and relevant financial experience. The Audit Committee met three times during the year. The Chief Executive Officer, Chief Financial Officer, Head of Group Internal Audit, the external auditor and other directors, executives and representatives may be invited to attend meetings or parts of meetings as is required for the Audit Committee to carry out its duties.

The role and responsibilities of the Audit Committee include:

> Monitoring the integrity of the Group's annual and interim financial statements and for reviewing significant financial reporting issues and judgements, accounting principles, policies and practices contained therein;
> Reviewing the Group's preliminary results announcements and interim statements;
> Monitoring the effectiveness of the Group's internal controls and risk management systems;
> Approving the appointment and removal of the head of the internal audit function;
> Reviewing and assessing the annual internal audit plan, internal audit reports on the Group and monitoring management's responsiveness to internal audit findings;
> Monitoring the effectiveness of the external auditor and audit process;
> Approving the appointment, re-election and removal of the external auditor;
> Approving the remuneration of the external auditor and developing and implementing a policy on the supply of non-audit services by the external auditor;
> Assessing the independence of the external auditor; and
> Reviewing the Group's arrangements for its employees to raise concerns about possible improprieties in financial reporting or other matters of confidence.

These responsibilities of the Audit Committee are discharged as follows:

The Committee reviews the interim and annual statements of the Group in advance of submission to the Board. The review focuses on the consistency of accounting policies year on year, the accounting for significant or unusual transactions, whether the Group has followed appropriate accounting standards in the preparation of these statements, levels of disclosure contained in the statements and consistency with other information provided alongside the statements. The Committee also considers the views of the external auditors who are invited to all Audit Committee meetings.

The Committee seeks confirmation from the external auditors each year that in their professional judgement they are independent from the Group. In doing so, the Committee reviews the fees paid to the external auditors for audit and non-audit work. The Group's policy is to limit the fee for non-audit services each year to 75% of the total annual audit fee. Details of amounts paid to the external auditors are set out in Note 5, on page 52 of the annual report.

Remuneration Committee

The Remuneration Committee comprises Mr. O. Killian (Chairman) and Mr. P. McEniff, both non-executive directors. The Remuneration Committee met once during the year.

The role and responsibilities of the Remuneration Committee are to determine and agree with the Board a broad policy of remuneration of the Group's Chief Executive Officer, executive directors and other members of executive management it is designated to consider. The Committee then sets, within the terms of that policy, the remuneration package of these individuals which may comprise all or a combination of basic salary, performance related bonuses, pensions, incentive packages and share awards.

The remuneration of the non-executive directors is determined by the Board, and reflects the time commitment and responsibilities of the role.

The Group's policy on executive directors' remuneration recognises that employment and remuneration conditions for senior executives must properly reward and motivate them to perform in the best interests of the shareholders. Remuneration policy reflects the need to ensure that the Group can attract, retain and motivate executives to perform at the highest levels.

Basic salary of executive directors is reviewed annually with regard to personal performance, Group performance and competitive market practice. The Group pays performance related annual bonuses to executive directors which are linked to the overall performance of the Group. Pension benefits are determined solely in relation to basic salary.

Details of remuneration paid to the directors in their capacity as directors of Origin as well as their pension entitlements are given in Note 6.

Under the terms of the Long Term Incentive Plan 2012 ('2012 LTIP plan'), directors and senior management acquired an interest in new ordinary shares issued by the company which are subject to certain financial and other targets being achieved over the three years to 31 July 2015 and to those individuals remaining in employment with the Group during the period. Further details are set out in Note 9 to the financial statements.

A long-term cash based incentive scheme is also in operation for senior executives. Provided certain financial targets are met and executives remain with the Group, a cash payment will be made in September 2015. The amount included as a charge in the financial statements represents an estimate of the final amount payable attributable to the year ended 31 July 2014. The amount ultimately payable will depend on the financial performance over the period to 31 July 2015.

Internal controls

The directors have overall responsibility for the Group's system of internal control and for reviewing its effectiveness. This involves an ongoing process for identifying, evaluating and managing the significant risks faced by the Group and reviewing the effectiveness of the resultant system of internal control throughout the year and up to the date of approval of the Annual Report and Financial Statements. This system is designed to manage risks that may impede the achievement of the Group's business objectives rather than to eliminate these risks. The internal control system therefore provides reasonable, though not absolute, assurance against material misstatement or loss.

The directors have established a number of key procedures designed to provide an effective system of internal control. The key procedures, which are supported by detailed controls and processes, include:

Internal audit

A Group internal audit function, reporting directly to the Audit Committee, undertakes examinations of business processes on a risk basis and reports on controls throughout the Group.

Control environment

Maintaining an organisation structure with defined lines of responsibility and specified delegation of authority within which the Group's activities can be planned and monitored. The control environment is overseen by experienced Group and divisional management teams.

Financial reporting

A comprehensive financial reporting system involving the setting of annual budgets and plans, timely monthly reporting and variance analysis and on-going review, supported by information systems developed for the purpose.

Directors' Report
(continued)

Risk management policies
Comprehensive policies and procedures are in place relating to computer security, capital expenditure, treasury risk management and credit risk management. Reputational risk management is also a key focus for the Group across all areas of the business. An internal risk and mitigating control questionnaire is compiled and reviewed annually for each division by their executive team in conjunction with the Group internal audit function. Results of the reviews are presented to the Audit Committee.

Annual review of internal controls
The directors confirm that they have conducted an annual review of the effectiveness of the system of internal control as operated up to and including the date of approval of the financial statements. This has had regard to the processes for identifying the principal business risks facing the Group, the methods of managing those risks, the controls that are in place to contain them and the procedures to monitor them.

Corporate Social Responsibility
Origin recognises the importance of conducting its business in a socially responsible manner. The Group understands its responsibilities as an important member of the communities in which it operates and aims to not only provide employment opportunities to the local population but to earn a positive reputation in those communities by carrying out its commercial dealings and operations with integrity and in compliance with local and national regulations.

The Group believes that its long term success will benefit from a motivated and committed workforce and, therefore, aims to provide its employees with an environment to work safely and develop their skills and practises in a well structured manner. Health and Safety in the work place is given high priority across the Group and is driven internally by health and safety reviews and procedures.

Communication with shareholders
Shareholder communication is given high priority by the Group. The Group has an ongoing programme of meetings between its senior executives, institutional shareholders, analysts and brokers as well as general presentations at the time of the release of the annual and interim results. The Board is kept appraised of the views of shareholders, and the market in general, through feedback from the meetings programme. Analysts' reports on the Group are also circulated to the Board on a regular basis.

The Group issues its results promptly to shareholders and also publishes them on the Group's website, www.originenterprises.com. Shareholders are invited to listen in to conference calls which present the annual and interim financial results of the Group which also afford them the opportunity to raise questions on the results. Shareholders can receive the Annual report in paper form, or they may elect to receive e-mailed notification stating that it is available on the Group's website.

The Company's Annual General Meeting affords each shareholder the opportunity to question the Chairman of the Board, the Chairmen of all committees and all other Board members. Notice of the AGM will be circulated to all shareholders at least 21 days in advance of that meeting. The AGM will be held on 24 November 2014 at 10.00am in the Westbury Hotel, Dublin 2.

Changes in Directors during the year and since year end
Mr. B. Fitzgerald resigned as a director on 31 July 2014 and Ms. I. Hurley was appointed as a director on 1 August 2014.

Directors and Secretary and their interests

The following directors and secretary held office as at 31 July 2014:

Directors:
B. Fitzgerald (resigned on 31 July 2014)
D. Giblin
O. Killian
H. McCutcheon
P. McEniff
R. McHugh
T. O'Mahony

Secretary:
P. Morrissey

The directors and Company Secretary who held office at 31 July 2014 had no interests, other than those shown below, in the shares in, or loan stock of, the Company or in any Group company. Beneficial interests at 31 July 2014 and 31 July 2013 were as follows:

Ordinary shares in Origin Enterprises plc of €0.01 each

	2014 Number of shares	2013 Number of shares
Directors:		
D. Giblin	**205,227**	227,088
H. McCutcheon	**32,000**	32,000
T. O'Mahony	**1,441,855**	1,595,449

There have been no changes in the interests as shown above between 31 July 2014 and 23 September 2014.

In addition, B. Fitzgerald, who resigned on 31 July 2014, held 502,321 shares at that date (760,437 at 31 July 2013).

2012 Long Term Incentive Plan

Under the terms of the Long Term Incentive Plan 2012 ('2012 LTIP plan'), the current executive directors acquired an interest in 668,316 new ordinary shares issued by the company to a wholly owned subsidiary, outright ownership of all or some of which may transfer to the directors subject to certain financial targets being achieved over the three years to 31 July 2015 and to those individuals remaining in employment with the Group during the period. T. O'Mahony acquired an interest in 544,554 and D. Giblin acquired an interest in 123,762 of these ordinary shares, respectively.

Directors' Report
(continued)

Interests in ARYZTA AG

Directors' and Company Secretary's interests in the Ordinary Shares of ARYZTA AG at 31 July 2014:

	2014 Number of shares	2013 Number of shares
Directors:		
O. Killian	**567,140**	823,731
H. McCutcheon	**1,500**	1,500
P. McEniff	**500,006**	500,006
T. O'Mahony	**–**	15,882
Company Secretary:		
P. Morrissey	**105,251**	130,251

Directors' and Company Secretary's interest in equity instruments in ARYZTA AG at 31 July 2014:

(a) Matching Plan

	1 August 2013	Granted/ (exercised) during the year	**31 July 2014**
Directors:			
O. Killian	150,000	–	**150,000**
P. McEniff	120,000	–	**120,000**
Company Secretary:			
P. Morrissey	60,000	–	**60,000**

(b) Option Equivalent Plan

	1 August 2013	Granted/ (exercised) during the year	**31 July 2014**
Directors:			
O. Killian	750,000	–	**750,000**
P. McEniff	610,000	–	**610,000**
Company Secretary:			
P. Morrissey	100,000	–	**100,000**

There have been no changes in the interests as shown between 31 July 2014 and 23 September 2014.

Details of the terms and conditions attaching to the equity instruments in ARYZTA AG are set out in the ARYZTA AG Annual Report, a copy of which is available on the ARYZTA AG website at www.ARYZTA.com.

Substantial holdings

As at 23 September 2014 the directors have been notified of the following shareholdings which amount to three per cent or more of the Company's issued ordinary share capital:

	Number of shares	%
ARYZTA AG	85,282,338	68.1

Accounting records

The directors believe that they have complied with the requirement of Section 202 of the Companies Act, 1990 with regard to books of account by employing personnel with appropriate expertise and by providing adequate resources to the finance function. The books of account of the Company are maintained at the Company's registered office at 151 Thomas Street, Dublin 8.

Political donations

No political donations were made in the current year (2013: €Nil).

Going concern

The directors have a reasonable expectation, having made appropriate enquiries that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Auditors

The auditors, PricewaterhouseCoopers, continue in office in accordance with Section 160(2) of the Companies Act, 1963.

On behalf of the Board

Owen Killian
Director
23 September 2014

Tom O'Mahony
Director
23 September 2014

Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual Report and the Group and Company financial statements, in accordance with applicable law and regulations.

Company law requires the directors to prepare Group and Company financial statements for each financial year. Under that law and in accordance with the Rules of the AIM and ESM exchanges issued by the London and Irish Stock Exchanges, the directors have elected to prepare the Group financial statements in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the EU ('EU IFRS') and have elected to prepare the Company financial statements in accordance with Generally Accepted Accounting Practice in Ireland, comprising applicable law and the financial reporting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland.

The Group financial statements are required by law and EU IFRS to present fairly the financial position and performance of the Group. The Companies Acts 1963 to 2013 provide in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view, are references to their achieving a fair presentation. The Company financial statements are required by law to give a true and fair view of the state of affairs of the Company.

In preparing each of the Group and Company financial statements, the directors are required to:

> Select suitable accounting policies and then apply them consistently;
> Make judgements and estimates that are reasonable and prudent; and
> Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The directors are responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that its financial statements comply with the Companies Acts 1963 to 2013. They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and the requirements of the AIM and ESM Rules, the directors are also responsible for preparing a directors' report that complies with that law and those rules.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board

Owen Killian
Director
23 September 2014

Tom O'Mahony
Director
23 September 2014

Independent Auditors' Report
to The Members of Origin Enterprises Plc

We have audited the financial statements of Origin Enterprises plc for the year ended 31 July 2014 which comprise the Consolidated Income Statement, the Consolidated Statement of Profit and Loss and Other Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows, the Group Accounting Policies and the related notes, the Company Accounting Policies, the Company Balance Sheet and the related notes. The financial reporting framework that has been applied in the preparation of the Group financial statements is Irish law and International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial reporting framework that has been applied in the preparation of the Company financial statements is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 32, the directors are responsible for the preparation of the financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Section 193 of the Companies Act, 1990 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion:

> The Group financial statements give a true and fair view, in accordance with IFRSs as adopted by the European Union, of the state of the Group's affairs as at 31 July 2014 and of its profit and cash flows for the year then ended;
> The Company Balance Sheet gives a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the state of the Company's affairs as at 31 July 2014; and
> The financial statements have been properly prepared in accordance with the requirements of the Companies Acts 1963 to 2013.

Matters on which we are required to report by the Companies Acts 1963 to 2013

> We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
> In our opinion proper books of account have been kept by the Company.
> The Company Balance Sheet is in agreement with the books of account.
> In our opinion the information given in the Directors' Report is consistent with the financial statements.
> The net assets of the Company, as stated in the Company Balance Sheet, are more than half of the amount of its called-up share capital and, in our opinion, on that basis there did not exist at 31 July 2014 a financial situation which under Section 40 (1) of the Companies (Amendment) Act, 1983 would require the convening of an extraordinary general meeting of the Company.

Matters on which we are required to report by exception

We have nothing to report in respect of the provisions in the Companies Acts 1963 to 2013 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

John Dillon
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Dublin
23 September 2014

Consolidated Income Statement
Year ended 31 July 2014

	Notes	Pre-exceptional 2014 €'000	Exceptional 2014 €'000	Total 2014 €'000	Pre-exceptional 2013 €'000	Exceptional 2013 €'000	Total 2013 €'000
Revenue	1	**1,415,239**	**–**	**1,415,239**	1,418,173	–	1,418,173
Cost of sales		**(1,196,262)**	**–**	**(1,196,262)**	(1,225,557)	–	(1,225,557)
Gross profit		**218,977**	**–**	**218,977**	192,616	–	192,616
Operating costs and other income	2, 3	**(145,741)**	**(3,416)**	**(149,157)**	(129,416)	2,769	(126,647)
Share of profit of associates and joint ventures	3,7	**11,844**	**(2,233)**	**9,611**	21,856	(311)	21,545
Operating profit	5	**85,080**	**(5,649)**	**79,431**	85,056	2,458	87,514
Finance income	4	**2,471**	**–**	**2,471**	2,699	–	2,699
Finance expense	4	**(8,005)**	**–**	**(8,005)**	(8,842)	–	(8,842)
Profit before tax		**79,546**	**(5,649)**	**73,897**	78,913	2,458	81,371
Income tax (expense)/credit	3,10	**(10,988)**	**578**	**(10,410)**	(10,555)	2,196	(8,359)
Profit attributable to equity shareholders		**68,558**	**(5,071)**	**63,487**	68,358	4,654	73,012

		2014	2013
Basic earnings per share	11	**48.92c**	52.84c
Diluted earnings per share	11	**48.72c**	52.72c

On behalf of the Board

Owen Killian
Director

Tom O'Mahony
Director

Consolidated Statement of Profit and Loss and Other Comprehensive Income

Year ended 31 July 2014

	2014 €'000	2013 €'000
Profit for the year	**63,487**	73,012
Other comprehensive income		
Items that are not reclassified subsequently to the Group income statement:		
Group/associate defined benefit pension obligations		
– remeasurements on Group's defined benefit pension schemes	**(2,045)**	(5,258)
– deferred tax effect of remeasurements	**223**	711
– share of remeasurements – associates and joint ventures, net of deferred tax	**1,959**	(4,552)
Deferred tax effect of change in tax rates	**–**	(462)
Items that may be reclassified subsequently to the Group income statement:		
Group/associate foreign exchange translation details		
– foreign currency net investments, net of deferred tax	**8,030**	(8,280)
– share of associates and joint ventures foreign exchange translation effects	**–**	(2,035)
– recycling on disposal of joint venture (Note 3)	**–**	(3,653)
Group/associate cash flow hedges		
– effective portion of changes in fair value to cash flow hedges	**1,334**	2,487
– fair value of cash flow hedges transferred to operating costs and other income	**(834)**	(535)
– deferred tax effect of cash flow hedges	**(1)**	(344)
– share of associates and joint ventures cash flow hedges, net of deferred tax	**565**	339
Other comprehensive income/(expense) for the year, net of tax	**9,231**	(21,582)
Total comprehensive income for the year attributable to equity shareholders	**72,718**	51,430

On behalf of the Board

Owen Killian
Director

Tom O'Mahony
Director

Consolidated Statement of Financial Position
As at 31 July 2014

	Notes	2014 €'000	2013 €'000
ASSETS			
Non-current assets			
Property, plant and equipment	12	**90,426**	80,647
Investment properties	13	**7,575**	7,575
Goodwill and intangibles	14	**151,372**	129,812
Investments in associates and joint ventures	15	**54,911**	45,235
Other financial assets	17	**42,586**	39,433
Deferred tax assets	22	**3,810**	4,504
Derivative financial instruments	21	**342**	–
Total non-current assets		**351,022**	307,206
Current assets			
Inventory	16	**134,314**	108,366
Trade and other receivables	17	**291,834**	261,980
Amount due from disposal of joint venture	3	**–**	94,002
Derivative financial instruments	21	**230**	492
Cash and cash equivalents	19	**139,576**	125,484
Total current assets		**565,954**	590,324
TOTAL ASSETS		**916,976**	897,530

Consolidated Statement of Financial Position
As at 31 July 2014 (continued)

	Notes	2014 €'000	2013 €'000
EQUITY			
Called up share capital	26	**1,264**	1,397
Share premium		**160,399**	160,399
Retained earnings and other reserves		**62,293**	112,790
TOTAL EQUITY		**223,956**	274,586
LIABILITIES			
Non-current liabilities			
Interest-bearing borrowings	20	**116,409**	150,503
Deferred tax liabilities	22	**16,429**	15,238
Other payables	18	**7,674**	3,549
Put option liability	24	**16,360**	–
Post employment benefit obligations	25	**5,193**	12,385
Derivative financial instruments	21	**1,155**	2,136
Total non-current liabilities		**163,220**	183,811
Current liabilities			
Interest-bearing borrowings	20	**35,079**	4,540
Trade and other payables	18	**472,138**	417,985
Corporation tax payable		**19,133**	13,228
Provision for liabilities	23	**2,818**	3,309
Derivative financial instruments	21	**632**	71
Total current liabilities		**529,800**	439,133
TOTAL LIABILITIES		**693,020**	622,944
TOTAL EQUITY AND LIABILITIES		**916,976**	897,530

On behalf of the Board

Owen Killian
Director

Tom O'Mahony
Director

Consolidated Statement of Changes in Equity
Year ended 31 July 2014

	Share capital €'000	Share premium €'000	Treasury shares €'000	Capital redemption reserve €'000	Cashflow hedge reserve €'000	Revaluation reserve €'000	Share-based payment reserve €'000	Re-organisation reserve €'000	Foreign currency translation reserve €'000	Retained earnings €'000	Total €'000
2014											
At 1 August 2013	**1,397**	**160,399**	**(12)**	**1**	**(2,947)**	**12,843**	**1,061**	**(196,884)**	**(22,312)**	**321,040**	**274,586**
Profit for the year	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**63,487**	**63,487**
Other comprehensive income for the year	**–**	**–**	**–**	**–**	**1,064**	**–**	**–**	**–**	**8,030**	**137**	**9,231**
Total comprehensive income for the year	**–**	**–**	**–**	**–**	**1,064**	**–**	**–**	**–**	**8,030**	**63,624**	**72,718**
Share-based payment charge	**–**	**–**	**–**	**–**	**–**	**–**	**764**	**–**	**–**	**–**	**764**
Share buyback (Note 26)	**(133)**	**–**	**–**	**133**	**–**	**–**	**–**	**–**	**–**	**(100,221)**	**(100,221)**
Dividend paid to shareholders (Note 27)	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(23,891)**	**(23,891)**
At 31 July 2014	**1,264**	**160,399**	**(12)**	**134**	**(1,883)**	**12,843**	**1,825**	**(196,884)**	**(14,282)**	**260,552**	**223,956**

	Share capital €'000	Share premium €'000	Treasury shares €'000	Capital redemption reserve €'000	Cashflow hedge reserve €'000	Revaluation reserve €'000	Share-based payment reserve €'000	Re-organisation reserve €'000	Foreign currency translation reserve €'000	Retained earnings €'000	Total €'000
2013											
At 1 August 2012	1,385	160,399	–	1	(4,894)	14,836	1,332	(196,884)	(8,344)	274,759	242,590
Profit for the year	–	–	–	–	–	–	–	–	–	73,012	73,012
Other comprehensive income/(expense) for the year	–	–	–	–	1,947	–	–	–	(13,968)	(9,561)	(21,582)
Total comprehensive income/(expense) for the year	–	–	–	–	1,947	–	–	–	(13,968)	63,451	51,430
Issue of shares (Note 26 (iii))	12	–	(12)	–	–	–	–	–	–	—	
Share-based payment charge	–	–	–	–	–	–	1,269	–	–	–	1,269
Dividend paid to shareholders	–	–	–	–	–	–	–	–	–	(20,703)	(20,703)
Transfer of revaluation reserve to retained earnings	–	–	–	–	–	(1,993)	–	–	–	1,993	–
Transfer of share-based payment reserve to retained earnings	–	–	–	–	–	–	(1,540)	–	–	1,540	–
At 31 July 2013	1,397	160,399	(12)	1	(2,947)	12,843	1,061	(196,884)	(22,312)	321,040	274,586

Consolidated Statement of Cash Flows
Year ended 31 July 2014

	Notes	2014 €'000	2013 €'000
Cash flows from operating activities			
Profit before tax		**73,897**	81,371
Exceptional items		**5,649**	(2,458)
Finance income		**(2,471)**	(2,699)
Finance expenses		**8,005**	8,842
Share of profit of associates and joint ventures, net of intangible amortisation	15	**(11,844)**	(21,856)
Depreciation of property, plant and equipment	12	**5,379**	5,369
Amortisation of intangible assets	14	**8,685**	7,366
Employee share-based payment charge		**764**	1,269
Pension contributions in excess of service costs	25	**(1,742)**	(1,834)
Special pension contribution on wind up	25	**(6,500)**	–
Payment of exceptional rationalisation costs	23	**(3,065)**	(5,152)
Payment of exceptional acquisition costs		**(1,124)**	–
Operating cash flow before changes in working capital		**75,633**	70,218
Increase in inventory		**(7,574)**	(10,709)
Increase in trade and other receivables		**(7,080)**	(10,404)
Increase in trade and other payables		**26,184**	17,635
Cash generated from operating activities		**87,163**	66,740
Interest paid		**(7,374)**	(7,410)
Income tax paid		**(4,453)**	(9,664)
Cash inflow from operating activities		**75,336**	49,666
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		**341**	367
Purchase of property, plant and equipment		**(12,072)**	(7,893)
Additions to intangible assets		**(2,969)**	(6,121)
Acquisition of subsidiary undertakings	31	**(12,992)**	–
Disposal of associate undertakings		**–**	16,319
Cash consideration on disposal of joint venture	3	**94,002**	–
Payment of contingent acquisition consideration	23	**–**	(8,846)
Investment in/loans to associates and joint ventures		**(423)**	–
Dividends received from associates and joint ventures		**2,278**	6,908
Cash inflow from investing activities		**68,165**	734
Cash flows from financing activities			
(Repayment)/drawdown of bank loans		**(14,125)**	10,517
Share buyback	26	**(100,221)**	–
Payment of dividends to equity shareholders		**(23,891)**	(20,703)
Payment of finance lease obligations		**(156)**	(352)
Cash outflow from financing activities		**(138,393)**	(10,538)
Net increase in cash and cash equivalents		**5,108**	39,862
Translation adjustment		**8,468**	(7,624)
Cash and cash equivalents at start of year		**121,060**	88,822
Cash and cash equivalents at end of year	19,20	**134,636**	121,060

Group Accounting Policies

Origin Enterprises plc (the 'Company') is a company domiciled and incorporated in Ireland. The Group's financial statements for the year ended 31 July 2014 consolidate the individual financial statements of the Company and its subsidiaries (together referred to as 'the Group') and show the Group's interest in associates and joint ventures using the equity method of accounting.

The individual and Group financial statements of the Company were authorised for issue by the directors on 23 September 2014.

Statement of compliance

As permitted by Company law and as required by the Rules of the AIM and ESM exchanges the Group financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRSs') and their interpretations issued by the International Accounting Standards Board ('IASB') as adopted by the EU.

The IFRSs adopted by the EU applied by the Group in the preparation of these financial statements are those that were effective for accounting periods beginning on or after 1 August 2013.

New IFRS accounting standards and interpretations not yet adopted

The Group has not applied the following IFRS's and International Financial Reporting Interpretations Committee ('IFRIC') Interpretations that have been issued and adopted by the EU but are not yet effective.

> IFRS 9 'Financial Instruments'
> IFRS 10 'Consolidated financial statements'
> IFRS 11 'Joint arrangements'
> IFRS 12 'Disclosure of interests in other entities'
> IAS 19 (Amended) 'Employee benefits'
> IAS 27 (Revised) 'Separate financial statements'
> IAS 28 (Revised) 'Associates and joint ventures'
> IAS 32 (Amended) 'Financial Instruments: Presentation'
> IAS 39 'Financial Instruments: Recognition and Measurement'
> IFRIC 21 'Levies'
> Annual Improvements 2012
> Annual Improvements 2013

The above standards are not expected to have a significant impact on the Group financial statements.

New IFRS accounting standards and interpretations adopted in 2013/14

During the year ended 31 July 2014, the Group adopted the below amendments to International Financial Reporting Standards ('IFRS'), International Accounting Standards ('IAS') and the International Financial Reporting Interpretation Committee pronouncements ('IFRIC').

None of these had a material impact on the consolidated results or financial position of the Group:

IAS 19 (Revised) 'Employee benefits'
IAS 36 (Amended) 'Impairment of Assets'
IFRS 7 (Revised) 'Disclosures-Offsetting financial assets and financial liabilities'
IFRS 13 'Fair Value Measurement'
Annual Improvements 2011

IAS 19 (Revised) 'Employee Benefits' amends the accounting for employment benefits. The Group has applied the standard retrospectively in accordance with the transition provisions of the standard.

The standard replaces the interest cost on the defined benefit obligation and the expected return on plan assets with a net interest cost which is calculated based on the net defined benefit liability and the discount rate, measured at the beginning of the year. The adoption of IAS 19 (Revised) – 'Employee Benefits' has resulted in a decrease in both finance income and finance expense of €4.2 million in 2013.

There is a new term 'remeasurements'. This is made up of actuarial gains and losses and the difference between actuarial investment returns and the return implied by the net interest cost. Remeasurements are reflected in the statement of other comprehensive income. The pension deficit, 'post employment benefit obligations' as previously reported on the Statement of Financial Position has not changed as a result of the above.

New IFRS accounting standards and interpretations adopted in 2013/14 (continued)

IFRS 13 'Fair Value Measurement' establishes a single framework for measuring fair value and making disclosures about fair value measurements when such measurements are required or permitted by other IFRS's. It unifies the definition of fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

While the above standards and interpretations adopted by the Group modify certain disclosure requirements, these requirements are not significantly different than information presented as part of the 31 July 2013 year end financial statements and have no impact on the consolidated results or financial position of the Group.

Basis of preparation

The Group financial statements are prepared in accordance with the Irish Companies Acts, 1963 to 2013 and on the historical cost basis except that the following assets and liabilities are stated at their fair value: investment properties, derivative financial instruments and put option liability. The accounting policies have been applied consistently over both years. The financial statements are presented in euro, rounded to the nearest thousand, which is the functional currency of the parent.

The preparation of financial statements in conformity with IFRS as adopted by the EU requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the Group financial statements, relate primarily to accounting for defined benefit pension schemes, financial instruments, investment properties, share-based payments, long term incentive plans, intangible assets, goodwill impairment, provisions for liabilities and deferred tax. The relevant assumptions and estimates have been discussed in the notes to the financial statements.

Basis of consolidation

The Group financial statements reflect the consolidation of the results, assets and liabilities of the parent undertaking, the Company and all of its subsidiaries, together with the Group's share of profits/losses of associates and joint ventures. Where a subsidiary, associate or joint venture is acquired or disposed of during the financial year, the Group financial statements include the attributable results from, or to, the effective date when control passes, or, in the case of associates, when significant influence is obtained or ceases.

Subsidiary undertakings

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition by acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

The Group acquired a 60 per cent interest in the business of Agroscope for cash consideration on 30 January 2014. The Group also entered into an arrangement with the minority shareholder of Agroscope, under which the minority shareholder has the right at various dates to sell the remaining 40 per cent interest to Origin based on an agreed formula. In the event that this is not exercised Origin has a similar right to acquire the 40 per cent interest.

Group Accounting Policies
(continued)

Basis of consolidation (continued)

Subsidiary undertakings (continued)

Where such put/call option agreements are in place in respect of shares held by non-controlling shareholders, the put element of the liability is measured in accordance with the requirements of IAS 32 and IAS 39 and is stated at fair value. Such liabilities are shown as current or non-current financial liabilities in the Group balance sheet. The change in the net present value of such options in the year is recognised in the Group income statement within net finance costs.

Origin has applied the anticipated acquisition method in accounting for the option whereby the non-controlling interest is not recognized but rather treated as already acquired by Origin both in the Consolidated Statement of Financial Position and the Consolidated Statement of Comprehensive Income. This treatment has been adopted as the Directors have formed the view that based on the structure, pricing and timing of the option contracts significant risks and rewards have transferred to Origin.

Associates and joint ventures

Associates are those entities in which the Group has significant influence over, but not control of, the financial and operating policies. Joint ventures are those entities over which the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic, financial and operating decisions. Investments in associates and joint ventures are accounted for using the equity method of accounting.

Under the equity method of accounting, the Group's share of the post-acquisition profits or losses of its associates and joint ventures is recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. The income statement reflects, in profit before tax, the Group's share of profit after tax of its associates and joint ventures in accordance with IAS 28, 'Investments in Associates' and IAS 31, 'Interests in Joint Ventures'.

The Group's interest in their net assets is included as investments in associates and joint ventures in the Consolidated Statement of Financial Position at an amount representing the Group's share of the fair value of the identifiable net assets at acquisition plus the Group's share of post acquisition retained income and expenses. The Group's investment in associates and joint ventures includes goodwill on acquisition. The amounts included in the financial statements in respect of the post acquisition income and expenses of associates and joint ventures are taken from their latest financial statements prepared up to their respective year ends, together with management accounts for the intervening periods to the Group's year end. The fair value of any investment retained in a former subsidiary is regarded as a cost on initial recognition of an investment in an associate or joint venture. Where necessary, the accounting policies of associates and joint ventures have been changed to ensure consistency with the policies adopted by the Group.

Transactions eliminated on consolidation

Intra-group balances and any unrealised gains and losses or income and expenses arising from intra-group transactions, are eliminated in preparing the Group financial statements. Unrealised gains and income and expenses arising from transactions with associates and joint ventures are eliminated to the extent of the Group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that they do not provide evidence of impairment.

Revenue

Revenue represents the fair value of the sale consideration received for the goods supplied to third parties, after deducting discounts estimated based on individual customer arrangements and historical experience and exclusive of value added tax. Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably.

Segmental reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's Chief Operating Decision Maker, being the Board, to make decisions about resources to be allocated to segments and to assess performance, and for which discrete financial information is available.

The Group has two operating segments: Agri-Services and Associates and Joint Ventures (see Note 1 for further information). Segment assets and liabilities consist of property, plant and equipment, goodwill and intangible assets and other assets and liabilities that can be reasonably allocated to the reported segment. Unallocated assets and liabilities principally include current and deferred income tax balances together with financial assets and liabilities.

Employee benefits

Group companies operate various pension schemes. The schemes are generally funded through payments to insurance companies or trustee administered funds, determined by periodic actuarial calculations.

Employee benefits (continued)

Pension obligations

Obligations for contributions to defined contribution pension plans are recognised as an expense in the Consolidated Income Statement as the related employee service is received. The Group's net obligation in respect of defined benefit pension plans is calculated, separately for each plan, by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine the present value, and the fair value of any plan assets is deducted. The discount rate is the yield at the year end date on high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have maturity dates approximating the terms of the Group's obligations. The calculation is performed by a qualified actuary using the projected unit credit method. Fair value is based on market price information, and in the case of quoted securities is the published bid price.

Defined benefit costs are categorised as: (1) service costs; (2) net interest expense or income; and (3) remeasurement. Service cost includes current and past service cost as well as gains and losses on curtailments and settlements; it is included in operating profit. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest, is calculated by applying the discount rate to the net defined benefit asset or liability at the beginning of the year; it is included in finance costs. Remeasurement is comprised of the return on plan assets other than interest at the discount rate and actuarial gains and losses; it is recognised in other comprehensive income in the period in which it arises and is not subsequently reclassified to profit or loss. Settlement gains or losses are recognised in the Consolidated Income Statement as exceptional items.

Long-Term Incentive Plans

The Group has established the 'Origin Enterprises Long-Term Incentive Plan' ('the Origin Plan').

All equity instruments issued under the Origin Plan are equity settled share-based payments as defined in IFRS 2, 'Share-based Payments'. The fair value of equity instruments issued is recognised as an expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the equity instrument. The fair value of the equity instruments issued is measured taking into account the vesting conditions under which the equity instruments were issued. The plan is subject to non-market vesting conditions and, therefore, the amount recognised as an expense is adjusted to reflect the actual number of equity instruments that are expected to vest.

The group recognises an expense in the income statement for the cash based long term incentive plans as employees render service under the plan and the expense is based on the benefits earned by employees during the period. The liability for other long-term employee benefits represents the group's best estimate of its obligation that employees have earned in return for their service in current and prior periods. That liability is discounted to its present value and presented as 'Other payables'.

Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement except to the extent that it relates to items recognised directly in other comprehensive income, in which case the related tax is also recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates and laws that have been enacted or substantially enacted at the year end date, and any adjustment to tax payable in respect of previous years.

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the Group's provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and tax provisions in the period in which such determination is made.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the year end date. If a temporary difference arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction does not affect accounting or taxable profit or loss, no deferred tax is recognised. Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates and joint ventures, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be recovered. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Group Accounting Policies
(continued)

Foreign currency

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year end date are translated to functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Consolidated Income Statement.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to euro at the foreign exchange rates ruling at the year end date. The revenues and expenses of foreign operations are translated to euro at the average exchange rates. Foreign exchange differences arising on translation of the net assets of a foreign operation are recognised directly in Consolidated Statement of Profit or Loss and Other Comprehensive Income, in a translation reserve. Exchange gains or losses on long-term intra-group loans that are regarded as part of the net investment in non-euro denominated operations, are taken to the translation reserve to the extent that they are neither planned nor expected to be repaid in the foreseeable future.

Dividends

Dividends are recognised in the period in which they are approved by the Company's shareholders, or in the case of an interim dividend, when it has been approved by the Board of Directors and paid.

Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and impairment losses. Other subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the item of property, plant and equipment. All other expenditure including repairs and maintenance costs is recognised in the income statement as an expense as incurred.

Depreciation is calculated to write off the cost less estimated residual value of property, plant and equipment, other than freehold land, on a straight line basis, by reference to the following estimated useful lives:

Buildings	25 to 50 years
Plant and machinery	3 to 15 years
Motor vehicles	3 to 7.5 years

The residual value of assets, if significant, and the useful life of assets is reassessed annually.

Gains and losses on disposals of property, plant and equipment are recognised on the completion of sale. Gains and losses on disposals are determined by comparing the proceeds received with the carrying amount and are included in operating profit.

Investment properties

Investment property, principally comprising land, is held for capital appreciation. Investment property is stated at fair value. The fair value is based on market value, being the estimated amount for which a property could be exchanged in an arms length transaction. Any gain or loss arising from a change in fair value is recognised in the Consolidated Income Statement. When property is transferred to investment property following a change in use, any difference arising at the date of transfer between the carrying amount of the property immediately prior to transfer and its fair value is recognised in equity if it is a gain. Upon disposal of the property, the gain would be transferred to retained earnings in equity. Any loss arising in this manner, unless it represents the reversal of a previously recognised gain, would be recognised immediately in the Consolidated Income Statement.

Discontinued operations and non-current assets held for sale

A discontinued operation is a component of an entity that either has been disposed of, abandoned, or is classified as held for sale and:

> Represents a separate major line of business or geographical area of operation; or
> Is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operation; or
> Is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs upon disposal, abandonment, or when the operations meet the criteria to be classified as held for sale.

Non-current assets and disposal groups classified as held for sale are measured at the lower of the carrying amount and the fair value less costs to sell. Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than continued use. This condition is regarded as satisfied only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year of the date of classification. Property, plant and equipment and intangible assets, once classified as held for sale, are not depreciated or amortised.

Leased assets

Leases, where a significant portion of the risks and rewards of ownership are retained by the lessor, are classified as operating leases. Payments made under operating leases are charged to the Consolidated Income Statement on a straight line basis over the lease term.

Leases, where the Group has substantially all the risks and rewards of ownership, are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased asset or the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in interest-bearing loans and borrowings. The interest element of the payments is charged to the Consolidated Income Statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The asset acquired under the finance lease is depreciated over the shorter of the useful life of the asset or the lease term.

Business combinations and goodwill

All business combinations are accounted for by applying the purchase method. Goodwill represents amounts arising on acquisition of subsidiaries, associates and joint ventures. In respect of acquisitions that have occurred since 1 August 2005, goodwill represents the difference between the cost of the acquisition and the fair value of the net identifiable assets acquired. In respect of acquisitions prior to this date, goodwill is included on the basis of its deemed cost, i.e. original cost less accumulated amortisation from the date of acquisition up to 31 July 2005, which represents the amount recorded under Irish GAAP. Goodwill is now stated at cost or deemed cost less any accumulated impairment losses. In respect of associates and joint ventures, the carrying amount of goodwill is included in the carrying amount of the investment.

Intangible assets

Intangible assets acquired as part of a business combination are initially recognised at fair value being their deemed cost as at the date of acquisition. These generally include brand and customer related intangible assets. Computer software that is not an integral part of an item of computer hardware is also classified as an intangible asset. Where intangible assets are separately acquired, they are capitalised at cost. Cost comprises purchase price and other directly attributable costs.

Intangible assets with finite lives are amortised over the period of their expected useful lives in equal annual instalments, as follows:

Brands	3 to 10 years
Customer related	5 to 20 years
Supplier agreements	4 to 10 years
Computer related	3 to 7 years

Subsequent to initial recognition, intangible assets are stated at cost less accumulated amortisation and impairment losses incurred.

Impairment

The carrying amounts of the Group's assets, other than inventories (which are carried at the lower of cost and net realisable value), deferred tax assets (which are recognised based on recoverability), investment properties (which are carried at fair value), and financial instruments (which are carried at fair value), are reviewed to determine whether there is an indication of impairment when an event or transaction indicates that there may be. If any such indication exists, an impairment test is carried out and the asset is written down to its recoverable amount. An impairment test is carried out annually on goodwill.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Consolidated Income Statement. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit and then, to reduce the carrying amount of the other assets in the unit on a pro rata basis. An impairment loss, other than in the case of goodwill, is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Inventory

Inventory is stated at the lower of cost on a first in, first out basis and net realisable value. Cost includes all expenditure, which has been incurred in the normal course of business in bringing the products to their present location and condition. Net realisable value is the estimated selling price of inventory on hand less all further costs to completion and all costs expected to be incurred in marketing, distribution and selling.

Cash and cash equivalents

Cash and cash equivalents in the Consolidated Statement of Financial Position comprise cash at bank and in hand and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the Consolidated Statement of Cash Flows.

Group Accounting Policies
(continued)

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

Financial assets and liabilities

Trade and other receivables

Trade and other receivables are initially measured at fair value and are, thereafter, measured at amortised cost using the effective interest method, less any provision for impairment. Trade and other receivables are discounted when the time value of money is considered material.

A provision is established for irrecoverable amounts when there is objective evidence (including a customer going into liquidation or receivership, the commencement of legal proceedings or poor payment history) that amounts due under the original payment terms will not be collected.

Financial assets are derecognised when the rights to receive cashflows from the investments have expired or have been transferred and the group have transferred substantially all risks and rewards of ownership. Where risks associated with receivables are transferred out of the Group under receivables purchase agreements, such receivables are recognised in the Statement of Financial Position to the extent of the Group's continued involvement and retained risk.

Short-term bank deposits

Short-term bank deposits of greater than three months maturity which do not meet the definition of cash and cash equivalents are classified as loans and receivables within current assets and stated at amortised cost in the Consolidated Statement of Financial Position.

Trade and other payables

Trade and other payables are recognised initially at fair value and are subsequently measured at amortised cost, using the effective interest method.

Derivatives

All derivatives are initially recorded at fair value on the date the contract is entered into and subsequently, at reporting dates remeasured to their fair value. The gain or loss arising on remeasurement is recognised in the income statement except where the instrument is a designated hedging instrument.

Derivative financial instruments are used to manage the Group's exposure to foreign currency risk and interest rate risk through the use of forward currency contracts and interest rate swaps. These derivatives are generally designated as cash flow hedges in accordance with IAS 39. The Group does not enter into speculative derivative transactions.

Cash flow hedges

Subject to the satisfaction of certain criteria, relating to the documentation of the risk, objectives and strategy for the hedging transaction and the ongoing measurement of its effectiveness, cash flow hedges are accounted for under hedge accounting rules. In such cases, any unrealised gain or loss arising on the effective portion of the derivative instrument is recognised in the cash flow hedging reserve, a separate component of equity. Unrealised gains or losses on any ineffective portion of the derivative are recognised in the income statement. When the hedged transaction occurs the related gains or losses in the hedging reserve are transferred to the Consolidated Income Statement.

Interest-bearing loans and borrowings

Interest-bearing loans and borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing loans and borrowings are stated at amortised cost using an effective interest rate method.

Finance lease liabilities

Fair value for disclosure purposes is based on the present value of future cash flows discounted at appropriate current market rates.

Exceptional items

The Group has adopted an income statement format which seeks to highlight significant items within the Group results for the year. The Group believes that this presentation provides a more informative analysis as it highlights one off items. Such items may include significant restructuring costs, acquisition related costs, profit or loss on disposal or termination of operations, profit or loss on disposal of property, plant and equipment, profit or loss on disposal of investments, claims and significant impairment of assets. Judgement is used by the Group in assessing the particular items, which by virtue of their scale and nature, should be disclosed in the Consolidated Income Statement and related notes as exceptional items.

Borrowing costs

Finance expenses comprise interest expense on borrowings. All borrowing costs are recognised in the Consolidated Income Statement using the effective interest method.

Provisions

A provision is recognised in the Consolidated Statement of Financial Position when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Finance income

Finance income is recognised using the effective interest method.

Notes to the Group Financial Statements

1 Segment information

IFRS 8, 'Operating Segments', requires operating segments to be identified on the basis of internal reports that are regularly reviewed by the Chief Operating Decision Maker ('CODM') in order to allocate resources to the segments and to assess their performance. Two operating segments have been identified; Agri-Services and Associates and Joint Ventures.

Origin's Agri-Services segment comprises integrated agronomy services and Agri-Inputs. The Associates and Joint Ventures operating segment is comprised of our existing investments in Valeo, John Thompson & Son Limited and R&H Hall. The segment results and revenue from the Associates and Joint Ventures operating segment in the comparative period also included our investments in Continental Farmers plc and Welcon prior to their disposal in June and July 2013, respectively.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment operating profit as included in the internal management reports that are reviewed by the Group's CODM, being the Origin Board of Directors. Segment operating profit is used to measure performance, as this information is the most relevant in evaluating the results of the Group's segments.

Segment results, assets and liabilities include all items directly attributable to a segment.

Segment capital expenditure is the total amount incurred during the period to acquire segment assets that are expected to be used for more than one accounting period.

	Agri-Services		Associates and Joint Ventures		Total Group	
	2014 €'000	2013 €'000	**2014 €'000**	2013 €'000	**2014 €'000**	2013 €'000
(a) Analysis by segment						
(i) Segment revenue and results						
Total revenue	**1,415,239**	1,418,173	**416,089**	594,692	**1,831,328**	2,012,865
Less revenue from associates and joint ventures	**–**	–	**(416,089)**	(594,692)	**(416,089)**	(594,692)
Revenue	**1,415,239**	1,418,173	**–**	–	**1,415,239**	1,418,173
Segment result	**79,513**	68,889	**13,392**	21,856	**92,905**	90,745
Amortisation of non-ERP intangible assets – Group					**(6,277)**	(5,689)
Amortisation of non-ERP intangible assets – Associates and joint ventures					**(1,548)**	–
Total operating profit before exceptional items					**85,080**	85,056
Exceptional items					**(5,649)**	2,458
Operating profit					**79,431**	87,514

	2014 €'000	2013 €'000
(ii) Segment earnings before financing costs and tax is reconciled to reported profit before tax and profit after tax as follows:		
Segment earnings before financing costs and tax	**79,431**	87,514
Finance income	**2,471**	2,699
Finance expense	**(8,005)**	(8,842)
Reported profit before tax	**73,897**	81,371
Income tax expense	**(10,410)**	(8,359)
Reported profit after tax	**63,487**	73,012

1 Segment information (continued)

	Agri-Services		Associates and Joint Ventures		Total Group	
	2014 €'000	2013 €'000	**2014 €'000**	2013 €'000	**2014 €'000**	2013 €'000
(a) Analysis by segment (continued)						
(iii) Segment assets						
Segment assets excluding investment in associates and joint ventures and investment properties	**667,946**	580,805	**–**	94,002	**667,946**	674,807
Investment in associates and joint ventures (including other financial assets)	**–**	–	**97,497**	84,668	**97,497**	84,668
Segment assets	**667,946**	580,805	**97,497**	178,670	**765,443**	759,475
Reconciliation to total assets as reported in Consolidated Statement of Financial Position						
Cash and cash equivalents					**139,576**	125,484
Investment properties					**7,575**	7,575
Derivative financial instruments					**572**	492
Deferred tax assets					**3,810**	4,504
Total assets as reported in Consolidated Statement of Financial Position					**916,976**	897,530

	Agri-Services		Associates and Joint Ventures		Total Group	
	2014 €'000	2013 €'000	**2014 €'000**	2013 €'000	**2014 €'000**	2013 €'000
(iv) Segment liabilities						
Segment liabilities	**504,183**	437,228	**–**	–	**504,183**	437,228
Reconciliation to total liabilities as reported in Consolidated Statement of Financial Position						
Interest-bearing loans and liabilities					**151,488**	155,043
Derivative financial instruments					**1,787**	2,207
Current and deferred tax liabilities					**35,562**	28,466
Total liabilities as reported in Consolidated Statement of Financial Position					**693,020**	622,944

	Agri-Services		Associates and Joint Ventures		Total Group	
	2014 €'000	2013 €'000	**2014 €'000**	2013 €'000	**2014 €'000**	2013 €'000
(v) Other segment information						
Depreciation	**5,379**	5,369	**–**	–	**5,379**	5,369
Intangible amortisation	**8,685**	7,366	**–**	–	**8,685**	7,366
Exceptional loss/(gain) (Note 3)	**3,416**	(2,769)	**2,233**	311	**5,649**	(2,458)
Capital expenditure – property, plant and equipment	**11,688**	7,964	**–**	–	**11,688**	7,964
Capital expenditure – ERP and computer intangibles	**1,986**	5,826	**–**	–	**1,986**	5,826
Total capital expenditure	**13,674**	13,790	**–**	–	**13,674**	13,790

Notes to the Group Financial Statements
(continued)

1 Segment information (continued)

	Ireland		UK		Rest of World		Total	
	2014 €'000	2013 €'000	**2014 €'000**	2013 €'000	**2014 €'000**	2013 €'000	**2014 €'000**	2013 €'000
(b) Analysis by geography								
Revenue	**160,348**	174,418	**951,619**	948,267	**303,272**	295,488	**1,415,239**	1,418,173
Assets	**145,198**	153,772	**523,976**	559,316	**96,269**	46,387	**765,443**	759,475
IFRS 8 non-current assets	**126,648**	123,140	**200,879**	177,725	**19,343**	1,837	**346,870**	302,702

2 Operating costs and other income

	2014 €'000	2013 €'000
Distribution expenses	**70,360**	66,919
Administration expenses	**69,104**	56,808
Amortisation of non-ERP related intangible assets	**6,277**	5,689
	145,741	129,416
Exceptional items (Note 3)	**3,416**	(2,769)
	149,157	126,647

3 Exceptional items

Exceptional items are those that, in management's judgement, should be separately presented and disclosed by virtue of their nature or amount. Such items are included within the Consolidated Income Statement caption to which they relate. The following exceptional items arose during the year:

	2014 €'000	2013 €'000
Rationalisation costs (i)	**3,065**	3,819
Acquisition related costs (ii)	**1,124**	–
Pension related costs (iii)	**(773)**	–
Gain on disposal of interest in joint venture (iv)	**–**	(20,631)
Fair value adjustment on investment properties (Note 13)	**–**	6,333
Impairment of property, plant and equipment (v)	**–**	8,612
Release of Rigby Taylor contingent consideration (Note 23)	**–**	(579)
Gain on disposal of interest in associate (Note 15 (i))	**–**	(323)
Arising in associates and joint ventures, net of tax (vi)	**2,233**	311
Total exceptional charge/(credit) before tax	**5,649**	(2,458)
Tax credit on exceptional items	**(578)**	(2,196)
Total exceptional charge/(credit) after tax	**5,071**	(4,654)

(i) Rationalisation costs

Rationalisation costs comprise termination payments and property exit costs arising from the restructuring of Agri-Services in the UK.

(ii) Acquisition related costs

Acquisition related costs principally comprise expenses arising on the acquisition of Agroscope International LLC which completed in January 2014 (Note 31).

3 Exceptional items (continued)

(iii) Pension related costs

Pension costs comprise a settlement gain of €1.3 million arising on the closure of two of the Group's Irish based defined benefit pension schemes during the year and costs of €0.5 million in relation to the merger of the UK based defined benefit pension schemes.

(iv) Gain on disposal of interest in joint venture

On 4 July 2013, Origin announced that it had reached conditional agreement to dispose of its 50% interest in Welcon, to its joint venture partner, Austevoll Seafoods ASA for a cash consideration of 740 million NOK. As all conditions were fulfilled by 31 July 2013 the disposal was reflected in the financial year ended 31 July 2013. The consideration receivable of 740 million NOK (€94 million) was shown as a receivable in the Consolidated Statement of Financial Position at 31 July 2013. The transaction completed on 12 August 2013 and the proceeds were received in full. A gain of €20.6 million arose on the disposal as follows:

	2013 €'000
Consideration received from disposal of interest in Welcon	94,002
Carrying value of investment (Note 15)	(73,873)
Foreign exchange differences previously taken to comprehensive income	3,653
Disposal related costs	(3,151)
Gain arising on disposal of joint venture	**20,631**

(v) Impairment of property, plant and equipment

During the prior year, the Directors commissioned an independent valuations expert to conduct a valuation of a property in Ireland held on the balance sheet within property, plant and equipment in light of its anticipated future use and against the background of the conditions in the Irish property market. The valuation was on the basis of the RICS Red Book – RICS Valuation – Professional Standards published in March 2012. The valuation resulted in a write down in the carrying value of €8.6 million.

(vi) Arising in associates and joint ventures

The exceptional loss arising in associates and joint ventures in the current year relates to the Group's share of redundancy, acquisition and financing costs arising in Valeo Foods Group Limited ('Valeo').

4 Finance income and expense

	2014 €'000	2013 €'000
Recognised in the Consolidated Income Statement		
Finance income		
Interest income on bank deposits	**427**	489
Interest receivable on vendor loan note (Note 17)	**2,044**	2,210
Total finance income	**2,471**	2,699
Finance expenses		
Interest payable on bank loans and overdrafts	**(7,353)**	(8,297)
Finance charge on contingent acquisition consideration	**–**	(187)
Finance charge on put option liability (Note 24)	**(277)**	–
Defined benefit pension obligations: net interest cost (Note 25)	**(375)**	(358)
Total finance expenses	**(8,005)**	(8,842)
Finance costs, net	**(5,534)**	(6,143)
Recognised directly in Other Comprehensive Income		
Effective portion of changes in fair value of interest rate swaps	**1,254**	987

Notes to the Group Financial Statements
(continued)

5 Statutory and other information

	2014 €'000	2013 €'000
Group operating profit before exceptional items is stated after charging:		
Raw materials and consumables used	**1,191,205**	1,218,488
Amortisation of intangible assets (Note 14)	**8,685**	7,366
Depreciation of property, plant and equipment (Note 12)	**5,379**	5,369
Operating lease rentals	**9,634**	8,252
Auditors' remuneration:		
– statutory audit of Group accounts	**283**	253
– other assurance services	**24**	24
– other non-audit services	**12**	6

6 Directors' emoluments

The remuneration paid to the directors in their capacity as directors of Origin Enterprises plc for the year ended 31 July 2014 is as follows:

	Fees €'000	Salary €'000	Performance related bonus €'000	Benefit in kind €'000	Pension €'000	2014 Total €'000	2013 Total €'000
Non-executive directors							
O. Killian	50	–	–	–	–	**50**	50
H. McCutcheon	70	–	–	–	–	**70**	70
P. McEniff	50	–	–	–	–	**50**	50
R. McHugh	50	–	–	–	–	**50**	50
Executive directors							
B. Fitzgerald	–	350	350	–	145	**845**	845
D. Giblin	–	362	362	25	20	**769**	694
T. O'Mahony	–	420	420	26	147	**1,013**	1,013
	220	**1,132**	**1,132**	**51**	**312**	**2,847**	**2,772**

	2014 Number	2013 Number
Average number of non-executive directors	**4**	4
Average number of executive directors	**3**	3

The remuneration earned but not yet paid to the directors in aggregate in their capacity as directors of Origin Enterprises plc for the year ended 31 July 2014 is as follows:

	2014 Total €'000	2013 Total €'000
Share based payment charge – Current Plan	**484**	884
Share based payment charge – Previous Plan	**–**	50
Accrual for cash based deferred bonus scheme, not payable until 2015	**564**	955
	1,048	1,889

The non-executive directors do not participate in any of the Origin long term incentive plans.

6 Directors' emoluments (continued)

Pension entitlements

The aggregate pension benefits attributable to directors under defined benefit schemes for the year were as follows:

	2014 €'000	2013 €'000
Transfer value of increase (excluding inflation)	**4**	1
Accrued annual pension at 31 July	**59**	52

7 Share of profit after tax of associates and joint ventures

	2014 €'000	2013 €'000
Total		
Group share of:		
Revenue	**416,089**	594,692
Profit after tax*	**9,611**	21,545

* After charging exceptional costs of €2,233,000 (2013: €311,000).

8 Employment

The average number of persons (including executive directors) employed by the Group during the year was as follows:

	2014 Number	2013 Number
Sales and distribution	**861**	827
Production	**269**	262
Management and administration	**376**	339
	1,506	1,428

Aggregate employment costs of the Group are analysed as follows:

	2014 €'000	2013 €'000
Wages and salaries	**84,237**	79,598
Social welfare costs	**8,182**	7,869
Pension costs (Note 25) included in Consolidated Income Statement:		
– defined benefit schemes – current service cost	**537**	441
– defined benefit schemes – negative past service cost	**–**	(536)
– defined benefit schemes – settlement gain	**(1,294)**	–
– defined benefit schemes – administration costs	**155**	–
– defined contribution schemes	**2,426**	2,288
Share-based payment	**764**	1,269
Cash based long term incentive plan (Note 9)	**564**	955
Termination benefits	**2,692**	3,204
	98,263	95,088
Pension costs (Note 25) included in Other Comprehensive Income:		
– defined benefit schemes – remeasurements	**2,045**	5,258
– defined benefit schemes – net interest cost	**375**	358
	100,683	100,704

Notes to the Group Financial Statements
(continued)

9 Long Term Incentive Plans

(i) 2012 Long Term Incentive Plan

The 2012 LTIP Plan was established under the terms of the Origin Long Term Incentive Plan 2012 approved by the shareholders on 21 November 2011. The details are as follows:

	Actual remaining vesting period (years) 2014	Number of equity Entitlements 2014	Number of equity Entitlements 2013
LTIP			
Equity entitlements outstanding	**1.0**	**767,326**	1,212,871

Plan Description

The equity instruments granted under the Origin 2012 LTIP are equity-settled share-based payments, as defined in IFRS 2, 'Share-based Payment'. The Group has no legal or constructive obligation to repurchase or settle the equity entitlement in cash.

Vesting is determined by reference to underlying adjusted diluted EPS growth.

> None of the shares will transfer to the executives if growth in EPS in the three years to 31 July 2015 is less than 7.5% per annum compound.
> Interest in one third of the shares will transfer to the executives if growth in EPS in the three years to 31 July 2015 is 7.5% per annum compound.
> Interest in all of the shares will transfer to the executives if growth in EPS in the years to 31 July 2015 is 12.5% per annum compound or greater.
> If growth in EPS in the three years to 31 July 2015 is between 7.5% and 12.5% per annum compound vesting will occur on a fractional pro rata basis.

Awards are subject to additional conditions, including notably: (a) the requirement to remain in service throughout the performance period; (b) the requirement to hold recognised qualifying shares in Origin throughout the performance period (404,290 in aggregate); (c) the requirement that the Origin Group's return on invested capital over the expected performance period is not less than its weighted average cost of capital (currently 11.2%) and (d) the requirement that annual dividends to shareholders are at least 33% of the underlying EPS during the performance period.

The 2012 LTIP Plan awards can be exercised as of the time the performance conditions described above have been met, but no later than 31 July 2021.

In addition to the equity entitlements outlined above, a further 123,762 of equity entitlements were granted on similar terms, under the 2012 LTIP Plan.

The value assigned to equity entitlements issued under the 2012 LTIP Plan represents the fair value of an ordinary share on the date of grant, adjusted for the estimated lost dividend between date of issue and vesting date and adjusted for the nominal value of the shares.

The equity entitlements issued were equity-settled share-based payments as defined in IFRS 2. The IFRS requires that a recognised valuation methodology be employed to determine the fair value of share-based payments issued and stipulates that this methodology should be consistent with methodologies used for the pricing of financial instruments. The expense reported in the Consolidated Income Statement in respect of these equity entitlements for the year ended 31 July 2014 was €764,000 (2013: €1,061,000).

(ii) Cash based Long Term Incentive Plan

The Group has also established a long term cash based incentive plan for executive directors. The plan is based on annual targets over the period to 31 July 2015 and is earned on an annual basis but is only payable if the executive director is an employee of the Group at 31 July 2015. €564,000 has been accrued in relation to this scheme during the year ended 31 July 2014 bringing the total to €1,776,000. The amount ultimately payable will depend on the financial performance over the period to 31 July 2015.

(iii) 2007 Long Term Incentive Plan

An expense of €208,000 was recorded in 2013 in relation to the 2007 Long Term Incentive Plan.

10 Income tax

	2014 €'000	2013 €'000
Current tax	**10,670**	12,011
Deferred tax	**(260)**	(3,652)
Income tax expense	**10,410**	8,359
Reconciliation of average effective tax rate to Irish corporate tax rate:		
Profit before tax	**73,897**	81,371
Share of profits of associates and joint ventures	**(9,611)**	(21,545)
	64,286	59,826
Taxation based on Irish corporate rate of 12.5%	**8,036**	7,478
Effect of deferred tax rate change	**(404)**	(829)
Expenses not deductible for tax purposes	**2,743**	1,108
Higher rates of tax on overseas earnings	**1,529**	3,918
Changes in estimates:		
– Current tax	**(754)**	(175)
– Deferred tax	**(44)**	(317)
Non-taxable income	**–**	(2,518)
Other	**(696)**	(306)
	10,410	8,359
Movement on deferred tax (liability)/asset and current tax recognised directly in the Consolidated Statement of Profit or Loss and Other Comprehensive Income		
Relating to Group employee benefit schemes	**(223)**	(711)
Relating to tax rate changes	**–**	462
Foreign exchange (Note 22)	**(133)**	–
Derivative financial instruments and other	**1**	344
Movement on Deferred tax (liability)/asset	**(355)**	95
Foreign exchange	**(599)**	–
Movement on Current tax	**(599)**	–
Recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income	**(954)**	95

Notes to the Group Financial Statements
(continued)

11 Earnings per share

Basic earnings per share

	2014 €'000	2013 €'000
Profit for the financial year attributable to equity shareholders	**63,487**	73,012

	'000	'000
Weighted average number of ordinary shares for the year	**129,769**	138,179

	Cent	Cent
Basic earnings per share	**48.92**	52.84

Diluted earnings per share

	2014 €'000	2013 €'000
Profit for the financial year attributable to equity shareholders	**63,487**	73,012

	'000	'000
Weighted average number of ordinary shares used in basic calculation	**129,769**	138,179
Impact of shares with a dilutive effect	**548**	320
Weighted average number of ordinary shares (diluted) for the year	**130,317**	138,499

	Cent	Cent
Diluted earnings per share	**48.72**	52.72

Adjusted basic earnings per share

	2014 '000	2013 '000
Weighted average number of ordinary shares for the year	**129,769**	138,179

	2014 €'000	2013 €'000
Profit for the financial year	**63,487**	73,012
Adjustments:		
Amortisation of non-ERP related intangible assets (Note 14)	**6,277**	5,689
Share of associate and joint ventures amortisation of non-ERP related intangible assets, net of tax (Note 15)	**1,548**	–
Tax on amortisation of non-ERP related intangible assets	**(1,438)**	(1,873)
Exceptional items, net of tax	**5,071**	(4,654)
Adjusted earnings	**74,945**	72,174

11 Earnings per share (continued)

	Cent	Cent
Adjusted earnings per share	**57.75**	52.23

Adjusted diluted earnings per share

	2014 '000	2013 '000
Weighted average number of ordinary shares used in basic calculation	**129,769**	138,179
Impact of shares with a dilutive effect	**548**	320
Weighted average number of ordinary shares (diluted) for the year	**130,317**	138,499

	2014 €'000	2013 €'000
Adjusted earnings (as above)	**74,945**	72,174

	Cent	Cent
Adjusted diluted earnings per share	**57.51**	52.11

Notes to the Group Financial Statements
(continued)

12 Property, plant and equipment

	Land and buildings €'000	Plant and machinery €'000	Motor vehicles €'000	Total €'000
Cost				
At 1 August 2013	67,539	44,359	4,374	116,272
Additions	5,766	5,125	797	11,688
Arising on acquisition (Note 31)	–	87	376	463
Disposals	(69)	(1,165)	(632)	(1,866)
Translation adjustments	2,543	2,249	79	4,871
At 31 July 2014	**75,779**	**50,655**	**4,994**	**131,428**
Accumulated depreciation				
At 1 August 2013	7,630	25,203	2,792	35,625
Depreciation charge for year	975	3,828	576	5,379
Disposals	(11)	(1,003)	(511)	(1,525)
Translation adjustments	421	933	169	1,523
At 31 July 2014	**9,015**	**28,961**	**3,026**	**41,002**
Net book amounts				
At 31 July 2014	**66,764**	**21,694**	**1,968**	**90,426**
At 31 July 2013	59,909	19,156	1,582	80,647
Cost				
At 1 August 2012	78,993	46,128	5,149	130,270
Impairment (Note 3)	(8,612)	–	–	(8,612)
Additions	724	6,525	715	7,964
Disposals	(401)	(5,860)	(1,205)	(7,466)
Transfer to investment property (Note 13)	(600)	–	–	(600)
Translation adjustments	(2,565)	(2,434)	(285)	(5,284)
At 31 July 2013	**67,539**	**44,359**	**4,374**	**116,272**
Accumulated depreciation				
At 1 August 2012	7,379	28,215	3,528	39,122
Depreciation charge for year	951	3,859	559	5,369
Disposals	(289)	(5,750)	(1,060)	(7,099)
Translation adjustments	(411)	(1,121)	(235)	(1,767)
At 31 July 2013	**7,630**	**25,203**	**2,792**	**35,625**
Net book amounts				
At 31 July 2013	**59,909**	**19,156**	**1,582**	**80,647**
At 31 July 2012	71,614	17,913	1,621	91,148

Assets held under finance leases

The net book value in respect of assets held under finance leases and accordingly capitalised in property, plant and equipment is as follows:

	Plant and machinery €'000	Motor vehicles €'000	Total €'000
At 31 July 2014	**343**	**–**	**343**
At 31 July 2013	802	21	823

13 Investment properties

	2014 €'000	2013 €'000
At 1 August	**7,575**	13,308
Fair value adjustment unrealised (Note 3)	**–**	(6,333)
Transfer from property, plant and equipment (Note 12)	**–**	600
At 31 July	**7,575**	7,575

Investment property principally comprises land located in Ireland in areas designated for future development and regeneration.

Measurement of Fair Value

Investment property is carried at fair value. During the prior year the directors commissioned an independent valuations expert to conduct a valuation of the Group's investment properties. The valuation was on the basis of fair value and complies with the requirements of the RICS Red Book – RICS Valuation – Professional Standards published in March 2012. This valuation resulted in a writedown in the carrying value of investment properties of €6.3 million which was shown as an exceptional item within operating costs and a release of the related deferred tax liability of €2.5 million which was shown as an exceptional item within income tax in the year ended 31 July 2013.

At 31 July 2014 the valuation of the Group's investment properties was determined by the directors using a market approach with reference to local knowledge, judgement and in particular the knowledge that the value of development land in regional areas is converging to that of agricultural land, due to an absence of, or reduced levels of transactions for properties of a similar nature. Notwithstanding the level of uncertainty in the Irish property market in regional areas, the Directors are satisfied with the basis upon which these valuations in the prior year were prepared and are satisfied that the carrying value as at 31 July 2014 is reasonable.

The table above reflects a reconciliation from the opening balance to the closing balance for level 3 fair values.

Any previous revaluation surpluses relating to the fair value adjustments to investment properties were transferred from the revaluation reserve to retained earnings. The total amount transferred in the year ended 31 July 2013 was €2.0 million.

As some of the Group's land and buildings were no longer used in the Group's businesses the directors concluded that these items should be transferred to investment property in the prior year.

14 Goodwill and intangible assets

		Intangible assets					
	Goodwill €'000	Brand €'000	Customer related €'000	Supplier agreements €'000	Computer related €'000	ERP related €'000	Total €'000
Cost							
At 1 August 2013	74,570	10,941	51,074	735	987	15,405	153,712
Additions	–	235	797	–	691	1,295	3,018
Arising on acquisition (Note 31)	6,607	3,171	7,234	–	25	–	17,037
Translation adjustment	6,663	1,017	4,202	61	57	–	12,000
At 31 July 2014	**87,840**	**15,364**	**63,307**	**796**	**1,760**	**16,700**	**185,767**
Accumulated amortisation							
At 1 August 2013	–	4,465	15,910	700	757	2,068	23,900
Amortisation	–	1,169	4,931	–	177	2,408	8,685
Translation adjustment	–	396	1,328	61	25	–	1,810
At 31 July 2014	**–**	**6,030**	**22,169**	**761**	**959**	**4,476**	**34,395**
Net book amounts							
At 31 July 2014	**87,840**	**9,334**	**41,138**	**35**	**801**	**12,224**	**151,372**
At 31 July 2013	74,570	6,476	35,164	35	230	13,337	129,812

Notes to the Group Financial Statements
(continued)

14 Goodwill and intangible assets (continued)

		Intangible assets					
	Goodwill €'000	Brand €'000	Customer related €'000	Supplier agreements €'000	Computer related €'000	ERP related €'000	Total €'000
Cost							
At 1 August 2012	81,921	11,782	55,531	805	871	9,766	160,676
Additions	–	225	70	–	187	5,639	6,121
Translation adjustment	(7,351)	(1,066)	(4,527)	(70)	(71)	–	(13,085)
At 31 July 2013	**74,570**	**10,941**	**51,074**	**735**	**987**	**15,405**	**153,712**
Accumulated amortisation							
At 1 August 2012	–	3,834	12,319	771	719	391	18,034
Amortisation	–	969	4,634	–	86	1,677	7,366
Translation adjustment	–	(338)	(1,043)	(71)	(48)	–	(1,500)
At 31 July 2013	**–**	**4,465**	**15,910**	**700**	**757**	**2,068**	**23,900**
Net book amounts							
At 31 July 2013	**74,570**	**6,476**	**35,164**	**35**	**230**	**13,337**	**129,812**
At 31 July 2012	81,921	7,948	43,212	34	152	9,375	142,642

Cash generating units (CGUs)

Goodwill acquired through business combination activity has been allocated to cash-generating units ('CGUs') that are expected to benefit from the business combination. The carrying amount of goodwill allocated to cash generating units across the Group is summarised as follows:

	Pre-tax discount rate 2014	Pre-tax discount rate 2013	Projection Period	Terminal Value Growth rate	2014 €'000	2013 €'000
Agri-Services						
Agrii	**11.2%**	10.8%	**3 years**	**2%**	**67,511**	62,070
Amenity	**11.2%**	10.8%	**3 years**	**2%**	**5,325**	4,895
Fertiliser	**11.2%**	10.8%	**3 years**	**2%**	**8,273**	7,605
Agroscope	**13.3%**	–	**3 years**	**2%**	**6,731**	–
					87,840	74,570

Impairment testing of goodwill

No impairment losses have been recognised by the Group in respect of goodwill in either the current or prior financial year. The recoverable amounts of cash generating units are based on value in use computations. The cash flow forecasts employed for this computation are extracted from the 2015 budget document formally approved by the Board of Directors. The cash flow projections are based on current operating results of the individual cash generating units and a conservative assumption regarding future organic growth. For the purposes of the calculation of value in use, management have approved that the cash flows are projected over a three-year period with additional cash flows in subsequent years calculated using a terminal value methodology. In calculating the terminal value similar assumptions regarding growth have been used.

The cash flows are discounted using appropriate risk adjusted discount rates as disclosed in the table above. The weighted average of those rates is 11.2% for the UK cash generating units (13.3% relating to Agroscope reflecting current market conditions in Ukraine), reflecting the risk associated with the individual future cash flows and the risk free rate. Any significant adverse change in the expected future operational results and cash flows may result in the value in use being less than the carrying value of a business unit and would require that the carrying value of the business unit be impaired and stated at the greater of the value in use or the fair value less costs to sell of the business unit. However, the results of the impairment testing undertaken at 31 July 2014 indicates sufficient headroom, such that any reasonable realistic movement in any of the underlying assumptions would not cause the cash generating unit's carrying amount to exceed its recoverable amount. The overall weighted average cost of capital of the Group pre-tax is 11.2% and post- tax is 8.9%.Key assumptions include management's estimates of future profitability, growth rates, discount rates, replacement capital expenditure requirements and trade working capital investment needs. These assumptions are based on management's past experience. Capital expenditure requirements and profitability are based on the Group's budgets and broadly assume that historic investment patterns will be maintained. Working capital requirements are forecast to increase in line with activity.

15 Investments in associates and joint ventures

	2014 €'000	2013 €'000
At 1 August	**45,235**	124,839
Share of profits after tax, before exceptional items	**13,392**	21,856
Share of intangible amortisation, net of tax	**(1,548)**	–
Share of acquisition and rationalisation costs, net of tax	**(2,233)**	(311)
Dividends received	**(2,278)**	(6,908)
Disposal of interest in Continental Farmers Group (i)	**–**	(16,587)
Disposal of interest in Welcon (Note 3 (iv))	**–**	(73,873)
Share of other comprehensive income/(expense)	**2,524**	(6,248)
Translation adjustment	**(181)**	2,467
At 31 July	**54,911**	45,235
Split as follows:		
Total associates	**41,323**	33,890
Total joint ventures	**13,588**	11,345
	54,911	45,235

(i) In June 2013, Continental Farmers Group ('Continental') was acquired by United Farmers Holding Company. As a result Origin no longer has an investment in Continental. This gave rise to a gain on disposal of €323,000 which was recorded in the Consolidated Income Statement as an exceptional gain for the year ended 31 July 2013 (Note 3).

The investment in associates and joint ventures is analysed as follows:

	Associates €'000	Joint ventures €'000	Total €'000
The investment in associates and joint ventures as at 31 July 2014 is analysed as follows:			
Non-current assets	104,278	6,688	110,966
Current assets	75,680	34,905	110,585
Non-current liabilities	(109,026)	(7,747)	(116,773)
Current liabilities	(29,609)	(20,258)	(49,867)
At 31 July 2014	**41,323**	**13,588**	**54,911**

	Associates €'000	Joint ventures €'000	Total €'000
The investment in associates and joint ventures as at 31 July 2013 is analysed as follows:			
Non-current assets	77,511	7,273	84,784
Current assets	62,840	41,361	104,201
Non-current liabilities	(62,408)	(18,252)	(80,660)
Current liabilities	(44,053)	(19,037)	(63,090)
At 31 July 2013	**33,890**	**11,345**	**45,235**

The amounts included in these financial statements in respect of the income and expenses of associates and joint ventures are taken from their latest financial statements prepared up to their respective year ends together with management accounts for the intervening periods to the Group's year end. Valeo has a year end of 31 March. The year end of all other associates and joint ventures is 31 July.

Notes to the Group Financial Statements
(continued)

16 Inventory

	2014 €'000	2013 €'000
Raw materials	**41,748**	49,865
Finished goods	**90,919**	57,084
Consumable stores	**1,647**	1,417
	134,314	108,366

17 Receivables

	2014 €'000	2013 €'000
Non-current		
Other financial assets		
At 1 August	**39,433**	37,223
Amounts due from related parties	**1,088**	–
Interest receivable (Note 4)	**2,044**	2,210
Translation adjustments	**21**	–
At 31 July (Note 30)	**42,586**	39,433
Current		
Trade and other receivables		
Trade receivables	**261,469**	246,589
Amounts due from related parties	**16,347**	2,591
Value added tax	**2,395**	3,781
Other receivables	**498**	823
Prepayments and accrued income	**11,125**	8,196
	291,834	261,980

18 Trade and other payables

	2014 €'000	2013 €'000
Non-current		
Other payables – employment related (Note 9)	**7,674**	3,549
Current		
Trade payables	**376,758**	328,110
Accruals and other payables	**81,993**	82,587
Amounts due to ARYZTA AG and subsidiaries	**691**	879
Amounts due to other related parties	**10,091**	1,204
Income tax and social welfare	**2,327**	2,112
Value added tax	**278**	3,093
	472,138	417,985

19 Cash and cash equivalents

In accordance with IAS 7, 'Cash Flow Statements', cash and cash equivalents comprise cash balances held for the purposes of meeting short-term cash commitments and investments which are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Where investments are categorised as cash equivalents, the related balances have a maturity of three months or less from the date of acquisition. Bank overdrafts are classified as current interest-bearing borrowings in the Consolidated Statement of Financial Position.

	2014 €'000	2013 €'000
Cash at bank and in hand	**139,576**	125,484
Bank overdrafts (Note 20)	**(4,940)**	(4,424)
Included in the Consolidated Statement of Cash Flows	**134,636**	121,060

Cash at bank and in hand earns interest at floating rates based on daily deposit bank rates.

Short-term deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit rates.

20 Interest-bearing loans and borrowings

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings, which are measured at amortised cost.

	2014 €'000	2013 €'000
Included in non-current liabilities:		
Bank loans	**116,282**	150,225
Finance leases	**127**	278
Non-current interest-bearing loans and borrowings	**116,409**	150,503
Included in current liabilities:		
Bank loans	**30,000**	–
Bank overdrafts	**4,940**	4,424
Finance leases	**139**	116
Current interest-bearing loans and borrowings	**35,079**	4,540
Total interest-bearing loans and borrowings	**151,488**	155,043

Analysis of net debt

	2013 €'000	Cash flow €'000	Non-cash movements €'000	Translation adjustment €'000	**2014 €'000**
Cash	125,484	5,521	–	8,571	**139,576**
Overdraft	(4,424)	(413)	–	(103)	**(4,940)**
Cash and cash equivalents	**121,060**	**5,108**	**–**	**8,468**	**134,636**
Finance lease obligations	(394)	156	–	(28)	**(266)**
Loans	(150,225)	14,125	(631)	(9,551)	**(146,282)**
Net debt	**(29,559)**	**19,389**	**(631)**	**(1,111)**	**(11,912)**

Cash pooling is availed of across the Group in order to reduce interest costs, however no overdraft balances have been offset in the Statement of Financial Position at the year end.

Notes to the Group Financial Statements
(continued)

20 Interest-bearing loans and borrowings (continued)

The details of outstanding loans are as follows:

	Currency	Nominal value €'000	Carrying amount €'000
2014			
Unsecured loan facility:			
– revolving credit facility maturing in July 2016	€	10,000	9,980
– revolving credit facility maturing in July 2016	£	12,606	12,580
– term facility maturing in July 2016	£	93,914	93,722
– term facility maturing in March 2015	€	30,000	30,000
		146,520	**146,282**
2013			
Unsecured loan facility:			
– revolving credit facility maturing in July 2016	£	34,764	34,530
– term facility maturing in July 2016	£	86,330	85,751
– term facility maturing in March 2015	€	30,000	29,944
		151,094	**150,225**

At 31 July 2014, the average interest being paid on the Group's borrowings was 2.89 per cent (2013: 2.98 per cent).

	2014 €'000	2013 €'000
Repayment schedule – loans, overdrafts and finance leases		
Within one year	**35,079**	4,540
Between one and five years	**116,409**	150,503
Loans and overdrafts	**151,488**	155,043

Guarantees

Group borrowings are secured by guarantees from Origin Enterprises plc and certain of the principal operational entities of the Group.

21 Financial instruments and financial risk

	Fair value hierarchy	Derivatives €'000	Loans and receivables €'000	Financial liabilities €'000	Total carrying value €'000	Fair value €'000
2014						
Other financial assets		–	42,586	–	42,586	42,586
Trade and other receivables		–	278,314	–	278,314	278,314
Derivative financial assets	Level 2	572	–	–	572	572
Cash and cash equivalents		–	139,576	–	139,576	139,576
Total financial assets		**572**	**460,476**	**–**	**461,048**	**461,048**
Trade and other payables		–	–	(476,516)	(476,516)	(476,516)
Bank overdrafts		–	–	(4,940)	(4,940)	(4,940)
Bank borrowings (within one year)		–	–	(30,000)	(30,000)	(30,000)
Bank borrowings (greater than one year)		–	–	(116,282)	(116,282)	(116,282)
Finance lease liabilities		–	–	(266)	(266)	(266)
Put option liability	Level 3	–	–	(16,360)	(16,360)	(16,360)
Derivative financial liabilities	Level 2	(1,787)	–	–	(1,787)	(1,787)
Total financial liabilities		**(1,787)**	**–**	**(644,364)**	**(646,151)**	**(646,151)**
2013						
Other financial assets		–	39,433	–	39,433	39,433
Trade and other receivables		–	250,003	–	250,003	250,003
Amount due from disposal of joint venture		–	94,002	–	94,002	94,002
Derivative financial assets	Level 2	492	–	–	492	492
Cash and cash equivalents		–	125,484	–	125,484	125,484
Total financial assets		**492**	**508,922**	**–**	**509,414**	**509,414**
Trade and other payables		–	–	(415,450)	(415,450)	(415,450)
Bank overdrafts		–	–	(4,424)	(4,424)	(4,424)
Bank borrowings		–	–	(150,225)	(150,225)	(150,225)
Finance lease liabilities		–	–	(394)	(394)	(394)
Derivative financial liabilities	Level 2	(2,207)	–	–	(2,207)	(2,207)
Total financial liabilities		**(2,207)**	**–**	**(570,493)**	**(572,700)**	**(572,700)**

Estimation of fair values

Set out below are the major methods and assumptions used in estimating the fair values of the financial assets and liabilities disclosed in the preceding table.

Trade and other receivables/payables

For any receivables and payables with a remaining life of less than six months or demand balances, the carrying value less impairment provision, where appropriate, is deemed to reflect fair value. All other receivables and payables are discounted to fair value on initial recognition.

Cash and cash equivalents including short-term bank deposits

For short-term bank deposits and cash and cash equivalents, all of which have a remaining maturity of less than three months, the carrying amount is deemed to reflect fair value.

Derivatives – forward foreign exchange contracts

Forward foreign exchange contracts are marked to market using quoted forward exchange rates at the reporting date.

The absolute principal amount of the outstanding forward foreign exchange contracts at 31 July 2014 was €53,540,000 (2013: €38,733,000).

Notes to the Group Financial Statements
(continued)

21 Financial instruments and financial risk (continued)

Estimation of fair values (continued)

Derivatives – forward foreign exchange contracts (continued)

The hedged highly probable forecast transactions denominated in foreign currency are expected to occur at various dates during the next 12 months. Gains and losses recognised in the hedging reserve in equity on forward foreign exchange contracts as of 31 July 2014 are recognised in the Consolidated Income Statement in the period or periods during which the hedged transaction affects the Consolidated Income Statement. This is generally within 12 months of the end of the reporting period.

Derivatives – Interest Rate Swaps

The fair value of interest rate swaps is calculated as the present value of the expected future cash flows based on observable yield curves.

The notional principal amounts of the outstanding interest rate swap contracts at 31 July 2014 were €150,847,000 (2013: €135,879,000).

At 31 July 2014, the average fixed interest rate on the swap portfolio was 1.39%. The main floating rates are EURIBOR and LIBOR. Gains and losses recognised in the hedging reserve in equity on interest rate swap contracts as of 31 July 2014 will be continually released to the Consolidated Income Statement within finance costs until the maturity of the relevant interest rate swap.

Interest-bearing loans and borrowings

For interest-bearing loans and borrowings with a contractual repricing date of less than six months, the nominal amount is deemed to reflect fair value. For loans with repricing dates of greater than six months, the fair value is calculated based on the present value of the expected future principal and interest cash flows discounted at interest rates effective at the year end date and adjusted for movements in credit spreads.

Finance lease liabilities

Fair value is based on the present value of future cash flows discounted at market rates at the year end date.

Put option liability

The fair value of the put option liability has been determined based on an agreed earnings before interest and tax based formula which includes an expectation of future trading performance ('EBIT') and timing of when the options are expected to be exercised, discounted to present day value using a cost of debt rate of 3% (Note 31). The valuation technique applied to fair value the put option liability was the income approach.

Fair value hierarchy

The tables at the beginning of this note summarise the financial instruments carried at fair value, by valuation method, as of 31 July 2014. Fair value classification levels have been assigned to the Group's financial instruments carried at fair value. The different levels assigned are defined as follows:

Level 1: Price quoted in active markets
Level 2: Valuation techniques based on observable market data
Level 3: Valuation techniques based on unobservable input

Risk exposures

The Group's international operations expose it to different financial risks that include currency risk, credit risk, liquidity risk, commodity price risk and interest rate risk. The Group has a risk management programme in place which seeks to limit the impact of these risks on the financial performance of the Group. The Board has determined the policies for managing these risks. It is the policy of the Board to manage these risks in a non-speculative manner.

The Group has exposure to the following risks from its use of financial instruments:

> Credit risk
> Liquidity risk
> Market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing the risk. Further quantitative disclosures are included throughout this note.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group has established a strong internal audit function under the direction of the Audit Committee. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

21 Financial instruments and financial risk (continued)

Risk exposures (continued)

The Board, through its Audit Committee, has reviewed the process for identifying and evaluating the significant risks affecting the business and the policies and procedures by which these risks will be managed effectively. The Board has embedded these structures and procedures throughout the Group and considers these to be a robust and efficient mechanism for creating a culture of risk awareness throughout the business.

Credit risk

Exposure to credit risk

Credit risk arises from credit to customers arising on outstanding receivables and outstanding transactions as well as cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions. The Group uses credit insurance where appropriate to limit the exposure.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. There is no concentration of credit risk by dependence on individual customers or geographically. While a high proportion of receivables are located in the UK, the risk is mitigated due to the geographic spread throughout the UK, rather than an isolated geographic region.

The Group has detailed procedures for monitoring and managing the credit risk related to its trade receivables based on experience, customers' track record and historic default rates. Individual risk limits are generally set by customer and risk is only accepted above such limits in defined circumstances. The utilisation of credit limits is regularly monitored and credit insurance is used where appropriate. Impairment provisions are used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible. At that point the amount is considered irrecoverable and is written off directly against the trade receivable. The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables and other financial assets. The main components of this allowance are a specific loss component that relates to individually significant exposures.

Cash and short-term bank deposits

Group surplus cash is invested in the form of short-term bank deposits with financial institutions. Deposit terms are for a maximum of three months. Cash and short-term deposits are invested with institutions within Origin's bank financing syndicate, with limits on amounts held with individual banks or institutions at any one time.

Exposure to credit risk

The carrying amount of financial assets, net of impairment provisions represents the Group's maximum credit exposure. The maximum exposure to credit risk at year end was as follows:

	Carrying amount 2014 €'000	Carrying amount 2013 €'000
Other financial assets	**42,586**	39,433
Trade and other receivables	**278,314**	250,003
Amount due from disposal of joint venture	**–**	94,002
Cash and cash equivalents	**139,576**	125,484
Derivative financial assets	**572**	492
	461,048	509,414

Trade receivables

The Group has detailed procedures for monitoring and managing the credit risk related to its trade receivables. Trade receivables are monitored by geographic region and by largest customers. The maximum exposure to credit risk for trade receivables at the reporting date by geographic region based on location of customers was as follows:

	Carrying amount 2014 €'000	Carrying amount 2013 €'000
Ireland and United Kingdom	**203,656**	209,085
Continental Europe	**57,813**	37,504
	261,469	246,589

Notes to the Group Financial Statements
(continued)

21 Financial instruments and financial risk (continued)

Credit risk (continued)

Trade receivables (continued)

The maximum exposure to credit risk for trade receivables at the reporting date by type of customer was:

	Carrying amount 2014 €'000	Carrying amount 2013 €'000
Agri-Services customers	**261,469**	246,589

At 31 July 2014 trade receivables of €35,878,000 (2013: €58,810,000) were past due but not impaired. These relate to customers for which there is no recent history of default. The following table details the ageing of gross trade receivables, and the related impairment provisions in respect of specific amounts expected to be irrecoverable;

	2014		2013	
	Gross €'000	**Impairment €'000**	Gross €'000	Impairment €'000
Not past due	**210,209**	**–**	177,633	–
Past due 0-30 days	**35,878**	**–**	58,810	–
Past due 31-120 days	**22,315**	**(6,933)**	17,154	(7,008)
Past due +121 days	**4,189**	**(4,189)**	2,806	(2,806)
At 31 July	**272,591**	**(11,122)**	256,403	(9,814)

An analysis of movement in impairment provisions in respect of trade receivables was as follows:

	Trade receivables 2014 €'000	Trade receivables 2013 €'000
1 August	**(9,814)**	(9,359)
Charge to the Consolidated Income Statement	**(1,227)**	(1,226)
Receivables written off as uncollectable	**196**	360
Translation adjustments	**(277)**	411
31 July	**(11,122)**	(9,814)

During the year, under a debt purchase agreement with a financial institution, the Group transferred credit risk and retained late payment risk on certain trade receivables, amounting to €6.7 million (2013: €11.6 million). The Group has continued to recognise an asset of €97,000 (2013: €164,000) representing the extent of its continuing involvement and an associated liability of a similar amount.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure as far as possible that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's objective is to maintain a balance between flexibility and continuity of funding. Short-term flexibility is achieved through the availability of overdraft facilities. The Group's policy is that not more than 40 per cent of bank facilities should mature in the twelve-month period following the year end. As at 31 July 2014, 9 per cent of the Group's total bank facilities, other than bank overdrafts are due to mature within a twelve month period. The remaining 91 per cent of bank facilities mature after one year.

The contractual maturities of the Group's loans and borrowings are set out in Note 20.

21 Financial instruments and financial risk (continued)

Liquidity risk (continued)

The contractual maturities of the other financial liabilities are set out below:

	Carrying amount €'000	Contractual cash flows €'000	6 months or less €'000	6 - 12 months €'000	1 - 2 years €'000	2 - 5 years €'000
2014						
Variable rate bank loans	(146,282)	(153,290)	(2,114)	(31,810)	(119,366)	–
Trade and other payables	(476,516)	(476,516)	(473,849)	(2,667)	–	–
Put option liability	(16,360)	(16,360)	–	–	–	(16,360)
Derivative financial liabilities						
Interest rate swaps used for hedging	(1,205)	(1,205)	(50)	–	(358)	(797)
Currency forward contracts used for hedging						
– Inflows	28,862	28,862	28,862	–	–	–
– Outflows	(29,444)	(29,444)	(29,444)	–	–	–
	(1,787)	**(1,787)**	**(632)**	**–**	**(358)**	**(797)**

	Carrying amount €'000	Contractual cash flows €'000	6 months or less €'000	6 - 12 months €'000	1 - 2 years €'000	2 - 5 years €'000
2013						
Variable rate bank loans	(150,225)	(162,129)	(2,238)	(2,238)	(34,171)	(123,482)
Trade and other payables	(415,450)	(415,450)	(411,901)	–	(3,549)	–
Derivative financial liabilities						
Interest rate swaps used for hedging	(2,136)	(2,136)	–	–	(1,002)	(1,134)
Currency forward contracts used for hedging						
– Inflows	6,522	6,522	6,522	–	–	–
– Outflows	(6,593)	(6,593)	(6,593)	–	–	–
	(2,207)	**(2,207)**	**(71)**	**–**	**(1,002)**	**(1,134)**

Accounting for derivatives and hedging activities

The fair value of derivative financial assets and liabilities at the year end date is set out in the following table:

	2014		2013	
	Assets €'000	**Liabilities €'000**	Assets €'000	Liabilities €'000
Cash flow hedges				
Currency forward contracts	**230**	**(582)**	474	(71)
Interest rate swaps	**342**	**(1,205)**	18	(2,136)
At 31 July	**572**	**(1,787)**	492	(2,207)

Cash flow hedges

Cash flow hedges are those of highly probable forecasted future income or expenses. In order to qualify for hedge accounting, the Group is required to document the relationship between the item being hedged and the hedging instrument and demonstrate, at inception, that the hedge relationship will be highly effective on an ongoing basis. The hedge relationship must be tested for effectiveness on subsequent reporting dates.

There is no significant difference between the timing of the cash flows and income statement effect of cash flow hedges.

Market risk

Market risk is the risk that changes in market prices and indices, such as foreign exchange rates, and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of the Group's risk management strategy is to manage and control market risk exposures within acceptable parameters, while optimising the return earned by the Group. The Group has two types of market risk being currency risk and interest rate risk, each of which is dealt with as follows:

Notes to the Group Financial Statements
(continued)

21 Financial instruments and financial risk (continued)

Currency risk

In addition to the Group's operations carried out in eurozone economies, it also has significant operations in the United Kingdom and certain smaller operations in Poland and the Ukraine. In addition, the Group also purchases from suppliers denominated in US dollars. As a result the Consolidated Statement of Financial Position is exposed to currency fluctuations on foreign denominated subsidiaries. The Group manages its Consolidated Statement of Financial Position having regard to the currency exposures arising from its assets being denominated in different currencies. To this end, where foreign currency assets are funded by borrowing, such borrowing is generally sourced in the currency of the related assets.

Transactional exposures arise from sales or purchases by an operating unit in currencies other than the unit's functional currency. The Group uses forward currency contracts to eliminate the currency exposures on certain foreign currency purchases. The Group requires all its operating units, where possible, use forward currency contracts to eliminate the currency exposures on certain foreign currency purchases. The forward currency contracts must be in the same currency as the hedged item.

Exposure to currency risk

The Group's exposure to transactional foreign currency risk at the year end date is as follows:

	Euro €'000	Sterling €'000	US Dollar €'000	Total €'000
2014				
Trade receivables	540	20	19	579
Cash and cash equivalents	4,122	78	2,684	6,884
Other payables	(6,005)	(129)	(47)	(6,181)
	(1,343)	**(31)**	**2,656**	**1,282**
2013				
Trade receivables	732	22	17	771
Cash and cash equivalents	178	(1,351)	105	(1,068)
Other payables	(554)	(62)	24	(592)
	356	**(1,391)**	**146**	**(889)**

Hedged items are excluded from the tables above.

Currency sensitivity analysis

A 10 per cent strengthening/weakening of the euro against the following currencies at 31 July would have affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2013.

A positive number below indicates an increase in profit where the euro strengthens or weakens 10 per cent against the relevant currency.

	10% strengthening income statement €'000	10% weakening income statement €'000
2014		
Dollar	**(266)**	**266**
Sterling	**3**	**(3)**
At 31 July 2014	**(263)**	**263**
2013		
Dollar	(15)	15
Sterling	139	(139)
At 31 July 2013	124	(124)

21 Financial instruments and financial risk (continued)

Interest rate risk

The Group's debt bears both floating and fixed rates of interest per the original contracts. Fixed rate debt is achieved through the use of interest rate swaps.

At 31 July, the interest rate profile of the Group's interest bearing financial instruments was as follows:

	Carrying amount 2014 €'000	Carrying amount 2013 €'000
Fixed-rate instruments		
Finance lease liabilities	**(266)**	(394)
At 31 July	**(266)**	(394)
Variable rate instruments		
Interest-bearing borrowings	**(146,282)**	(150,225)
Bank overdraft	**(4,940)**	(4,424)
Cash and cash equivalents	**139,576**	125,484
At 31 July	**(11,646)**	(29,165)
Total interest-bearing financial instruments	**(11,912)**	(29,559)

Cash flow sensitivity analysis for variable rate instruments

The sensitivity analysis below is based on the exposure to interest rates for both derivatives and non-derivative instruments. A change of 50 basis points in interest rates at the reporting date would have increased/decreased profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2013.

A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the possible change in interest rates.

	Principal amount €'000	**Income statement 50 bp increase €'000**
2014		
Unhedged variable rate instruments	**(5,436)**	**(27)**
Bank overdraft	**(4,940)**	**(25)**
Cash flow sensitivity (net)	**(10,376)**	**(52)**
2013		
Unhedged variable rate instruments	(14,346)	(72)
Bank overdraft	(4,424)	(22)
Cash flow sensitivity (net)	(18,770)	(94)

A 50 basis points decrease in interest rates at the reporting date would have had the equal but opposite effect on the above.

Notes to the Group Financial Statements
(continued)

22 Deferred tax

The deductible and taxable temporary differences at the year end dates in respect of which deferred tax has been recognised are analysed as follows:

	2014 €'000	2013 €'000
Deferred tax assets (deductible temporary differences)		
Pension related	**2,660**	3,007
Property, plant and equipment	**19**	16
Hedge related	**194**	195
Other deductible temporary differences	**937**	1,286
Total	**3,810**	4,504
Deferred tax liabilities (taxable temporary differences)		
Property, plant and equipment	**(4,581)**	(4,606)
Investment property	**(927)**	(927)
Pension related	**(334)**	(237)
Intangibles	**(8,922)**	(8,023)
Other	**(1,665)**	(1,445)
Total	**(16,429)**	(15,238)
Net deferred tax liability	**(12,619)**	(10,734)

Movements in deferred tax assets and liabilities, during the year, were as follows:

	Property, plant and equipment €'000	Investment property €'000	Hedge related €'000	Pension related €'000	Intangibles €'000	Other €'000	Total €'000
2014							
At 1 August 2013	(4,590)	(927)	195	2,770	(8,023)	(159)	(10,734)
Recognised in the Consolidated Income Statement	355	–	–	(832)	1,438	(701)	260
Acquisition related (Note 31)	–	–	–	–	(1,664)	–	(1,664)
Recognised in Other Comprehensive Income	–	–	(1)	223	–	133	355
Foreign exchange and other	(327)	–	–	165	(673)	(1)	(836)
At 31 July 2014	**(4,562)**	**(927)**	**194**	**2,326**	**(8,922)**	**(728)**	**(12,619)**
2013							
At 1 August 2012	(4,976)	(3,155)	539	2,543	(10,795)	(139)	(15,983)
Recognised in the Consolidated Income Statement	105	2,479	–	(188)	1,873	(617)	3,652
Recognised in Other Comprehensive Income	(211)	(251)	(344)	711	–	–	(95)
Foreign exchange and other	492	–	–	(296)	899	597	1,692
At 31 July 2013	**(4,590)**	**(927)**	**195**	**2,770**	**(8,023)**	**(159)**	**(10,734)**

Deferred tax has not been recognised in respect of withholding taxes and other taxes that would be payable on the unremitted earnings of foreign subsidiaries, as the Group is in a position to control the timing of reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. As the Group can rely on participation exemptions and tax credits that would be available in the context of the Group's investments in subsidiaries in the majority of the jurisdictions in which the Group operates, the aggregate amount of temporary differences in respect of which deferred tax liabilities have not been recognised would not be material.

23 Provision for liabilities

The estimate of provisions is a key judgement in the preparation of the financial statements.

	Contingent acquisition consideration €'000 (i)	Rationalisation €'000 (ii)	Other €'000 (iii)	Total €'000
2014				
At beginning of year	–	387	2,922	3,309
Provided in year	–	3,065	–	3,065
Paid in year	–	(3,065)	(111)	(3,176)
Released in year	–	(402)	–	(402)
Currency translation adjustment	–	15	7	22
At end of year	**–**	**–**	**2,818**	**2,818**
2013				
At beginning of year	9,766	2,205	3,264	15,235
Provided in year	–	3,334	–	3,334
Paid in year	(8,846)	(5,152)	–	(13,998)
Released in year	(579)	–	(335)	(914)
Unwind of discount to present value in the year	187	–	–	187
Currency translation adjustment	(528)	–	(7)	(535)
At end of year	**–**	**387**	**2,922**	**3,309**

(i) Contingent acquisition consideration related to the acquisition of Masstock Group Holdings ('Masstock') in February 2008 and Rigby Taylor Limited ('Rigby') on 9 March 2011. A payment of €8.8 million was made during the prior year relating to Masstock. The amount attributable to the Rigby Taylor acquisition of €0.6 million was released to the Consolidated Income Statement as an exceptional item (Note 3) in the year to 31 July 2013 as the conditions surrounding the payment were not met.

(ii) Rationalisation costs relate to termination payments and property exit costs arising from the restructuring of Agri-Services in the UK.

(iii) Other provisions relate to various operating and employment related costs.

24 Put option liability

	2014 €'000	2013 €'000
At 1 August	**–**	–
Fair value of put option (Note 31)	**15,784**	–
Interest payable (Note 4)	**277**	–
Translation adjustments	**299**	–
At 31 July	**16,360**	–

Notes to the Group Financial Statements
(continued)

25 Post employment benefit obligations

The Group operates a number of defined benefit pension schemes and defined contribution schemes with assets held in separate trustee administered funds. All of the defined benefit schemes are closed to new members. The trustees of the various pension funds are required by law to act in the best interests of the scheme participants and are responsible for investment strategy and scheme administration. The majority of the Group's defined benefit pension schemes are closed to future benefits accrual with a small minority accruing benefits. The level of benefits available to members depends on length of service and either their average salary over their period of employment, their salary in the final years leading up to retirement and in some cases historical salaries depending on the rules of the individual scheme. Under IAS 19, 'Employee Benefits', the total deficit in the Group's defined benefit schemes at 31 July 2014 was €5,193,000 (2013: €12,385,000).

During the year following discussions with the Trustees of the schemes, the Company ceased its liability to contribute to two of its Irish based defined benefit pension schemes with effect from 12 May 2014. A payment of €6,500,000 was made in full and final settlement of the Company's obligation under the trust deed and rules. This results in a reduction in the pension liabilities on the Consolidated Statement of Financial Position and the related volatility. A termination gain of €1.3 million arose and is shown as an exceptional item in the Consolidated Income Statement (Note 3).

The pension credit included in the Consolidated Income Statement for the year in respect of the Group's defined benefit schemes was €227,000 (2013: charge of €263,000) and a charge of €2,426,000 (2013: €2,288,000) in respect of the Group's defined contribution schemes.

Employee benefits included in the Consolidated Statement of Financial Position comprises the following:

	2014 €'000	2013 €'000
Deficit in defined benefit schemes	**5,193**	12,385

The valuations of the defined benefit schemes used for the purposes of the following disclosures are those of the most recent actuarial reviews carried out at 30 June 2014 by an independent, qualified actuary. The valuations have been performed using the projected unit method.

Employee benefit plan risks

The employee benefit plans expose the Group to a number of risks, the most significant of which are:

Asset volatility
The plan liabilities are calculated using a discount rate set with reference to corporate bond yields. If assets underperform this yield, this will create a deficit. The plans hold a significant proportion of equities which, though expected to outperform corporate bonds in the long-term, create volatility and risk. The allocation to equities is monitored to ensure it remains appropriate given the plans long-term objectives.

Changes in bond yields
An increase in corporate bond yields will decrease the value placed on the plans' liabilities, although this will be partially offset by a decrease in the value of the plans' bond holdings.

Inflation risk
In certain schemes the plans' benefit obligations are linked to inflation, with the result that higher inflation will lead to higher liabilities (although caps on the level of inflationary increases are in place). The majority of the assets are either unaffected by or only loosely correlated with inflation, meaning that an increase in inflation will also increase the deficit.

Life expectancy
In the event that members live longer than assumed a further deficit will emerge in the Schemes.

The Group ensures that the investment positions are managed with an asset-liability matching ('ALM') framework that has been developed to achieve long-term investments that are in line with the obligations under the pension schemes. Within this framework, the Group's ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency.

Most of the plans are closed and therefore, under the projected unit credit method, the current service cost is expected to increase as the members approach retirement and to decrease as members retire or leave service. The expected employee and employer contributions for the year ending 31 July 2015 are €275,000 and €2,279,000 respectively.

25 Post employment benefit obligations (continued)

Financial assumptions – scheme liabilities

The major long-term assumptions used by the Group's actuaries in the computation of the scheme liabilities as at 31 July 2014 and 31 July 2013 are as follows:

	2014	2013
Republic of Ireland schemes		
Rate of increase in salaries	**0.00%-2.75%**	0.00%-2.75%
Discount rate on scheme liabilities	**3.10%**	3.70%
Inflation rate	**2.00%**	2.00%
UK schemes		
Rate of increase in salaries	**0.00%-3.00%**	0.00%-3.40%
Rate of increases in pensions in payment and deferred benefits	**0.00%-2.65%**	0.00%-3.00%
Discount rate on scheme liabilities	**4.40%**	4.65%
Inflation rate	**2.50%**	2.90%

Sensitivity analysis for principal assumptions used to measure scheme liabilities

There are inherent uncertainties surrounding the financial assumptions adopted in calculating the actuarial valuation of the Group's defined benefit pension schemes. The following table analyses (for the Group's Irish and UK pension schemes) the estimated impact on the plan liabilities resulting from changes to key actuarial assumptions, whilst holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

Republic of Ireland schemes

Assumption	Change in assumption	Impact on plan liabilities
Discount rate	Increase/decrease 0.50%	Decrease/increase by 10.2%
Price inflation	Increase/decrease 0.50%	Increase/decrease by 1.5%
Salary	Increase/decrease 0.50%	Increase/decrease by 0.1%
Mortality	Increase/decrease by one year	Decrease/increase by 2.0%

UK schemes

Assumption	Change in assumption	Impact on plan liabilities
Discount rate	Increase/decrease 0.50%	Decrease/increase by 9.0%
Price inflation	Increase/decrease 0.50%	Increase/decrease by 5.4%
Salary	Increase/decrease 0.50%	Increase/decrease by 0.7%
Mortality	Increase/decrease by one year	Decrease/increase by 2.8%

Assumptions regarding future mortality experience are set based on advice from published statistics and experience in both geographic regions. The mortality assumptions imply the following life expectancies in years of an active member on retiring at age 65, 20 years from now:

	2014 ROI	2014 UK	2013 ROI	2013 UK
Male	**25.1**	**24.0**	25.8	23.9
Female	**26.1**	**26.4**	26.8	26.3

The mortality assumptions imply the following life expectancies in years of an active member, aged 65, retiring now:

	2014 ROI	2014 UK	2013 ROI	2013 UK
Male	**22.7**	**22.2**	23.2	22.1
Female	**24.0**	**24.6**	24.6	24.5

Notes to the Group Financial Statements
(continued)

25 Post employment benefit obligations (continued)

Financial assumptions – scheme liabilities (continued)

Sensitivity analysis for principal assumptions used to measure scheme liabilities (continued)

	2014 ROI €'000	2014 UK €'000	2014 Total €'000
Net pension liability			
Market value of scheme assets:			
Equities	**939**	**24,735**	**25,674**
Bonds	**3,754**	**37,383**	**41,137**
Property	**3,140**	**1,273**	**4,413**
Other	**423**	**8,703**	**9,126**
Total market value of assets	**8,256**	**72,094**	**80,350**
Present value of scheme obligations	**(14,568)**	**(70,975)**	**(85,543)**
(Liability)/asset in the schemes	**(6,312)**	**1,119**	**(5,193)**

	2013 ROI €'000	2013 UK €'000	2013 Total €'000
Net pension liability			
Market value of scheme assets:			
Equities	5,514	25,377	30,891
Bonds	14,552	31,945	46,497
Property	3,317	1,038	4,355
Other	4,421	8,075	12,496
Total market value of assets	27,804	66,435	94,239
Present value of scheme obligations	(40,866)	(65,758)	(106,624)
(Liability)/asset in the schemes	(13,062)	677	(12,385)

The majority of equity securities and bonds have quoted prices in active markets.

Movement in the fair value of scheme assets

	2014 €'000	2013 €'000
Fair value of assets at 1 August	**94,239**	96,365
Interest income	**4,029**	4,169
Remeasurements:		
– Return on plan assets excluding amounts included in interest income	**1,678**	1,672
Employer contributions:		
– Normal	**2,434**	1,739
– Special contribution on wind up	**6,500**	–
Employee contributions	**254**	281
Administration expenses	**(155)**	–
Benefit payments	**(4,725)**	(3,621)
Transfer on wind up of schemes	**(29,733)**	–
Translation adjustments	**5,829**	(6,366)
Fair value of assets at 31 July	**80,350**	94,239

As at 31 July 2014 and 2013 the pension schemes held no shares in Origin Enterprises plc.

25 Post employment benefit obligations (continued)

Financial assumptions – scheme liabilities (continued)

Sensitivity analysis for principal assumptions used to measure scheme liabilities (continued)

	2014 €'000	2013 €'000
Movement in the present value of scheme obligations		
Value of scheme obligations at 1 August	**(106,624)**	(104,924)
Current service costs	**(537)**	(441)
Negative past service cost	**–**	536
Interest on scheme obligations	**(4,404)**	(4,527)
Employee contributions	**(254)**	(281)
Benefit payments	**4,725**	3,621
Settlement gain (Note 3)	**1,294**	–
Transfer on wind up of schemes	**29,733**	–
Remeasurements:		
– Experience loss	**445**	1,514
– Effect of changes in demographic assumptions	**250**	–
– Effect of changes in financial assumptions	**(4,418)**	(8,444)
Translation adjustments	**(5,753)**	6,322
Value of scheme obligations at 31 July	**(85,543)**	(106,624)

	2014 €'000	2013 €'000
Movement in net liability recognised in the Consolidated Statement of Financial Position		
Net liability in schemes at 1 August	**(12,385)**	(8,559)
Current service cost	**(537)**	(441)
Negative past service cost	**–**	536
Settlement gain	**1,294**	–
Contributions:		
– Normal	**2,434**	1,739
– Special contribution on wind up	**6,500**	–
Administration expenses	**(155)**	–
Other finance expense	**(375)**	(358)
Remeasurements	**(2,045)**	(5,258)
Translation adjustments	**76**	(44)
Net liability in schemes at 31 July	**(5,193)**	(12,385)

	2014 €'000	2013 €'000
Analysis of defined benefit expense recognised in the Consolidated Income Statement		
Current service cost	**(537)**	(441)
Negative past service cost	**–**	536
Administration expenses	**(155)**	–
Settlement gain (Note 3)	**1,294**	–
Total recognised in operating profit	**602**	95
Net interest cost (included in financing costs Note 4)	**(375)**	(358)
Net credit/(charge) to Consolidated Income Statement	**227**	(263)

Notes to the Group Financial Statements
(continued)

25 Post employment benefit obligations (continued)

Maturity analysis

The maturity profile of the Group's defined benefit obligation (on a discounted basis) is as follows:

	ROI €'000	UK €'000	Total Group €'000
Within one year	165	2,079	2,244
Between one and two years	184	2,124	2,308
Between two and three years	202	2,142	2,344
Between three and four years	232	2,230	2,462
Between four and five years	255	2,214	2,469
After five years	13,530	60,186	73,716
Total	**14,568**	**70,975**	**85,543**

Average duration and scheme composition

	ROI	UK
Average duration of defined benefit obligation (years)	**19**	**17.6**

Alllocation of defined benefit obligation by participant:	ROI €'000	UK €'000	Total Group €'000
Active plan participants	4,906	18,994	23,900
Deferred plan participants	7,078	23,654	30,732
Retirees	2,584	28,327	30,911
	14,568	**70,975**	**85,543**

Defined benefit pension expense recognised in Other Comprehensive Income

	2014 €'000	2013 €'000
Remeasurement gain on scheme assets	**1,678**	1,672
Remeasurement gain on scheme liabilities:		
Effect of experience gains on scheme liabilities	**445**	1,514
Effect of changes in demographical and financial assumptions	**(4,168)**	(8,444)
Remeasurements	**(2,045)**	(5,258)
Deferred tax	**223**	711
Defined benefit pension expense recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income	**(1,822)**	(4,547)

The cumulative loss recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income is €25,657,000 (2013: €23,835,000). The actual return on the plan assets was €5,568,000 (2013: €5,841,000).

History of experience gains and losses

	2014	2013	2012	2011	2010
Difference between expected and actual return on assets:					
– amount (€'000)	**1,678**	1,672	2,234	2,220	3,154
– % of scheme assets	**2.09%**	1.77%	2.30%	2.67%	5.66%
Experience (losses)/gains on scheme liabilities:					
– amount (€'000)	**(445)**	(1,514)	908	365	(1,532)
– % of scheme liabilities	**(0.5%)**	(1.4%)	0.9%	0.4%	(2.4%)
Total remeasurements recognised in statement of comprehensive income:					
– amount (€'000)	**(2,045)**	(5,258)	(6,039)	221	(509)
– % of scheme liabilities	**2.4%**	4.9%	5.7%	0.2%	0.8%

26 Share capital

	2014 €'000	2013 €'000
Authorised		
Ordinary shares of €0.01 each (i)	**2,500**	2,400
Deferred convertible ordinary shares of €0.01 each (ii)	**–**	100
Total	**2,500**	2,500
Allotted, called up and fully paid		
Ordinary shares of €0.01 each (i)	**1,264**	1,397

	No. of ordinary shares	Ordinary shares €'000
Allotted, called up and fully paid		
At 1 August 2013 (iii)	139,712,026	1,397
Share buyback (iv)	(13,333,249)	(133)
At 31 July 2014	**126,378,777**	**1,264**

(i) Ordinary shareholders are entitled to dividends as declared and each ordinary share carries equal voting rights at meetings of the Company.

(ii) Following the conversion and redesignation of all the issued deferred convertible shares as ordinary shares all of the unissued deferred convertible shares were converted to and redesignated as ordinary shares at the annual general meeting on 18 November 2013.

(iii) In December 2012, the issued ordinary share capital was increased by the issue of 1,212,871 ordinary shares of nominal value of €0.01 each, at an issue price of €4.04 each, pursuant to a share subscription by a wholly owned subsidiary for the purposes of the Origin Long Term Incentive Plan 2012 ('2012 LTIP plan'). Under the terms of the 2012 LTIP plan, Directors and senior management of Origin have an interest in these shares which is subject to certain financial targets being achieved over the three years to 31 July 2015 and their remaining in employment with the Group during that period (Note 9). These shares are classified as treasury shares for accounting purposes pending satisfaction of the applicable terms of the 2012 LTIP plan.

(iv) Following approval from shareholders at an extraordinary general meeting on 18 November 2013 Origin completed a tender offer in December 2013. The total number of ordinary shares purchased by Origin at €7.50 per share pursuant to the Tender Offer was 13,333,249 for a total consideration before expenses of approximately €100 million.

27 Dividends

The Board is recommending a dividend of 20 cent per ordinary share (2013: 17.25 cent per ordinary share). Subject to shareholders' approval at the Annual General Meeting, the dividend will be paid on 12 December 2014 to shareholders on the register on 28 November 2014. In accordance with IFRS, this dividend has not been provided for in the Consolidated Statement of Financial Position as at 31 July 2014.

Notes to the Group Financial Statements
(continued)

28 Consolidated statement of changes in equity

Capital redemption reserve
The capital redemption reserve was created in the year ending 31 July 2011 and arose on the redemption of deferred convertible ordinary shares. A movement of €133,332 arose during the current year as a result of the share buyback (Note 26).

Cash flow hedge reserve
The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

Revaluation reserve
The revaluation reserve relates to revaluation surpluses arising on revaluations of property, plant and equipment.

Share-based payment reserve
This reserve comprises amounts credited to reserves in connection with equity awards less the effect of any exercises of such awards.

Reorganisation reserve
The difference between the fair value of the investment recorded in the Company balance sheet and the carrying value of the assets and liabilities transferred in 2007 on the formation of Origin has been recognised as a reorganisation reserve in other reserves within equity together with the currency translation reserve, cash flow reserve and revaluation reserve.

Foreign currency translation reserve
The translation reserve comprises all foreign exchange differences from 1 August 2005, arising from the translation of the net assets of the Group's non-euro denominated operations, including the translation of the profits of such operations from the average exchange rate for the year to the exchange rate at the year end date. Exchange gains or losses on long-term intra-group loans that are regarded as part of the net investments in non-euro denominated operations, are taken to the translation reserve to the extent that they are neither planned nor expected to be repaid in the foreseeable future.

Capital management
The capital managed by the Group consists of the consolidated equity and net debt. The Group has set the following goals for the management of its capital:

> To maintain a prudent net debt (as set out in Note 20) to EBITDA and interest cover ratio (interest as a percentage of EBIT) to support a prudent capital base and ensure a long term sustainable business.
> To comply with covenants as determined by debt providers.
> To achieve an adequate return for investors.
> To apply a dividend policy which takes into account the level of peer group dividends, the Group's financial performance and position, the Group's future outlook and other relevant factors including tax and other legal considerations.

The Group employs two target ratios to monitor equity and to be compliant with its bank covenants:

> The Group's net debt to EBITDA ratio is below 3.50. The ratio is 0.14 times at 31 July 2014 (2013: 0.38); and
> The Group's interest cover (EBITDA to interest) is above 3.00. The ratio is 15.59 times at 31 July 2014 (2013: 13.15).

29 Commitments
Non-cancellable operating lease rentals are payable as set out below. These amounts represent minimum future lease payments, in aggregate, that the Group are required to make under existing lease agreements.

	2014 €'000	2013 €'000
Within one year	**6,164**	3,560
In two to five years	**14,286**	6,961
After more than five years	**4,858**	5,551
	25,308	16,072

The Group leases a number of properties under operating leases. The leases typically run for a period of 15 to 25 years. Rents are generally reviewed every five years.

29 Commitments (continued)

Future purchase commitments for property, plant and equipment

	Land and buildings €'000	Plant and machinery €'000	Motor vehicles €'000	Total 2014 €'000
At 31 July 2014				
Contracted for but not provided for	**286**	**550**	**–**	**836**

	Land and buildings €'000	Plant and machinery €'000	Motor vehicles €'000	Total 2013 €'000
At 31 July 2013				
Contracted for but not provided for	4,096	937	–	5,033

Future purchase commitments: Software Development

	Total 2014 €'000	Total 2013 €'000
Contracted for but not provided for	**6**	1,069
Total	**6**	1,069

30 Related party transactions

In the normal course of business, the Group undertakes trading transactions with its associates, joint venture and other related parties. Related parties include ARYZTA AG and its subsidiaries. A summary of transactions with these related parties during the year is as follows:

	Sale of goods €'000	Purchase of goods €'000	Receiving services from €'000	Rendering services to €'000	Total €'000
Transactions with joint ventures	20,181	(121,674)	(50)	291	**(101,252)**
Transactions with associates	86,739	(82)	(977)	825	**86,505**
Transactions with other related parties	–	(9,114)	(49)	–	**(9,163)**
Transactions with ARYZTA AG and its subsidiaries	–	–	(153)	–	**(153)**

The trading balances owing to the Group from related parties were €16,347,000 (2013: €2,591,000) and the trading and other balances/advances owing from the Group to these related parties were €10,091,000 (2013: €1,204,000). Other financial assets on the Consolidated Statement of Financial Position comprise €42,145,000 (2013: €39,433,000) in relation to a vendor loan note receivable from Valeo, an associate undertaking and a loan to West Twin Investments Limited of €441,000. The coupon rate attaching to the vendor loan note is 5% compounding. Unless previously repaid, redeemed or repurchased the vendor loan note will be repaid in full on 26 November 2020.

Compensation of key management personnel

For the purposes of the disclosure requirements of IAS 24, 'Related Party Disclosures', the term 'key management personnel' (i.e. those persons having authority and responsibility for planning, directing and controlling the activities of the Group), comprises the Board of Directors and their management team who have responsibility for managing the business and affairs of the Group and its reporting segments. Comparatives are presented on a consistent basis.

	2014 €'000	2013 €'000
Salaries and other employee benefits	**3,431**	3,349
Post employment benefits	**338**	365
Share-based payments	**639**	1,032
Other long term employee benefits	**1,555**	1,371
Total	**5,963**	6,117

Notes to the Group Financial Statements
(continued)

31 Acquisition of subsidiary undertakings

On 30 January 2014 the Group completed the acquisition of a controlling interest in the business of Agroscope International LLC ('Agroscope'). Based in the Ukraine, Agroscope is a leading provider of agronomy services, high specification inputs and advisory support to arable and root crop growers and offers an important geographic extension opportunity in line with the Group's objective of identifying businesses that leverage Origin's on-farm service capability.

Fair values are currently provisional. Details of the net assets acquired and goodwill arising from the business combination are as follows:

	Fair value €'000
Net assets acquired:	
Property, plant and equipment	**463**
Intangible assets	**10,430**
Inventory	**11,416**
Other receivables	**1,696**
Deferred tax liabilities	**(1,664)**
Net assets acquired	**22,341**
Goodwill arising on acquisition	**6,607**
Consideration	**28,948**
Satisfied by:	
Cash consideration	**12,992**
Cash consideration payable (payable within one year)	**172**
Put option liability (Note 24)	**15,784**
Total Consideration	**28,948**

Origin acquired a 60 per cent interest in the business of Agroscope for cash consideration on 30 January 2014. The Group has also entered into an arrangement with the minority shareholder of Agroscope, under which the minority shareholder has the right at various dates to sell the remaining 40 per cent interest to Origin based on an agreed formula. In the event that this is not exercised Origin has a similar right to acquire the 40 per cent interest. Origin has recognised an option liability of €15.8 million which is the fair value of the future estimated amount payable to exercise the option. This has been determined based on an agreed earnings before interest and tax based formula that is not capped which includes an expectation of future trading performance and timing of when the options are expected to be exercised, discounted to present day value using a cost of debt rate of 3 per cent. This is a level 3 fair value measurement. There has been no material movement in the fair value of the put option liability since the date of acquisition.

Origin has elected to apply the anticipated acquisition method in accounting for the option whereby the non-controlling interest is not recognized but rather treated as already acquired by Origin both in the Consolidated Statement of Financial Position and the Consolidated Statement of Comprehensive Income. This treatment has been adopted as the Directors have formed the view that based on the structure and timing of the option contracts sufficient risks and rewards are deemed to have transferred to Origin. Profits and losses attributable to the minority shareholder in respect of their 40 per cent interest will be presented as attributable to the equity shareholders of Origin and not as attributable to minority interests. The €15.8 million financial liability recognised by the Group forms part of the contingent consideration for the acquisition. All components of contingent consideration will be carried at fair value in future accounting periods and any adjustments arising will be reflected in the income statement.

The goodwill recognised on acquisition is attributable to the skills and technical talent of the acquired business's workforce, and the synergies expected to be achieved from integrating the company into the Group's existing business. None of the goodwill recognised is expected to be deductible for income tax purposes.

Origin acquired certain assets, trade and goodwill of the original Agroscope business. The assets acquired were principally stock and a small amount of fixed assets. Origin did not acquire any trade debtors or creditors, rather, the shareholders of the original Agroscope business retained all the trade debtors and trade creditors. In view of the structure, it is impracticable to determine what the consolidated revenues and profits would have been if the acquisition occurred on 1 August 2013. Acquisition-related costs of €1,124,000 (Note 3) have been charged to exceptional items, within operating expenses, in the Consolidated Income Statement for the year ended 31 July 2014. The current political and economic uncertainty in Ukraine could result in variability in the fair value of the contingent consideration and acquired assets.

32 Accounting estimates and judgements

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described below:

Note	Name
Note 9	Long Term Incentive Plans
Note 10	Income Tax
Note 13	Investment properties
Note 14	Goodwill and intangible assets- measurement of the recoverable amounts of CGUs
Note 21	Financial instruments and financial risk
Note 22	Deferred tax
Note 23	Provision for liabilities
Note 24	Put option liability
Note 25	Retirement benefit obligations

Revenue represents the fair value of the sale consideration received for the goods supplied to third parties, after deducting discounts estimated based on individual customer arrangements and historical experience.

Impairment testing of assets, particularly of goodwill, involves estimating the future cash flows for a cash generating unit and an appropriate discount rate to determine a recoverable value as set out in Note 14.

The estimation of employee benefit costs requires the use of actuaries and the determination of appropriate assumptions such as discount rates and expected future rates of return as set out in Note 25.

Income tax and deferred tax assets and liabilities are recognised for temporary differences between the carrying amounts for financial reporting purposes of assets and liabilities and the amounts used for taxation purposes and for tax loss carry forwards. The valuation of tax loss carry forwards, deferred tax assets and the Company's ability to utilise tax losses is based upon management's estimates of future taxable income in different tax jurisdictions. For further detailed information, please refer to Note 22.

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the Group's provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and tax provisions in the period in which such determination is made.

33 Controlling party

At 31 July 2014 the Group's ultimate controlling party was ARYZTA AG.

Notes to the Group Financial Statements
(continued)

34 Principal subsidiary undertakings, associates and joint venture

At 31 July 2014 the Group had the following significant subsidiaries, associates and joint ventures:

Name	Nature of business	Group % share	Registered office
Subsidiaries – Ireland			
Goulding Chemicals Limited	Fertiliser blending and distribution	100	1
Subsidiaries – United Kingdom			
Hall Silos Limited	Grain handling	100	4
R&H Hall Trading Limited	Grain and feed trading	100	4
Origin UK Operations Ltd	Fertiliser blending and distribution	100	2
Masstock Group Holdings Limited	Specialist agronomy products and services	100	6
United Agri Products Limited	Specialist agronomy products and services	100	6
Rigby Taylor Limited	Turf management services	100	2
Subsidiaries – Poland			
Dalgety Agra Polska	Specialist agronomy products and services	100	7
Subsidiaries – Ukraine			
Agroscope International LLC	Specialist agronomy products and services	60	8
Joint venture			
R&H Hall	Grain and feed trading	50	10
Associates			
Valeo Foods Group Limited	Food distribution	32	9
BHH Limited	Provender milling	50	3
West Twin Silos Limited	Silo operation	50	5

Registered offices

1 151 Thomas Street, Dublin 8, Ireland
2 Orchard Road, Royston, Hertfordshire, SG8 5HW, England
3 35/39 York Road, Belfast, BT15 3GW, Northern Ireland
4 4A Campsie Real Estate, McLean Road, Londonderry, BT47 3PF, Northern Ireland
5 McCaughey Road, Belfast, BT3 9AG, Northern Ireland
6 Andoversford, Cheltenham, Gloucestershire, GL54 4LZ, England
7 Obornicka Street 233, 60-650 Poznan, Poland
8 25B Sahaydachnoho Street, Kyiv 04070, Ukraine
9 Ogier House, The Esplanade, St Helier, JE4 9WG, Jersey
10 La Touche House, Custom House Dock, IFSC, Dublin 1, Ireland

The country of registration is also the principal location of activities in each case.

Company Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with accounting standards generally accepted in Ireland and Irish statute comprising the Companies Acts, 1963 to 2013. Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those issued by the Financial Reporting Council and published by the Institute of Chartered Accountants in Ireland.

Historic cost convention

The financial statements are prepared under the historic cost convention, modified by the revaluation of certain land and buildings.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is calculated to write off the cost or valuation of tangible assets, other than freehold land, on a straight line basis, by reference to the following estimated useful lives:

Fixtures and fittings	10 years

Investment properties

Investment properties are stated at open market value. Changes in the value of the investment properties are shown in the investment revaluation reserve unless a deficit below original cost, or its reversal, is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

Financial fixed assets

Financial fixed assets are carried at cost less provision for impairment. Income from financial assets is recognised in the profit and loss account in the year to which it relates.

Retirement benefits

For the Company's defined benefit schemes, the difference between the market value of the scheme's assets and the actuarially assessed present value of the scheme's liabilities, calculated using the projected unit credit method, is disclosed as an asset/liability in the balance sheet, net of deferred tax to the extent that it is deemed to be recoverable.

The amount charged to operating profit is the actuarially determined cost of pension benefits promised to employees and earned during the year plus the cost of any benefit improvements granted to members during the period.

The expected return on the pension scheme's assets during the year and the increase in the scheme's liabilities due to the unwinding of the discount during the year are included as financing costs in the profit and loss account. Any difference between the expected return on assets and that actually achieved, and any changes in the liabilities due to changes in assumptions or because actual experience during the period was different to that assumed, are recognised as actuarial gains and losses in the statement of total recognised gains and losses.

In determining the expected long-term rate of return on assets, consideration was given to the current level of expected returns on risk-free investments (primarily government bonds), the historical level of the risk premium associated with the other asset classes in which the portfolio is invested and the expectations for future returns of each asset class. The expected return for each asset class was then weighted based on the target asset allocation to develop the expected long-term rate of return on assets assumption for the portfolio.

Taxation

Current tax is provided on the Company's taxable profits, at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, as required by FRS 19, 'Deferred Tax.' Provision is made at the rates expected to apply when the timing differences reverse.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Company Accounting Policies
(continued)

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transactions or at a contracted rate. The resulting monetary assets and liabilities are translated at the balance sheet rate or the contracted rate and the exchange differences are dealt with in the profit and loss account.

Cash flow statement

Under the provisions of FRS 1, 'Cash Flow Statements', a cash flow statement has not been prepared as the published Group financial statements, in which the Company's results are consolidated, include a cash flow statement.

Long-Term Incentive Plan

The Company grants Equity Entitlements under the Origin Enterprises Long-Term Incentive Plan 2012. All disclosures relating to the plan are made in Note 9 to the Group financial statements.

Put option liability

Where a put/call option agreement is in place in respect of shares held by non-controlling shareholders, the put element of the liability is present valued. Such liabilities are shown as current or non-current liabilities in the Company balance sheet. The change in the net present value of such options in the year is recognised in the profit and loss account within interest costs.

Company Balance Sheet
As at 31 July 2014

	Notes	2014 €'000	2013 €'000
Fixed assets			
Investment properties	1	**1,925**	1,925
Tangible assets	2	**11,356**	11,422
Financial assets	3	**53,801**	26,997
		67,082	40,344
Current assets			
Debtors	4	**495,368**	478,374
Cash at bank and in hand		**18,164**	32,814
		513,532	511,188
Creditors (amounts falling due within one year)	5	**(333,708)**	(288,483)
Net current assets		**179,824**	222,705
Total assets less current liabilities		**246,906**	263,049
Put option liability		**(16,360)**	–
Retirement benefit obligations	7	**(5,915)**	(11,845)
Net assets		**224,631**	251,204
Capital and reserves			
Called up share capital	8	**1,264**	1,397
Share premium	9	**165,287**	165,287
Profit and loss account and other reserves	9	**58,080**	84,520
Shareholders' funds	9	**224,631**	251,204

Notes to the Company Balance Sheet

1 Investment properties

	2014 €'000	2013 €'000
At 1 August	**1,925**	550
Revaluation adjustment	**–**	1,375
At 31 July	**1,925**	1,925

Investment property is carried at fair value. During the prior year the directors commissioned an independent valuations expert to conduct a valuation of the Group's investment properties. The valuation was on the basis of fair value and complies with the requirements of the RICS Red Book – RICS Valuation – Professional Standards published in March 2012. This valuation resulted in an increase in the carrying value of investment properties of €1.4 million.

At 31 July 2014 the valuation of the Group's investment properties was determined by the directors using a market approach with reference to local knowledge, judgment and in particular the knowledge that the value of development land in regional areas is converging to that of agricultural land, due to an absence of, or reduced levels of transactions for properties of a similar nature. Notwithstanding the level of uncertainty in the Irish property market in regional areas, the Directors are satisfied with the basis upon which these valuations were prepared and are satisfied that the carrying value as at 31 July 2014 is reasonable.

2 Tangible fixed assets

	Land €'000	Fixtures and fittings €'000	Total €'000
Cost			
At 1 August 2013	11,215	609	11,824
Additions	–	5	5
At 31 July 2014	**11,215**	**614**	**11,829**
Accumulated depreciation			
At 1 August 2013	–	402	402
Depreciation charge for year	–	71	71
At 31 July 2014	**–**	**473**	**473**
Net book amounts			
At 31 July 2014	**11,215**	**141**	**11,356**
At 31 July 2013	11,215	207	11,422

3 Financial assets

	2014 €'000	2013 €'000
Investment in subsidiaries	**28,818**	2,014
Investment in associate undertakings	**24,983**	24,983
	53,801	26,997

The principal subsidiaries are set out on Note 34 to the Group financial statements.

4 Debtors

	2014 €'000	2013 €'000
Amounts owed by subsidiary undertakings	**493,043**	475,130
Corporation tax	**300**	1,501
Other debtors	**418**	637
Deferred tax	**1,607**	1,106
	495,368	478,374

Amounts owed by subsidiaries are unsecured and are repayable on demand.

5 Creditors (amounts falling due within one year)

	2014 €'000	2013 €'000
Amounts owed to subsidiary undertakings	**319,257**	276,190
Amounts owed to subsidiaries of ARYZTA AG	**377**	581
Trade creditors	**1,045**	936
Accruals and other payables	**11,313**	9,032
Pension and related liabilities	**1,716**	1,744
	333,708	288,483

Amounts owed to subsidiaries are unsecured and are payable on demand.

6 Deferred tax

	2014 €'000	2013 €'000
At 1 August	**2,739**	2,126
(Charge)/credit for the year	**(343)**	613
At 31 July	**2,396**	2,739

Notes to the Company Balance Sheet
(continued)

7 Retirement benefit obligations

The Company operates a defined benefit pension scheme which is closed to new members. During the year the Company ceased its liability to contribute to two of its Irish based defined benefit pension schemes with effect from 12 May 2014 following discussions with the Trustees of the schemes. Payments amounting to €6,500,000 were made in full and final settlement of the Company's obligation under the trust deed and rules of these schemes. This results in a reduction in the pension liabilities on the balance sheet and the related volatility. A termination gain of €1.3 million, net of expenses arose and is shown as an exceptional item in the consolidated income statement.

Under FRS 17 calculations, the total deficit in the Company's defined benefit scheme at 30 June 2014 was €6,312,000 (2013: €13,062,000). The pension credit in the profit and loss account for the period in respect of the Company's defined benefit scheme was €741,000 (2013: charge of €482,000).

The expected contributions from the Company for the year ending 31 July 2015 are €1,800,000. The valuations of the defined benefit schemes used for the purposes of the following disclosures are those of the most recent actuarial valuations carried out at 31 July 2014 by an independent, qualified actuary. The valuations have been performed using the projected unit method.

Retirement benefits included in the Company Balance Sheet comprises the following (after deferred tax asset):

	2014 €'000	2013 €'000
Deficit in defined benefit schemes (see analysis below)	**5,523**	11,429
Provision to meet unfunded pensions	**392**	416
Total	**5,915**	11,845

	2014 %	2013 %
The main assumptions used by the actuary were as follows:		
Rate of increase in salaries	**0.00%-2.75%**	0.00%-2.75%
Discount rate in scheme liabilities	**3.10%**	3.70%
Inflation rate	**2.00%**	2.00%
The expected long-term rate of return on the assets of the schemes were:		
Equities	**6.00%**	7.50%
Bonds	**2.50%**	3.50%
Property	**6.00%**	6.50%
Other	**2.00%**	2.50%

7 Retirement benefit obligations (continued)

	2014 €'000	2013 €'000
Net pension liability		
Market value of scheme assets:		
Equities	**939**	5,514
Bonds	**3,754**	14,552
Property	**3,140**	3,317
Other	**423**	4,421
Total market value of assets	**8,256**	27,804
Present value of scheme liabilities	**(14,568)**	(40,866)
Deficit in the scheme	**(6,312)**	(13,062)
Related deferred tax asset	**789**	1,633
Net pension liability	**(5,523)**	(11,429)
Movement in value of scheme assets		
Value of assets at 1 August	**27,804**	26,973
Expected return on scheme assets	**875**	1,145
Actuarial gain/(loss)	**1,256**	(345)
Employer contributions		
– Normal	**1,994**	1,385
– Special contribution on wind up	**6,500**	–
Benefit payment	**(1,606)**	(1,400)
Transfer on wind up of schemes	**(28,602)**	–
Employee contributions	**35**	46
Value of assets at 31 July	**8,256**	27,804
Movement in the present value of scheme obligations		
Value of scheme obligations at 1 August	**(40,866)**	(35,830)
Current service costs	**(144)**	(133)
Interest on scheme obligations	**(1,284)**	(1,494)
Settlement gain on wind up	**1,294**	–
Actuarial loss	**(3,741)**	(4,763)
Benefit payment	**1,606**	1,400
Transfer on wind up of schemes	**28,602**	–
Employee contributions	**(35)**	(46)
Value of scheme obligations at 31 July	**(14,568)**	(40,866)

Notes to the Company Balance Sheet
(continued)

7 Retirement benefit obligations (continued)

	2014 €'000	2013 €'000
Movement in net liability recognised in the balance sheet		
At 1 August	**(13,062)**	(8,857)
Current service cost	**(144)**	(133)
Contributions		
– Normal	**1,994**	1,385
– Special contribution on wind up	**6,500**	–
Other finance expense	**885**	(349)
Actuarial loss	**(2,485)**	(5,108)
Net liability in scheme at 31 July	**(6,312)**	(13,062)
Analysis of defined benefit credit/(expense) recognised in the profit and loss account		
Current service cost	**(144)**	(133)
Total recognised in operating profit	**(144)**	(133)
Expected return on scheme assets	**875**	1,145
Settlement gain on wind up	**1,294**	–
Interest cost on scheme liabilities	**(1,284)**	(1,494)
Included in financing costs	**885**	(349)
Net credit/(charge) to Company's profit and loss account	**741**	(482)

	2014 €'000	2013 €'000	2012 €'000	2011 €'000	2010 €'000
Historical information					
Present value of the scheme obligation	**(14,568)**	(40,866)	(35,830)	(31,607)	(7,878)
Fair value of plan assets	**8,256**	27,804	26,973	23,307	4,894
Deficit in schemes	**(6,312)**	(13,062)	(8,857)	(8,300)	(2,984)
Defined benefit pension expense recognised in the statement of total recognised gains and losses					
Actual return less expected return on scheme assets	**1,256**	(345)	1,062	(833)	476
Experience adjustment on scheme liabilities	**317**	1,280	(534)	447	787
Changes in demographical and financial assumptions	**(4,058)**	(6,043)	(3,508)	(799)	(471)
Actuarial (loss)/gain	**(2,485)**	(5,108)	(2,980)	(1,185)	792
Deferred tax credit/(charge)	**311**	639	373	148	(99)
Actuarial (loss)/gain recognised in statement of recognised gains and losses	**(2,174)**	(4,469)	(2,607)	(1,037)	693
History of experience gains and losses					
Difference between expected and actual return on assets:					
– amount (€'000)	**1,256**	(345)	1,062	(833)	476
– % of scheme assets	**15.2%**	(1.2%)	3.9%	(3.6%)	9.7%
Experience adjustment on scheme liabilities:					
– amount (€'000)	**317**	1,280	(534)	447	787
– % of scheme liabilities	**2.2%**	3.1%	(1.5%)	1.4%	9.9%
Total actuarial (loss)/gain recognised in statement of total recognised gains and losses:					
– amount (€'000)	**(2,485)**	(5,108)	(2,980)	(1,185)	792
– % of scheme liabilities	**17.1%**	(12.5%)	(8.3%)	(3.7%)	10.1%

The cumulative loss recognised in the statement of total recognised gains and losses is €18,455,000 (2013: €16,281,000).

8 Share capital

	2014 €'000	2013 €'000
Authorised		
Ordinary shares of €0.01 each (i)	**2,500**	2,400
Deferred convertible ordinary shares of €0.01 each (ii)	**–**	100
Total	**2,500**	2,500
Allotted, called up and fully paid		
Ordinary shares of €0.01 each (i)	**1,264**	1,397

	No. of ordinary shares	Ordinary shares €'000
Allotted, called up and fully paid		
At 1 August 2013 (iii)	139,712,026	1,397
Share buyback (iv)	(13,333,249)	(133)
At 31 July 2014	**126,378,777**	**1,264**

(i) Ordinary shareholders are entitled to dividends as declared and each ordinary share carries equal voting rights at meetings of the Company.

(ii) Following the conversion and redesignation of all the issued deferred convertible shares as ordinary shares all of the unissued deferred convertible shares were converted to and redesignated as ordinary shares at the annual general meeting on 18 November 2013.

(iii) In December 2012, the issued ordinary share capital was increased by the issue of 1,212,871 ordinary shares of nominal value of €0.01 each, at an issue price of €4.04 each, pursuant to a share subscription by a wholly owned subsidiary for the purposes of the Origin Long Term Incentive Plan 2012 ('2012 LTIP plan'). Under the terms of the 2012 LTIP plan, Directors and senior management of Origin have an interest in these shares which is subject to certain financial targets being achieved over the three years to 31 July 2015 and their remaining in employment with the Group during that period (Note 9). These shares are classified as treasury shares for accounting purposes pending satisfaction of the applicable terms of the 2012 LTIP plan.

(iv) Following approval from shareholders at an extraordinary general meeting on 18 November 2013 Origin completed a tender offer in December 2013. The total number of ordinary shares purchased by Origin at €7.50 per share pursuant to the Tender Offer was 13,333,249 for a total consideration before expenses of approximately €100 million.

9 Movement on reserves

	Share capital €'000	Share premium €'000	Capital redemption reserve €'000	LTIP reserve €'000	Profit and loss €'000	Total €'000
2014						
At 31 July 2013	1,397	165,287	1	1,061	83,458	251,204
Share buyback	(133)	–	133	–	(100,221)	(100,221)
Profit for the year	–	–	–	–	99,158	99,158
Actuarial loss on post employment liabilities	–	–	–	–	(2,485)	(2,485)
Deferred tax on actuarial loss	–	–	–	–	311	311
Dividend paid	–	–	–	–	(24,100)	(24,100)
Share-based payments	–	–	–	764	–	764
At 31 July 2014	**1,264**	**165,287**	**134**	**1,825**	**56,121**	**224,631**

The profit for the year attributable to shareholders dealt with in the financial statements of the holding company for the year ended 31 July 2014 was €99,158,000 (2013: loss €5,871,000). As permitted by Section 148 (8) of the Companies Act, 1963 and Section 7(1A) of the Companies (Amendment) Act 1986, the income statement of the Company has not been separately presented in these financial statements.

Notes to the Company Balance Sheet
(continued)

9 Movement on reserves (continued)

	Share capital €'000	Share premium €'000	Capital redemption reserve €'000	LTIP reserve €'000	Profit and loss €'000	Total €'000
2013						
At 31 July 2012	1,385	160,399	1	1,332	113,143	276,260
Issue of shares	12	4,888	–	–	–	4,900
Loss for the year	–	–	–	–	(5,871)	(5,871)
Actuarial loss on post employment liabilities	–	–	–	–	(5,108)	(5,108)
Deferred tax on actuarial loss	–	–	–	–	639	639
Dividend paid	–	–	–	–	(20,885)	(20,885)
Transfer of share based payment reserve to retained earnings	–	–	–	(1,540)	1,540	–
Share-based payments	–	–	–	1,269	–	1,269
At 31 July 2013	**1,397**	**165,287**	**1**	**1,061**	**83,458**	**251,204**

10 Contingent liabilities

In order to avail of the exemption under Section 17 of the Companies (Amendment) Act, 1986 the Company has guaranteed the liabilities of all of its subsidiaries registered in Ireland. The Company has given guarantees to secure the obligations of its subsidiaries in respect of total committed bank facilities to the value of €330 million.

11 Share-based payment

All disclosures relating to the Long-Term Incentive Plan are set out in Note 9 to the Group financial statements.

12 Statutory and other information

	2014 €'000	2013 €'000
Auditors' remuneration:		
– statutory audit	**20**	20
– other assurance services	**287**	257
– other non-audit services	**12**	6
Profit/(Loss) for the financial year	**99,158**	(5,871)

All of the Group audit fee was recharged by the Company to its subsidiaries in the current year.

13 Employment

	2014 Number	2013 Number
The average number of persons employed by the Company during the year was as follows:		
Management and administration	**17**	17

	2014 €'000	2013 €'000
Aggregate employment costs of the company are analysed as follows:		
Wages and salaries	**4,646**	5,427
Social welfare costs	**252**	276
Pension costs:		
– defined benefit schemes – statement of total recognised gains and losses	**2,485**	5,108
– defined benefit schemes – profit and loss account	**(741)**	482
Share-based payment	**764**	1,269
	7,406	12,562

14 Related party transactions

In the normal course of business, the Company undertakes arms-length transactions with its associates and other related parties. A summary of transactions with these related parties during the year is as follows:

	Sale of goods €'000	Purchase of goods €'000	Rendering services to €'000	Receiving services from €'000	Total €'000
Transactions with joint venture	–	–	237	(48)	189
Transactions with associates	–	–	825	(8)	817
Transactions with subsidiaries of ARYZTA AG and its subsidiaries	–	–	–	(153)	(153)

15 Approval of financial statements

These financial statements were approved by the Board on 23 September 2014.

Notes

Company Information

Board of Directors

O. Killian	(Non-Executive Chairman)
T. O'Mahony	(Chief Executive Officer)
I. Hurley	(Chief Financial Officer)
D. Giblin	(Executive Director)
H. McCutcheon	(Non-Executive Director)
P. McEniff	(Non-Executive Director)
R. McHugh	(Non-Executive Director)

Secretary and Registered Office
P. Morrissey
151 Thomas Street
Dublin 8
Ireland

Syndicate Bankers
Allied Irish Banks plc
Bank of Ireland plc
HSBC Bank plc
Rabobank Ireland plc
Ulster Bank Group

Auditors
PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
One Spencer Dock
North Wall Quay
Dublin 1
Ireland

Registrars
Capita Asset Services
Shareholder Solutions (Ireland)
2 Grand Canal Square
Dublin 2
Ireland

ESM Advisor and Stockbroker
Goodbody Stockbrokers
Ballsbridge Park
Ballsbridge
Dublin 4
Ireland

Nominated Advisor
Davy
Davy House
49 Dawson Street
Dublin 2
Ireland

Designed and produced by Emperor
www.emperordesign.co.uk +44 (0)131 220 7990

www.originenterprises.com
151 Thomas Street, Dublin 8, Ireland
T: +353 1 612 1226 F: +353 1 612 1216