Speirs Group Limited

Annual Report

for the year ended 30 June 2020

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Speirs Group Limited

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REPORTING BY DIRECTORS

The directors are pleased to report the result for the year ended 30 June 2020.

The Group recorded a loss after tax attributable to ordinary shareholders of $30,000 compared to the previous year profit of $92,000. Speirs Food LP provided a significantly improved contribution but this was offset by a write-down in the carrying value of the investment in Equipment, Leasing and Finance Holdings Limited. Both businesses were impacted by revenue losses due to the lockdown and subsequent impacts arising from the Covid-19 pandemic, but to date have recovered quickly as New Zealand returns to higher economic activity. The contributions to the overall profit and comprehensive income are summarised below:

	2020 $000	***2019 $000***
Speirs Foods/Speirs Foods (2018) LP trading profit/(loss) before interest	**1,209**	494
Corporate Income	**-**	88
Fair Value Gain/(Loss)Through Profit and Loss Financial Assets Equipment, Leasing and Finance Holdings Limited	**(249)**	344
Formation Costs of Speirs Foods (2018) LP	**-**	(109)
Corporate governance costs	**(288)**	(282)
Net financing costs	**(326)**	(323)
Depreciation Expense of Speirs Foods Limited/Speirs Group Limited in relation to acting as landlord for Speirs Foods (2018) LP (8 months in 2019, 12 months in 2020)	**(107)**	(71)
Total Profit	**239**	141
Profit attributable to non-controlling Interest	**(269)**	(49)
Overall profit/(loss) attributable to ordinary shareholders of Speirs Group Limited	**(30)**	92

The information appearing in the above table contains non-GAAP (Generally Accepted Accounting Practice) financial information for the Group. Non-GAAP financial information does not have a standardised meaning prescribed by GAAP and therefore may not be comparable to similar financial information presented by other entities. The financial information in the reconciliation table above is extracted from the consolidated audited financial statements. The directors believe that this non-GAAP financial information is useful for readers of the consolidated financial statements as it provides a clear and concise comparative summary of the performance of each of our core activities and investments. Management use similar measures to monitor the Group's financial performance.

Details from each of our core activities and investments are outlined below.

Speirs Foods

Since the formation of Speirs Foods (2018) LP ("Speirs Foods") part way through the 2019 financial year the business continues to manufacture and supply innovative products throughout New Zealand principally to the two major supermarket chains .

The trading profit for the year before interest amounted to $1,209,000 compared to $494,000 for the previous period, a pleasing improvement. Improving manufacturing efficiency and productivity by using just in time techniques, improving factory layout and investing in modern more efficient plant has been a big focus for management this year and these initiatives together with growing sales have contributed to the improved result.

Even though Speirs Foods was an essential business and traded safely and in compliance with all Covid 19 operating rules during all Covid-19 alert levels, our sales reduced significantly particularly during level 4 lockdown. Additionally, we incurred inventory loss due to immediate order cancellations by customers as they worked through their own response to uncertainties created by the Covid-19 lockdown.

Fortunately, the company qualified for the initial Government funded wage subsidy which enabled us to maintain our staff capability on their normal wages throughout the downturn in sales and revenue. This allowed us to avoid releasing staff that would have been surplus to the staffing levels needed during this period and enabled us to quickly scale back up production once demand picked up.

As we move into the post lockdown period it is uncertain whether the consumer buying preferences will move from wet salads to pre-packaged salad products or return to historical buying patterns. The challenge for Speirs Foods is to innovate and promote products that the consumer finds interesting, tasty, nutritious and is willing to buy. THE WHOLE MIX brand of products continues to reach more consumers and together with prepacked salads are a key response to the market.

Rosa Foods
In April 2018, Speirs Group Limited agreed to sell its 40% minority shareholding in Rosa Foods Limited. Speirs Group received an upfront cash payment with the balance paid progressively over a three-year period. The deferred balance is subject to interest payments at market rates. Interest and principal payments were received during the year as scheduled. Final settlement of this transaction is due by 31 March 2021.

Equipment Leasing and Finance Holdings Limited (EL&F)
The Group holds 1.98% of the ordinary shares of EL&F. In addition, the Group holds a parcel of EL&F preference shares that, under certain circumstances, convert to a further 0.29% of the EL&F ordinary shares. Information from EL&F is that the conditions to convert the preference shares to ordinary shares will now be met, so the directors assessed that the fair value of the preference shares at 30 June 2020 should be $1.36 per share, which is the same as the value the directors have placed upon the existing EL&F ordinary shares at that date. Resultant upon the impact of the Covid-19 general lockdown, the directors' have re-assessed the value of the existing EL&F ordinary shares, reducing them from $1.50 to $1.36 per share.

The directors' assessment of the value for this investment is based upon a detailed study of the EL&F performance prior to the lockdown, the immediate impact of the lockdown, recovery since the lockdown and projections through to June 2023. Further detail on the basis for the $1.36 carrying value for each EL&F share as well as the background to the reversal of the impairment provision on the preference shares is provided in Note 15 of the financial statements. AB Equipment Limited (ABE), wholly owned by EL&F, supplies a wide range of heavy mobile equipment to the forestry, infrastructure, construction and manufacturing industries throughout New Zealand. Other subsidiaries of EL&F provide vehicle leasing (Yoogo Limited) and the funding of heavy and light commercial vehicles, cars and other mobile equipment (Speirs Finance Limited).

Fellow EL&F shareholders are three independent large private equity firms. Your directors have confidence that, although the Group's percentage shareholding in EL&F is small, its value to Speirs Group Limited is significant and will continue to be enhanced and realised over time.

Corporate
Corporate costs continue to be kept as low as possible.

Financing
The principal borrowing of the Group is $2.5m of redeemable preference shares that mature in September 2021.

In the 2020 year the parent received funds from further payments from the sale of its interest in Rosa foods and funds from the sale of the 33% interest of the Foods business. These funds are presently being held for the redemption of the redeemable preference shares in September 2021.

The overall impact of the transactions and trading activity over the year has resulted in the reduction in the debt owed by the Group, with the ratio of equity to total assets further improving from 47.6 % to 49.0%.

In September 2021 the Redeemable Preference Shares ("2021 RPS") amounting to $2,500,000 (held by 23 holders) mature and are due for repayment. Current cash flow forecasting (including the utilisation of existing bank deposits) indicates that the Group will likely need to refinance between $1,500,000 and $1,700,000 of these 2021 RPS when they mature in September 2021. The current intention is to make a new offer of Redeemable Preference Shares on similar terms and conditions to the maturing 2021 RPS in 2021 to existing 2021 RPS holders and other eligible investors.

Based on initial indications from existing Redeemable Preference Shareholders a judgment has been made that the maturing Redeemable Preference Shares will be successfully refinanced to the extent required in September 2021.

Dividend
While the position of the Group continues to improve, the Board considers it prudent to preserve cash for further debt repayment and has thus resolved not to pay a dividend for the period. If the cash position improves in the future and the debt to equity ratio reaches a sustainable level, future dividend payments will be considered.

Outlook
It is pleasing to see the improvement in Speirs Foods profitability and subject to the economy remaining strong we expect this improvement to be maintained. Maximising returns from our other investments continues. We remain firmly on this path with a focus on reducing debt. Once we have debt at a manageable level, then cash returns from trading activities or divestments may be applied to returning cash to shareholders.

The world economy is in a fragile state as a result of the Covid-19 pandemic and while the New Zealand economy is recovering well, recent events in Australia show that risks from another wave of Covid-19 infections and resultant restrictions on the economy remain a real risk.

We note that recent trading of Speirs Group shares, albeit at very low volumes, continues at a large discount to the net tangible asset backing of those shares which was approximately 31 cents per share at year end.

Directors
At 30 June 2020, the Board of Directors of the Company comprised four non-executive directors:

Derek Walker, B.E. (Hons), BBS., Chairman
Fred Hutchings BBS, FCA, Deputy Chairman
Nelson Speirs, FCA.
David Speirs

In November 2019 Derek Walker retired from the Board of Speirs Foods General Partner. Fred Hutchings took over as Chair of Speirs Foods and Speirs Group appointed Sarah McCormack as an independent director of Speirs Foods. Ross Kane from Kane Investments Limited remains a director of Speirs Foods.

I thank the directors for their continued support.

Our People
Speirs Group has continued to benefit, as it has for many years, from strong supportive relationships with all its stakeholders. We wish to again thank our investors, customers, suppliers and staff for the strong support they have provided during this past twelve-month period.

I would especially like to thank the staff of Speirs Foods who continue to rise to the challenge of improving the efficiency of the business, developing new products and getting them to market.

Derek Walker
Chairman

Fred Hutchings
Director

8 October 2020

Speirs Group Limited

Purpose, Goals and Strategy

Purpose
Speirs Group Limited is an active investment company focused on the food and finance sectors and aims to maximise returns to its investors and enhance the well-being of all its stakeholders.

Goals

- Investment returns over the medium term will exceed the average NZX50 return as measured by capital growth and dividends to shareholders.
- A range of investments will be held to ensure the Group is able to diversify risk.
- The Group Board will have appropriate governance input to investments commensurate with the size and percentage of the investment holding.
- Full or partial divestment of investments may be undertaken when the value that can be realised is greater than assessed value of retaining the investment or to lower the risk profile of the portfolio.
- The ratio of debt to debt plus equity increase to at least 50% in the next 3-5 years and then be maintained at no less than 50%.
- Corporate office costs will be kept to a minimum.

Summary of the Group's Present Investments

Investment	Holding	Type	Description
Speirs Foods (2018) LP	67%	Food – Active	Fresh food production and distribution
Equipment, Leasing & Finance Holdings Limited	2%	Finance – Active	EL&F is a supplier/servicer/funder/lessor of mobile equipment throughout New Zealand.

Investment Criteria

Criteria to be considered for any investment are:

1. The investment is aligned with the core competencies of the Group - food manufacture, marketing and distribution; or finance.
2. The investment has synergy with an existing investment that provides potential to increase sales, reduce costs and improve the profitability of the new and existing businesses.
3. Acceptable shareholder agreements are in place to ensure that the Group has appropriate governance input to investments commensurate with the size and percentage of the investment holding
4. The investment will within the short to medium term provide sufficient free cash for the Group to cover annual investment costs.
5. The amount of capital required is affordable for the Group and would not materially increase the financial risk to the business.

Summary of Strategy for Each Investment

Investment	Investment Strategy
Speirs Foods (2018) LP	The present intention is to hold the majority partnership interest in this investment to provide profitability and cash flow to the wider group. Speirs Foods (2018) LP's strategy is to: • Maintain the strong national position the LP has in the fresh salads market; • Grow sales by developing and marketing new products that are aligned with the business's core competencies; • Improve the efficiency of production and distribution with targeted capital investment and continual improvement of processes and practices; • Maintain the highest levels of food safety and employee health and safety. A further partial or full divestment of this investment would be considered if a proposal provided a better outcome for shareholders.
Equipment, Leasing & Finance Holdings Limited	The present intention is to hold this investment while the company builds its business and shareholder value. As a minority shareholder Speirs Group Limited is only able to exert modest influence in relation to this entity. There may be opportunities to invest further capital into this business and this will be considered and a decision made on the potential returns and the availability of funds within the Group.

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2020

	Notes	***June 2020 $'000***	*June 2019 $'000*
Assets			
Current Assets			
Cash and Cash Equivalents	**12**	**341**	251
Loans, Advances and Investments	**15**	**975**	550
Trade and Other Receivables	**13**	**1,548**	1,595
Assets Held for Resale		**-**	50
Prepayments		**18**	18
Inventories	**14**	**596**	682
Total Current Assets		**3,478**	3,146
Non-Current Assets			
Investment in Associates		**-**	8
Loans, Advances and Investments	**15**	**2,423**	3,094
Deferred Income Tax Asset	**16**	**409**	409
Property, Plant & Equipment	**17**	**2,149**	1,953
Intangible Assets		**97**	126
Total Non-Current Assets		**5,078**	5,590
Total Assets		**8,556**	8,736
Liabilities			
Current Liabilities			
Trade and Other Payables	**18**	**1,658**	1,469
Leases	**29**	**84**	-
Borrowings	**19**	**-**	602
Total Current Liabilities		**1,742**	2,071
Non-Current Liabilities			
Leases	**29**	**125**	-
Borrowings	**19**	**2,500**	2,505
Total Liabilities		**4,367**	4,576
Equity			
Capital	**20**	**12,925**	12,925
Accumulated Deficits		**(9,276)**	(9,185)
Equity Attributable to Owners of the Parent		**3,649**	3,740
Non-Controlling Interest	**26**	**540**	420
Total Equity		**4,189**	4,160
Total Equity and Liabilities		**8,556**	8,736

The Board of Directors of Speirs Group Limited authorised these consolidated financial statements for issue on 8 October 2020.

Signed on behalf of the Board of Directors

Derek Walker
Chairman

Fred Hutchings
Director

8 October 2020

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 June 2020

	Notes	2020 $'000	2019 $'000
Revenue	30	***17,058***	*16,081*
Purchases of Raw Materials		***(6,928)***	*(6,717)*
Employee Benefits Expense	6	***(5,076)***	*(4,610)*
Freight, Packaging & Other		***(3,467)***	*(3,025)*
Net Trading Income		**1,587**	1,729
Other Income	7	**630**	112
Total Net Income earned from Operating Activities		**2,217**	1,841
Gain on Fair Value Through Profit and Loss Financial Asset	15	**-**	344
Loss on Fair Value Through Profit and Loss of a Financial Asset	15	**(249)**	-
Other Expenses	8	**(1,041)**	(1,429)
Earnings Before Interest, Depreciation and Amortisation		**927**	756
Interest Income		***59***	*79*
Interest Expense		***(385)***	*(402)*
Net Interest Expense	9	**(326)**	(323)
Depreciation and Amortisation		**(362)**	(292)
Profit Before Income Tax		**239**	141
Income Tax (Expense)/ Benefit	10	**-**	-
Profit per Share Attributed to Equity Holders of the Company		**239**	141
Other Comprehensive Income		-	-
Total Comprehensive Income		**239**	141
Total Comprehensive Income/(Loss) for the Period Attributable to:			
Owners of Speirs Group Limited		**(30)**	92
Non-Controlling Interest		**269**	49
		239	141

Total Profit/(Loss) per Share Attributed to Equity Holders of the Company:	Note	***2020 Cents***	*2019 Cents*
Basic Profit/(Loss) per Share	11	**(0.80)**	0.27
Diluted Profit/(Loss) per Share	11	**(0.80)**	0.27

The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2020

	Note	*Contributed Capital $'000*	*Accumulated Deficits $'000*	*Total Attributable to Owners of the Parent $'000*	*Non – Controlling Interest $'000*	*Total Equity $'000*
Balance at 30 June 2018		12,925	(9,498)	3,427	-	3,427
Comprehensive Income						
Profit for the Year		-	92	92	49	141
Other Comprehensive Income		-	-	-	-	-
Total Comprehensive Income		-	92	92	49	141
Transactions with Owners in Their Capacity as Owners						
Transactions with Non- Controlling Interests		-	282	282	371	653
Dividends Paid On Perpetual Preference Shares	**20**	-	(61)	(61)	-	(61)
Total Transactions with Owners		-	221	221	371	592
Balance at 30 June 2019		**12,925**	**(9,185)**	**3,740**	**420**	**4,160**
Comprehensive Income						
Profit/(Loss) for the Year		**-**	**(30)**	**(30)**	**269**	**239**
Other Comprehensive Income		-	-	-	-	-
Total Comprehensive Income		-	**(30)**	**(30)**	**269**	**239**
Transactions with Owners in Their Capacity as Owners						
Distribution - Non- Controlling Interests		**-**	**-**	**-**	**(149)**	**(149)**
Dividends Paid On Perpetual Preference Shares	**20**	**-**	**(61)**	**(61)**	**-**	**(61)**
Total Transactions with Owners		-	**(61)**	**(61)**	**(149)**	**(210)**
Balance at 30 June 2020		**12,925**	**(9,276)**	**3,649**	**540**	**4,189**

The accompanying notes are an integral part of these consolidated financial statements

Speirs GROUP

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 30 June 2020

	Notes	***2020***	*2019*
		$'000	*$'000*
Cash Flows from Operating Activities			
Interest Received		**59**	79
Dividends Received		**16**	225
Cash Receipts from Customers		**17,205**	15,937
Other Income		**615**	112
Dividends Paid on Redeemable Preference Shares		**(225)**	(225)
Interest Expense		**(160)**	(177)
Cash Paid to Suppliers and Employees		**(16,409)**	(15,458)
Net Cash from Operating Activities	**21**	**1,101**	493
Cash Flows from Investing Activities			
Proceeds from Sale of Assets Held for Resale		**62**	-
Proceeds from Non-Controlling Interest		**-**	326
Loans Repaid		**406**	130
Investment in Short Term Bank Deposits		**(425)**	(325)
Acquisition of Intangibles		**-**	(40)
Acquisition of Property, Plant & Equipment		**(246)**	(96)
Net Cash Flows from Investing Activities		**(203)**	(5)
Cash Flows from Financing Activities			
Repayments of Borrowings – Net	**28**	**(704)**	(303)
Proceeds from Leases		**32**	-
Distributions Paid to Non-Controlling Interest		**(75)**	-
Dividends Paid on Perpetual Preference Shares		**(61)**	(61)
Net Cash Flows from Financing Activities		**(808)**	(364)
Net Increase / (Decrease) in Cash and Cash Equivalents		**90**	124
Cash and Cash Equivalents at Beginning of Year		**251**	127
Cash and Cash Equivalents at Year End	**12**	**341**	251

The accompanying notes are an integral part of these consolidated financial statements

Notes to the Financial Statements

1 GENERAL INFORMATION

Speirs Group Limited operates as a holding company. At 30 June 2020 its principle investments were:

- Speirs Foods (2018) LP is a 67% majority owned subsidiary of Speirs Group Limited and is involved in the production and distribution of fresh food products.
- Speirs Investments LP is a wholly owned subsidiary of Speirs Group Limited which holds a 2.27% investment in Equipment, Leasing & Finance Holdings Limited.

Speirs Group Limited is a limited liability company incorporated and domiciled in New Zealand. The postal address of the head office of Speirs Group Limited is PO Box 318, Palmerston North, New Zealand.

From 1 August 2016, Speirs Group Limited has its ordinary shares trading on Unlisted.

These consolidated financial statements have been approved for issue by the Board of Directors on 8 October 2020.

2 SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of Preparation

These consolidated financial statements have been prepared in accordance with Generally Accepted Accounting Practices in New Zealand and on the basis that the Group continues to operate as a going concern. They comply with the New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), and other applicable Financial Reporting Standards, as appropriate for profit-oriented entities issued by the New Zealand Accounting Standards Board. These financial statements also comply with International Financial Reporting Standards.

The consolidated financial statements are presented in New Zealand dollars, the Group's functional currency, and are rounded to the nearest thousand. They are prepared using the historical cost basis except where accounting policies detail otherwise.

Entities Reporting

The consolidated financial statements of the 'Group' are for the economic entity comprising Speirs Group Limited, its wholly owned subsidiary Speirs Investments LP, and its majority owned subsidiary Speirs Foods (2018) LP. All entities within the Group are registered in New Zealand.

The Group is designated as a profit-oriented entity for financial reporting purposes.

Statutory Base

Speirs Group Limited is a company registered under the Companies Act 1993. Being an entity regulated under the Financial Markets Conduct (FMC) Act 2013, Speirs Group Limited is an FMC entity for reporting purposes and reports under Tier 1 requirements approved by the New Zealand Accounting Standards Board.

The financial statements have been prepared in accordance with the requirements of Part 7 of the Financial Markets Conduct Act 2013 and the Companies Act 1993.

Critical Accounting Estimates

The preparation of consolidated financial statements in conformity with NZ IFRS 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 for making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

Judgements made by management in the application of NZ IFRS that have a significant effect on the consolidated financial statements and estimates with a significant risk of material adjustment in the next year are discussed in Note 3.

2.2 Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of Speirs Group Limited, its wholly owned subsidiary Speirs Investments LP, and its majority owned subsidiary Speirs Foods (2018) LP as at 30 June 2020. Speirs Group Limited and its subsidiaries and associate are referred to in these financial statements as the Group or the consolidated entity.

Subsidiaries are those entities over which the company has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Intragroup balances and any unrealised gains and losses or income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2.3 Associates

Associates are all entities over which the Group has significant influence but not control, generally evidenced by holding of between 20% and 50% of the voting rights. Investments in associates are accounted for by the Group by using the equity method of accounting and are initially recognised at cost. The Group's share of its associates' post-acquisition profits or losses is recognised in the statement of comprehensive income, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.4 Financial Instruments

Recognition and Derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and Initial Measurement of Financial Assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with NZ IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable). Regular purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- Amortised Cost
- Fair Value Through Profit or Loss (FVTPL)
- Fair Value Through Other Comprehensive Income (FVOCI)

In the periods presented the Group does not have any financial assets categorised as FVOCI.

The classification is determined by both:

- the entity's business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

Subsequent Measurement of Financial Assets

i. Financial Assets at Amortised Cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

ii. Financial Assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised as FVTPL assets. Further, irrespective of the business model, financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for as FVTPL assets.

This category also contains an equity instrument. The Group accounts for the investment at FVTPL and did not make the irrevocable election to account for the investment in Equipment, Leasing and Finance Holdings Limited at Fair Value Through Other Comprehensive Income (FVOCI).

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

Impairment of Financial Assets

NZ IFRS 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. This replaces NZ IAS 39's 'incurred loss model'. Instruments within the scope of the new requirements include loans and other debt-type financial assets measured at amortised cost and trade receivables.

Recognition of credit losses is no longer dependent on the Group first identifying a credit loss event. Instead the Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach a distinction is made between:

- Financial instruments that have not deteriorated in credit quality since initial recognition or that have low credit risk ('Stage 1") and
- Financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

It is presumed that the credit risk of a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due.

Any impairment in relation to trade receivables is based upon lifetime expected credit losses using the simplified approach.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Classification and Measurement of Financial Liabilities
The Group's financial liabilities include Borrowings and Trade and Other Payables.

Financial liabilities are initially measured at fair value, and where applicable, adjusted for transaction costs.

Subsequently, unless otherwise indicated, all financial liabilities are measured at amortised cost using the effective interest method.

2.5 Property, Plant and Equipment

Land is recorded at historical cost. Historical cost includes expenditure that is directly attributable to the acquisition of the land.

Buildings, plant and equipment, computer equipment and vehicles are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the construction or acquisition of the items. Buildings, plant and equipment also include leasehold property held under a finance lease (See Note 2.22).

Subsequent costs are included in the asset's carrying value or recognised as a separate asset, as appropriate, and only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be reliably measured. All other expenses are charged to the statement of comprehensive income during the financial period in which they are incurred.

Land is not depreciated as no finite useful life for land can be determined. Depreciation on other assets is calculated using the straight-line method to allocate assets' costs less their residual values to their estimated lives, as follows:

- Buildings 2.50 – 3.00%
- Computer Equipment 12.50 – 40.00%
- Vehicles 20.00%
- Other plant and equipment 7.00 – 67.00%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

In the case of right-of-use assets, expected useful lives are determined by reference to comparable owned assets or the lease term, if shorter.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of comprehensive income.

2.6 Intangible Assets

Acquired computer software and other identifiable intangible assets are capitalised on the basis of the costs incurred to acquire them and bring them to use.

Computer software costs and other intangible assets are considered to have a finite life and are amortised over the best estimate of their useful lives (4 years).

2.7 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of finished goods comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes any borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.8 Trade and Other Receivables

Trade receivables are initially recognised at fair value and subsequent to initial recognition are measured at amortised cost, less a valuation allowance for impairment. Creating a provision for impairment of trade receivables is no longer dependent on the Group first identifying a credit loss event. Instead the Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the receivables.

2.9 Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are shown within liabilities on the consolidated statement of financial position.

2.10 Share Capital

Ordinary shares and perpetual preference shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.11 Trade and Other Payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

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

2.12 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost with any difference between the proceeds (net of transaction costs) and the redemption value being recognised in the consolidated statement of comprehensive income over the period of the borrowings using the effective interest method. Interest expense is recognised using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period to which it relates.

2.13 Employee Benefits

Bonus Obligations

The Group recognises a liability and an expense for bonuses, based on a formula that takes into consideration the expected level of payment.

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months after the end of the period in which the employees render the related services are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. All short-term employee benefit obligations are presented as other payables.

2.14 Provisions

A provision is recognised when the Group has a present legal or constructive obligation as a result of a past event; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.15 Income Tax

Income tax on the profit or loss for the reporting period comprises current and deferred tax. Income tax is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in the other comprehensive component in the statement of comprehensive income.

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

Deferred tax is provided for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. However, the deferred income tax is not recognised if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. 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 reporting date and are expected to apply when the related deferred tax is realised or settled.

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 utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except for deferred income tax liability 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. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.16 Revenue Recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities.

To determine whether to recognise revenue the Group follows a 5-step process:

i. Identifying the contract with a customer
ii. Identifying the performance obligations
iii. Determining the transaction price
iv. Allocating the transaction price to the performance obligations
v. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is recognised at a point in time when the Group satisfies performance obligations by transferring the promised goods or services to its customers.

Revenue is shown net of goods and services tax, and is recognised as follows:

Sales of Goods

Revenue from the sale of goods is recognised in the statement of comprehensive income when Group transfers the control of the goods to the customer. Control transfers to the customer at the point the customer takes undisputed delivery of the goods.

Provision of Services

Revenue from the provision of services is recognised in profit or loss within the consolidated statement of comprehensive income when the service has been performed.

Interest Income

Interest income and expense are recognised in the consolidated statement of comprehensive income for all interest-bearing financial instruments, including loans and advances, using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or liability and systematically allocating the interest income or interest expense. The effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability.

2.17 Other Income

Dividend Income

Dividend income is recognised when the right to receive payment is established.

2.18 Dividend Distribution

Dividend distributions to the Company's shareholders are recognised as a liability in the Group's financial statements in the period in which the dividends are approved, if unpaid at year end, or in the consolidated statement of movements in equity if paid within the period.

2.19 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

2.20 Goods and Services Tax (GST)

The consolidated statement of comprehensive income has been prepared so that all components are stated exclusive of GST. All items in the statement of financial position are stated net of GST, with the exception of trade receivables and trade payables, which include GST invoiced.

2.21 Foreign Currency Transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss component of the consolidated statements of comprehensive income, except when deferred in equity as qualifying cash flow hedges, in which case, they are recognised in other comprehensive income.

2.22 Leased Assets

As described in Note 2.24, the Group has applied IFRS 16 using the modified retrospective approach and therefore comparative information has not been restated. This means comparative information is still reported under IAS 17 and IFRIC 4.

Accounting policy applicable from 1 July 2019 - The Group as a lessee

For any new contracts entered into on or after 1 July 2019, the Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- the Group has the right to direct the use of the identified asset throughout the period of use.

The Group assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

On the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included in borrowings.

Accounting policy applicable before 1 July 2019 - The Group as a lessee

- *Finance leases*

  Management applies judgment in considering the substance of a lease agreement and whether it transfers substantially all the risks and rewards incidental to ownership of the leased asset. Key factors considered include the length of the lease term in relation to the economic life of the asset ,the present value of the minimum lease payments in relation to the asset's fair value, and whether the Group obtains ownership of the asset at the end of the lease term.

  See Note 2.5 for the depreciation methods and useful lives for assets held under finance leases.

  The interest element of lease payments is charged to profit or loss, as finance costs over the period of the lease.

- *Operating leases*

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

2.23 Government Grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

2.24 Financial Reporting Standards

a) **New and Amended Standards adopted by the Group:**

- **NZ IFRS 16 Leases**
  NZ IFRS 16 replaced NZ IAS 17 'Leases' and three related interpretations. It completed the IASB's long-running project to overhaul lease accounting. Leases are now recorded in the Statement of Financial Position in the form of a right-of-use asset and an associated lease liability. NZ IFRS 16 is effective for periods beginning on or after 1 January 2019.

The Group adopted NZ IFRS 16 on 1 July 2019 using the Standard's modified retrospective approach. Under this approach the cumulative effect of initially applying NZ IFRS 16 was recognised as an adjustment to assets and liabilities at the date of initial application. Comparative information was not restated.

On transition, for leases previously accounted for as operating leases with a remaining lease term of less than 12 months and for leases of low-value assets the Group has applied the optional exemptions to not recognise right of use assets but to account for the lease expense on a straight line basis over the remaining lease term.

The Group has elected not to include initial direct costs in the measurement of the right-of-use asset for operating leases in existence at the date of initial application of IFRS 16, being 1 July 2019. At this date, the Group has also elected to measure the right-of-use assets at an amount equal to the lease liability adjusted for any prepaid or accrued lease payments that existed at the date of transition.

Instead of performing an impairment review on the right-of-use assets at the date of initial application, the Group has relied on its historic assessment as to whether leases were onerous immediately before the date of initial application of IFRS 16.

On transition, for leases previously accounted for as operating leases with a remaining lease term of less than 12 months and for leases of low-value assets the Group has applied the optional exemptions to not recognise right-of-use assets but to account for the lease expense on a straight line basis over the remaining lease term.

On transition to NZIFRS 16 the weighted average incremental borrowing rate applied to lease liabilities recognised under NZIFRS 16 was 9.00%.

The following is a reconciliation of the financial statement line items from IAS 17 to NZ IFRS 16 at 1 July 2019.

	Carrying Amount 30 June 2019	Remeasurement	NZ IFRS 16 Carrying Amount at 1 July 2019
	$'000	$'000	$'000
Property, plant and equipment	1,953	177	2,130
Lease liabilities (as a component of "Borrowings")	-	(177)	(177)

The following is a reconciliation of total operating lease commitments at 30 June 2019 to the lease liabilities recognised at 1 July 2019.

	$'000
Total operating lease commitments disclosed at 30 June 2019	206
Discounted using incremental borrowing rate	(29)
Total lease liabilities recognised under NZIFRS 16 at 1 July 2019	177

b) **Standards issued but not early adopted by the Group:**

At the date of authorisation of these financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the International Accounting Standards Board. None of these Standards or amendments to existing Standards have been adopted early by the Group.

Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Group's financial statements.

3 ESTIMATES AND JUDGMENTS

The Group makes assumptions and estimates that affect the reported amounts of assets and liabilities. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgement has been exercised in:

Partial Recognition of a Future Income Tax Benefit
The Group has partially recognised the portion of accumulated tax losses to the extent it is probable that a taxable profit will be available against which to utilise the tax losses. The remaining benefit of tax losses and temporary differences continue to be treated as an unrecognised asset.

Measurement of Fair Value for EL&F
The Group's accounting policies and disclosures for the Investment in Equipment, Leasing & Finance Holdings Limited (EL&F) require the measurement of fair values. For further information about the assumptions made in measuring the fair value of EL&F refer to note 15.

Refinance of Maturing Redeemable Preference Shares
On 30 September 2021 the Group has $2.5m of maturing Redeemable Preference Shares. Based on initial indications from existing Redeemable Preference Shareholders a judgment has been made that the maturing Redeemable Preference Shares will be successfully refinanced in September 2021. See Note 25 for further detailed information.

Impact of Covid 19
The current annual reporting process has been undertaken during the continuing Covid 19 pandemic. The directors have carefully assessed the impact on the group’s assets and made appropriate adjustments to some assets’ carrying values. See Note 31 for further details.

There are no other significant accounting estimates and assumptions deemed critical to the Group’s financial performance and financial position.

4 SEGMENT REPORTING

For the purposes of this note, the chief operating decision-maker has been identified as the Board of Directors of Speirs Group Limited. The Board reviews the Group’s internal reporting pack on a monthly basis to assess performance and to allocate resources. Within the pack, operating segments have primarily been determined with reference to differences in products and services.

The Board of Directors assesses the performance of the operating segments based on a measure of net profit after tax. This measurement basis excludes the effects of non-recurring expenditure from the operating segments such as restructuring costs, legal expenses and goodwill impairments when the impairment is the result of an isolated, non-recurring event.

A summarised description of each business unit is shown below:

Speirs Foods	The supply of salad and fresh cut vegetables to retailers and caterers.
Corporate	The Group has some central operations and corporate costs which are not allocated to business segments. This includes the operations of Speirs Investments LP. Rental income from Speirs Foods (2018) LP has been included in “Corporate” income and the associated land and buildings have been included as “Corporate” assets.

The Group operates predominantly within New Zealand.

Speirs GROUP

12 months June 2020	Speirs Foods $'000	Corporate $'000	Consolidation Adjustments $'000	Consolidated $'000
External Revenue				
Interest Income	4	59	(4)	59
Revenue	17,058	-	-	17,058
Other Income	630	519	(519)	630
Intersegment Revenue / (Eliminations)	-	(523)	523	-
Total Segment Revenue	17,692	55	-	17,747
Interest Expense	(217)	(225)	57	(385)
Overall Segment Result	527	(271)	(17)	239
Income Tax Benefit/(Expense)				-
Profit for the Year				239
Segment Assets	5,312	7,392	(4,148)	8,556
Segment Liabilities	2,566	2,726	(925)	4,367
Depreciation and Amortisation	654	102	(394)	362
Capital Expenditure	343	9	-	352

Two customers account for 97% of the total Segment Revenue

12 months June 2019	Speirs Foods $'000	Corporate $'000	Consolidation Adjustments $'000	Consolidated $'000
External Revenue				
Interest Income	12	79	(12)	79
Revenue	16,081	-	-	16,081
Other Income	180	1,022	(746)	456
Intersegment Revenue / (Eliminations)	(154)	(604)	758	-
Total Segment Revenue	16,119	497	-	16,616
Interest Expense	(189)	(227)	12	(402)
Overall Segment Result	242	319	(420)	141
Income Tax Benefit/(Expense)				-
Profit for the Year				141
Segment Assets	4,884	7,310	(3,458)	8,736
Segment Liabilities	2,214	2,558	(196)	4,576
Depreciation and Amortisation	221	71	-	292
Capital Expenditure	289	-	-	289

Two customers account for 99% of the total Segment Revenue

5 FINANCIAL ASSETS AND LIABILITIES

Accounting Classifications and Fair Values

The table below sets out the Group's classification of each class of consolidated financial assets and liabilities, and their fair values (excluding accrued interest).

Group 30 June 2020	**Fair Value Through Profit and Loss**	**Financial Assets at Amortised Cost**	**Financial Liabilities at Amortised Cost**	**Total Carrying Value**
	$'000	**$'000**	**$'000**	**$'000**
Trade and Other Receivables	**-**	**1,548**	**-**	**1,548**
Loans, Advances and Investments	**2,423**	**975**	**-**	**3,398**
Cash and Cash Equivalents	**-**	**341**	**-**	**341**
	2,423	**2,864**	**-**	**5,287**
Trade and Other Payables	**-**	**-**	**1,567**	**1,567**
Borrowings	**-**	**-**	**2,500**	**2,500**
	-	**-**	**4,067**	**4,067**

Group 30 June 2019	**Fair Value Through Profit and Loss**	**Financial Assets at Amortised Cost**	**Financial Liabilities at Amortised Cost**	**Total Carrying Value**
	$'000	**$'000**	**$'000**	**$'000**
Trade and Other Receivables	-	1,595	-	1,595
Loans, Advances and Investments	2,672	972	-	3,644
Cash and Cash Equivalents	-	251	-	251
	2,672	2,818	-	5,490
Trade and Other Payables	-	-	1,379	1,379
Borrowings	-	-	3,107	3,107
	-	-	4,486	4,486

Determination of Fair Values

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement as follows:

- Level1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability

All Group financial assets at fair value through profit or loss are Level 3 financial assets.

6 EMPLOYEE BENEFITS EXPENSE

	2020	*2019*
	$'000	*$'000*
Employee Benefits Expense		
Wages and Salaries	**4,916**	4,467
Other Personnel Expenses	**160**	143
Total Employee Benefits Expense	**5,076**	4,610

7 OTHER INCOME

	2020	2019
	$'000	*$'000*
Bad Debts Recovered	**3**	4
Partial Reversal of Impairment of Assets Held for Resale Upon Sale of the Underlying Asset	**12**	-
Government Grants	**590**	-
Other Income	**25**	108
Total Other Income	**630**	112

8 OTHER EXPENSES

	2020	2019
	$'000	*$'000*
Other Expenses		
Fees Paid to Auditors		
Statutory Audit of Financial Statements	**56**	57
Other Services	**-**	4
Directors Fees – Parent	**73**	73
Directors Fees – Subsidiaries	**25**	26
Bad Debts Written Off	**-**	3
Impairment of Assets Held for Resale	**-**	165
Insurance	**180**	125
Loss on Disposal of Property, Plant and Equipment	**-**	20
Set Up Costs of Speirs Foods (2018) LP - restructuring	**-**	109
Write off of Obsolete Inventory	**76**	-
Other Expenses	**631**	847
Total Other Expenses	**1,041**	1,429

9 NET INTEREST INCOME/ (EXPENSE)

	2020 **$'000**	*2019* *$'000*
Interest Income		
Cash and Cash Equivalents	**15**	5
Loans and Advances	**44**	74
Total Interest Income	**59**	79
Interest Expense		
Leases	**22**	-
Borrowings		
2021 Redeemable Preference Shares Dividends	**225**	225
Debtor Financing	**132**	170
Mortgage	**-**	2
On all other borrowings	**6**	5
Total Interest Expense	**(385)**	(402)
Net Interest Income/(Expense)	**(326)**	(323)

10 INCOME TAX EXPENSE

	2020 **$'000**	*2019* *$'000*
Tax Expense/(Benefit)		
Current Tax Expense/(Benefit)		
Current Period	-	-
Total Current Tax Expense/(Benefit)	-	-
Deferred Tax Expense/(Benefit)		
Derecognition of Previously Recognised Tax Losses	-	-
Recognition of Previously Unrecognised Deductible Temporary Differences	-	-
Recognition of Previously Unrecognised Tax Losses	-	-
Total Deferred Tax Expense/(Benefit)	-	-
Total Income Tax Expense/(Benefit)	-	-

	2020 **$'000**	*2019* *$'000*
Reconciliation of Effective Tax Rate		
Profit Before Income Tax	**239**	141
Income Tax at 28%	**67**	39
Deferred Tax in Respect of Current Year	**(199)**	(205)
Gain on Fair Value Through Profit and Loss Financial Asset	**-**	(96)
Impairment of Fair Value Through Profit and Loss Financial Asset	**70**	-
Non-deductible Expenses	**65**	101
Tax Exempt Income	**-**	-
Prior Year Adjustment	**(3)**	161
	-	-

	2020 **$'000**	*2019* *$'000*
Imputation Credits		
Imputation Credits at Beginning of Year	**3,055**	3,166
Imputation Credits Attached to Redeemable Preference Share and Perpetual Preference Share Dividends Paid	**(111)**	(111)
Imputation Credits at End of Year	**2,944**	3,055

The imputation credits are available to shareholders of Speirs Group Limited through their shareholdings in Speirs Group Limited.

11 EARNINGS/(LOSS) PER SHARE

Basic and Diluted Profit/(Loss) per Share

	2020 $'000	2019 $'000
Profit/(Loss) Attributable to Shareholders		
Profit/(Loss) for the Year	**(30)**	92
Dividends Paid on Perpetual Preference Shares	**(61)**	(61)
Profit/(Loss) for the Year Attributable to Shareholders	**(91)**	31

	Note	2020 '000	2019 '000
Weighted Average Number of Ordinary Shares – Basic and Diluted			
Issued Ordinary Shares at Beginning of the Year	**20**	**11,335**	11,335
Issued Ordinary Shares at End of the Year		**11,335**	11,335
Weighted Average Number of Ordinary Shares at Period End – Basic and Diluted		**11,335**	11,335

	2020 Cents per Share	2019 Cents per Share
Basic Profit/Loss) per Share	**(0.80)**	0.27
Diluted Profit/(Loss) per Share	**(0.80)**	0.27

12 CASH AND CASH EQUIVALENTS

	30 June 2020 $'000	30 June 2019 $'000
Cash and Cash Equivalents		
Cash at Bank	**311**	71
Short Term Deposits – Call Accounts	**30**	35
90 Day Short Term Deposits – Used as Part of Cash Management	**-**	145
Total Cash & Cash Equivalents	**341**	251

All cash and cash equivalents are held in registered banks.

At 30 June 2020 and 30 June 2019 no Group entities had overdraft facilities.

13 TRADE AND OTHER RECEIVABLES

	30 June 2020			30 June 2019		
	Gross Amount $'000	Allowance for Expected Credit Losses $'000	Carrying Amount $'000	Gross Amount $'000	Allowance for Expected Credit Losses $'000	Carrying Amount $'000
Trade and Other Receivables						
Other Receivables – Debtor Financing (See Note 19)	**97**	**-**	**97**	-	-	-
Trade Receivables	**1,451**	**-**	**1,451**	1,595	-	1,595
Total Trade and Other Receivables	**1,548**	**-**	**1,548**	1,595	-	1,595

14 INVENTORIES

	30 June 2020 $'000	30 June 2019 $'000
Inventories		
Raw Materials and Consumables	**528**	623
Finished Goods	**68**	59
Total	**596**	682

No inventory is subject to retention of title clauses.

15 LOANS, ADVANCES AND INVESTMENTS

	30 June 2020 $'000	30 June 2019 $'000
Short Term Deposits – BNZ	**750**	325
Debt Owing – Rosa Foods Limited	**225**	434
Dividend Owing – Rosa Foods Limited	**-**	16
Debt Owing – Kane Investments Limited	**-**	197
Investment in Equipment, Leasing & Finance Holdings Limited Ordinary Shares	**2,111**	2,328
Investment in Equipment, Leasing & Finance Holdings Limited Preference Shares	**312**	344
	3,398	3,644
Impairment Allowance	**-**	-
	3,398	3,644
Current	**975**	550
Non-Current	**2,423**	3,094
	3,398	3,644

Debt Owing and Dividend Owing – Rosa Foods Limited

As a result of a transaction during the year ended 30 June 2018 Speirs Group Limited received interest bearing debt and unpaid ordinary dividends. At 30 June 2020 the interest bearing debt totalled $225,000 (30 June 2019: $434,000) and the unpaid ordinary dividends totalled $ Nil (30 June 2019: $16,000). This interest bearing debt and unpaid dividends carry a fixed interest rate of 10.00% per annum with the interest payable in arrears on the last business day of each quarter. A scheduled principal repayment of $225,000 due on 31 March 2020 was received in two instalments – 31 March 2020 $150,000 and 16 April 2020 $75,000. At 30 June 2020 the interest bearing debt has a final scheduled principal repayment of $225,000 (payable in March 2021) although the borrower can partially or fully repay the amounts due early with no penalty being incurred. Both the debt and unpaid dividends are secured by a first ranking charge over all of the ordinary shares on issue in Rosa Foods Limited as well as personal guarantees from the ultimate owners of Rosa Foods Limited.

Debt Owing – Kane Investments Limited

As a result of a transaction during the year ended 30 June 2019 Speirs Foods (2018) LP received $326,500 of interest bearing debt. The debt carried a fixed interest rate of 8.50% per annum with the interest payable in arrears on the last business day of each quarter. On 21 December 2018 Kane Investments Limited made a voluntary early repayment of $130,000 leaving a balance owing of $196,500. On 4 October 2019 Kane Investments Limited made a further and final voluntary early repayment of $196,500 leaving a balance owing of $Nil. The borrower had the right to partially or fully repay the amounts due early with no penalty being incurred. The debt was secured by a first ranking charge over all of the assets of Speirs Foods (2018) LP.

Investment in Equipment, Leasing & Finance Holdings Limited Ordinary Shares

On 30 September 2016 a series of transactions saw Speirs Investments Limited Partnership's investment in Advaro convert to being a 2.38% ordinary shareholding in a new entity named Equipment, Leasing & Finance Holdings Limited ("EL&F"). As part of the 30 September 2016 transaction Speirs Investments LP lost the right to appoint a director to the Board of EL&F. For this reason, and given the minority shareholding held by Speirs Investments LP, the investment in EL&F ceased to be an associate entity from 30 September 2016. After that date it is held as a "Fair Value Through Profit or Loss Financial Asset". Subsequent minor share issues by EL&F have seen the investment reduce to 1.98% ordinary shareholder of EL&F. The directors' assessment of the value for this investment is based upon the most recent market transaction and an issue of additional equity during the years ended 30 June 2018 and 2019 adjusted for the assessment of subsequent changes in value as determined from other sources of available information available to the Group. The directors consider this valuation approach to represent the fair value of Speirs' 1.98% shareholding in EL&F. Speirs Investments LP holds 1,551,872 (30 June 2019:

1,551,872) ordinary shares in EL&F. The total number of shares on issue in EL&F are 78,264,666 (30 June 2019: 78,264,666). At 30 June 2020 the ordinary shares are valued at $1.36 per share (30 June 2019: $1.50 per share). The decline in the value of the EL&F ordinary shares in the current period principally arises from the adverse impact of the Covid 19 pandemic on the operations and financial performance of EL&F.

Investment in Equipment, Leasing & Finance Holdings Limited Preference Shares

On 30 September 2016, in addition to being issued ordinary shares in EL&F, Speirs Investments LP was issued 229,358 preference shares in EL&F. These preference shares can be clawed back by EL&F to cover any additional bad and doubtful debts incurred by EL&F in relation to the receivables ledger that EL&F acquired from Advaro Financial Services Limited as at 30 September 2016 beyond the bad and doubtful debts provisioning held by Advaro as at 30 September 2016. These preference shares are at risk until 30 September 2021. If there is no clawback required the preference shares will be issued to the preference shareholders as ordinary shares in EL&F on a one for one basis. At 30 June 2018 as these shares were at risk for such a period of time such that the recoverability of the carrying amount could not be practicably assessed, the directors decided to fully impair these preference shares as at 30 June 2018.

During the year ended 30 June 2019 the directors noted that the cumulative cash collections since 30 September 2016 had allowed Advaro to assess that the current provision for doubtful debts was sufficient to meet future likely write offs and that no clawback would be necessary. As there was now only minimal risk of future clawback the directors assessed that the fair value of the preference shares at 30 June 2019 and 2020 should be the same value as the existing EL&F ordinary shares at 30 June 2019 and 2020, - 30 June 2020 $1.36 per share (30 June 2019: $1.50 per share). The decline in the value of the EL&F preference and ordinary shares arises from the adverse impact of the Covid 19 pandemic on the operations and financial performance of EL&F.

Speirs Investments LP holds 229,358 (30 June 2019: 229,358) preference shares in EL&F. The total number of shares on issue in EL&F are 78,264,666 (30 June 2019: 78,264,666).

EL&F Valuation – Sensitivity Analysis

EL&F ordinary and preference shares are carried at fair value of $1.36 per share. In the event the share valuation was to either increase, or decrease by 10%, the total impact on the carrying value of the investment would be an increase or decrease of $242,000.

Reconciliation

	Ordinary Shares	***Preference Shares***	***Total***
	$'000	***$'000***	***$'000***
Investment in Equipment, Leasing & Finance Holdings Limited at 30 June 2018	2,328	-	2,328
Fair Value Gains on Through Profit or Loss Financial Asset – Year Ended 30 June 2019	**-**	**344**	**344**
Investment in Equipment, Leasing & Finance Holdings Limited at 30 June 2019	**2,328**	**344**	**2,672**
Fair Value Gains/(Losses) on Through Profit or Loss Financial Asset – Year Ended 30 June 2020	**(217)**	**(32)**	**(249)**
Investment in Equipment, Leasing & Finance Holdings Limited at 30 June 2020	**2,111**	**312**	**2,423**

16 DEFERRED TAX ASSET

Deferred tax assets are recognised to the extent it is probable that future taxable profits will be available against which the asset can be utilised.

Recognised Deferred Tax Assets

As at 30 June 2020 the Group has recognised a deferred tax asset of $408,776 (2019: $408,776) which is principally comprised of previously unrecognised tax losses.

	Deferred Tax Asset 30 June 2018 $'000	Recognised in Profit or Loss 2019 $'000	Deferred Tax Asset 30 June 2019 $'000	Recognised in Profit or Loss 2020 $'000	Deferred Tax Asset 30 June 2020 $'000
Property, Plant and Equipment	110	(67)	43	(36)	7
Intangibles	1	(2)	(1)	-	(1)
Employee Entitlements	58	(4)	54	9	63
Provisions	27	37	64	(47)	17
Tax Losses	213	36	249	74	323
Total Deferred Tax	409	-	409	-	409

Unrecognised Deferred Tax Assets

Deferred tax assets have not been recognised for the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom:

	Group	
	30 June 2020 $'000	*30 June 2019 $'000*
Temporary Differences Relating To:		
- Property Plant and Equipment	**-**	-
- Intangible Assets	**-**	-
- Employee Entitlements	**-**	-
- Provisions and Other	**-**	-
Tax Losses	**6,799**	7,002
Total	**6,799**	7,002

17 PROPERTY, PLANT AND EQUIPMENT

	Land $'000	**Buildings $'000**	**Computer Equipment $'000**	**Vehicles $'000**	**Other Plant & Equipment $'000**	**Capital Work in Progress $'000**	**Total $'000**
Cost							
Balance at 30 June 2018	60	2,400	578	24	4,134	193	7,389
Additions	-	156	43	-	90	-	289
Disposals	-	-	(52)	-	(1,601)	-	(1,653)
Transfer into WIP	-	-	-	-	-	96	96
Transfer from WIP	-	-	-	-	-	(289)	(289)
Balance at 30 June 2019	60	2,556	569	24	2,623	-	5,832
Adjustment on Transition to NZIFRS 16	**-**	**-**	**73**	**30**	**74**	**-**	**177**
Additions	**-**	**9**	**8**	**57**	**206**	**-**	**280**
Disposals	**-**	**-**	**-**	**-**	**(5)**	**-**	**(5)**
Transfer into WIP	**-**	**-**	**-**	**-**	**-**	**246**	**246**
Transfer from WIP	**-**	**-**	**-**	**-**	**-**	**(174)**	**(174)**
Balance at 30 June 2020	**60**	**2,565**	**650**	**111**	**2,898**	**72**	**6,356**
Depreciation							
Balance at 30 June 2018	-	1,310	523	23	3,223	-	5,079
Depreciation for the Year	-	107	37	1	121	-	266
Disposals	-	-	(52)	-	(1,414)	-	(1,466)
Balance at 30 June 2019	-	1,417	508	24	1,930	-	3,879
Depreciation for the Year	**-**	**107**	**58**	**32**	**136**	**-**	**333**
Disposals	**-**	**-**	**-**	**-**	**(5)**	**-**	**(5)**
Balance at 30 June 2020	**-**	**1,524**	**566**	**56**	**2,061**	**-**	**4,207**
Carrying Amounts							
At 30 June 2019	**60**	**1,139**	**61**	**-**	**693**	**-**	**1,953**
At 30 June 2020	**60**	**1,041**	**84**	**55**	**837**	**72**	**2,149**

All assets are used for food processing purposes.

Included in the net carrying amount of property, plant and equipment are right of use assets as follows:

	Carrying Amounts
	30 June
	2020
	$'000
Computer Equipment	**48**
Vehicles	**56**
Other Plant & Equipment	**97**
Total	**201**

18 TRADE AND OTHER PAYABLES

	30 June 2020 $'000	*30 June 2019 $'000*
Trade and Other Payables		
Trade Payables	**968**	857
Distribution Owing to Kane Investments Limited	**74**	-
Other Payables and Accrued Expenses	**616**	612
	1,658	1,469

19 BORROWINGS

	30 June 2020 $'000	*30 June 2019 $'000*
Debtor Financing Facility	**-**	602
Mortgage Facility	**-**	5
2021 Redeemable Preference Shares	**2,500**	2,500
	2,500	3,107
Current	-	602
Non-Current	**2,500**	2,505
	2,500	3,107

The year end effective interest rates with respect to borrowings are set out in the table below:

	30 June 2020 %	*30 June 2019 %*
Debtor Financing Facility	**9.25%**	9.75%
Mortgage Facility	**N/A**	8.00%
2021 Redeemable Preference Shares	**9.00%**	9.00%

Debtor Financing – After 1 November 2018

For the year ended 30 June 2020 the debtor financing is secured by a first ranking charge over the assets and undertakings of Speirs Foods (2018) LP and an unsecured guarantee from Speirs Group Limited. The facility was entered into on 1 November 2018 and has a minimum non-cancellable period of 270 days. After 270 days has elapsed:

(i) Speirs Foods (2018) LP has the right (after giving 90 days' notice to the financier) to terminate the facility;
(ii) The financier has the right (after giving 90 days' notice to Speirs Foods Limited) to terminate the facility.

The interest rate on this facility is reset at the discretion of the lender from time to time.

In April 2020 the Limited Partnership gave notice to the financier that this facility was to be terminated in July 2020 as the Limited Partnership had agreed to enter into a new debtor financing arrangement with a Registered Bank from July 2020.

The debtor financing facility commencing in July 2020:

- Provides both lower interest rates on funds borrowed as well as lower ongoing administration costs.;
- Is secured by a first ranking charge over the assets and undertakings of Speirs Foods (2018) LP and a guarantee from Speirs Foods General Partner Limited; and
- Has a covenant requiring that EBITDA (earnings before interest, tax expense, depreciation and amortisation of intangibles) is to be maintained at a minimum of 3.00 times of gross interest expense. This will be tested as at the last day of each financial year on a rolling 12-month basis.

At 30 June 2020 the financier owed Speirs Foods (2018) LP $97,296 being the excess of the receivables collected by the financier and the amount drawn down on the facility by Speirs Foods (2018) LP (See Note 13).

Debtor Financing – Prior to 1 November 2018

The financing was secured by a first ranking charge over the assets and undertakings of Speirs Foods Limited and an unsecured guarantee from Speirs Group Limited. The facility was entered into on 3 December 2013 and has a minimum non-cancellable period of 270 days. After 270 days has elapsed:

(i) Speirs Foods Limited had the right (after giving 90 days' notice to the financier) to terminate the facility;
(ii) The financier had the right (after giving 90 days' notice to Speirs Foods Limited) to terminate the facility.

This facility was terminated when the trading business of Speirs Foods Limited was sold to Speirs Foods (2018) LP on 1 November 2018.

2021 Redeemable Preference Shares

At 30 June 2020 there are 2,500,000 (30 June 2019: 2,500,000) fully paid 2021 Redeemable Preference Shares on issue at $1 each. The 2021 Redeemable Preference Shares have a scheduled redemption date of 30 September 2021, although Speirs Group Limited has the right to redeem at any time before the scheduled redemption date. The 2021 Redeemable Preference Shares rank behind all other liabilities of Speirs Group Limited but ahead of ordinary and perpetual preference shareholders. The fixed dividend rate on the 2021 Redeemable Preference Shares is 9.00% per annum.

Mortgage Facility

During the year ended 30 June 2020 Speirs Foods Limited terminated its mortgage funding facility. Prior to this discharge the facility was for up to $500,000 (30 June 2019: $500,000). The facility had a maturity date of 10 July 2021. The facility was secured by a first mortgage over the properties owned by Speirs Foods Limited, along with a second ranking charge over the assets and undertakings of Speirs Foods Limited and an unsecured guarantee from Speirs Group Limited. The Company was required to respect a Loan to security ratio for which the principal sum should not exceed 49.66% of the value of the security at any time or it could be required to repay such an amount of the principal sum or provide an acceptable additional security to ensure the security margin is not exceeded. As at 30 June 2019 the covenant was respected.

Speirs GROUP

20 CAPITAL

Group	30 June 2020 $'000	30 June 2019 $'000
Balance at 1 July	**12,925**	12,925
Balance at Year End	**12,925**	12,925

Capital is comprised of:	30 June 2020 $'000	30 June 2019 $'000
Ordinary Shares	**12,217**	12,217
Perpetual Preference Shares	**708**	708
Total Capital	**12,925**	12,925

Group	Ordinary Shares	
	30 June 2020 '000	30 June 2019 '000
Number of Shares on issue at 1 July	**11,335**	11,335
Number of Shares on issue at Period End	**11,335**	11,335

The total authorised number of ordinary shares is 11,334,576 (30 June 2019: 11,334,576). All issued shares were fully paid and entitled to one vote. There are no preferences or restrictions attached to this class of share. Ordinary shares have no par value.

Perpetual Preference Shares

Group	Perpetual Preference Shares	
	30 June 2020 '000	30 June 2019 '000
Number of Shares authorised and on issue at 1 July	**679**	679
Number of Shares authorised and on issue at Period End	**679**	679

During the year ended 30 June 2012, in accordance with shareholder resolutions passed at a special shareholder meeting, 679,000 perpetual preference shares ("PPS") were issued at $1 each.

The table below sets out some of the key terms of the PPS.

Issue price	$1.00 each.
Dividends payable by Speirs Group Limited	Dividends are discretionary and only payable if authorised by the Board. If authorised, dividends are payable at the higher of: (a) 9% per annum; and (b) the average bid and offered swap rate for a one year swap as quoted on the Reuters Screen Page "FISSWAP" plus 5%. No dividends may be authorised by the Board in respect of ordinary shares in Speirs Group Limited unless dividends are authorised in respect of the PPS and all dividends on the PPS, including authorised but unpaid dividends, have been paid. Where a dividend is not authorised in a given period in accordance with the principles set out above, rights to those dividends do not accrue.
Ranking in respect of dividends	Behind the dividends payable on the RPS, equally with all other dividends payable on the PPS, and ahead of dividends payable on ordinary shares in Speirs Group Limited and any other shares in Speirs Group Limited

	that are expressed to rank behind the PPS.
When redeemable	May, at the sole option of Speirs Group Limited, be redeemed by Speirs Group Limited at any time after 10 years from the issue date (i.e. from May 2022).
Redemption amount payable by Speirs Group Limited	$1.00 plus any authorised but unpaid dividends.
When convertible	Convertible at the election of the holder between 5 and 10 years from the date of issue (i.e. between 2017 and 2022).
Rate of conversion	1 PPS converts into 8 ordinary shares in Speirs Group Limited.
Ranking in liquidation	Behind the creditors of Speirs Group Limited, behind the RPS holders, but ahead of ordinary shareholders and any other holders of shares that are expressed to rank behind the RPS.

Dividends

The following dividends were declared and paid by Speirs Group Limited:

	30 June 2020 '000	*30 June 2019 '000*
0.0c per Qualifying Ordinary Share (30 June 2019: 0.0)	**-**	-
9.0c per Qualifying Perpetual Preference Share (30 June 2019: 9.00c)	**61**	61

21 RECONCILIATION OF PROFIT/(LOSS) AFTER TAX FOR THE YEAR TO NET CASH FROM OPERATING ACTIVITIES

	30 June 2020 $'000	*30 June 2019 $'000*
Reconciliation of Profit/(Loss) After Tax for the Year to Net Cash from Operating Activities		
Profit/(Loss) for the Year	**(30)**	92
Adjustments for Non-Cash Items:		
Depreciation of Property, Plant and Equipment	**334**	267
Amortisation of Intangible Assets	**28**	25
Bad Debts Written-off/(Recovered)	**(3)**	3
Lease Payments on Right of Use Assets	**(98)**	-
Impairment/ (Reversal of Impairment) of Assets Held for Resale	**(12)**	165
Profit Share Attributable to Non-Controlling Interest	**269**	49
Gain on Fair Value Through Profit or Loss Financial Asset	**-**	(344)
Impairment of Fair Value Through Profit or Loss Financial Asset	**249**	-
Loss/(Gain) on Disposal of Property, Plant and Equipment	**-**	20
	737	277
Movement in Other Working Capital Items:		
Change in Inventories	**86**	(78)
Change in Dividend Owing – Rosa Foods Limited	**16**	225
Change in Trade and Other Receivables and Prepayments	**147**	(132)
Change in Trade and Other Payables	**115**	201
Net Cash From Operating Activities	**1,101**	493

22 RELATED PARTIES

Transactions with Key Management Personnel

Key management personnel are considered to be the Directors of the Group and executives with the greatest authority for the strategic direction and management of the Group.

Key management personnel compensation comprised:

	30 June 2020 $'000	*30 June 2019 $'000*
Directors' Fees	**98**	99
Consulting Fees Paid to Key Management Personnel	**331**	314
	429	413

At 30 June 2020 the amount of unpaid consulting fees payable to key management personnel was $23,000 (30 June 2019: $16,000)

Dividends paid on Perpetual Preference Shares to related parties and Perpetual Preference Shares held at year end were:

	PPS Dividends Paid Year Ended 30 June 2020 $'000	*PPS Dividends Paid Year Ended 30 June 2019 $'000*	***PPS Shares Held 30 June 2020 $'000***	*PPS Shares Held 30 June 2019 $'000*
Nelson Speirs - Director	**35**	35	**389**	389
David Speirs - Director	**7**	-	**290**	-
	42	35	**679**	389

Dividends paid on 2021 Redeemable Preference Shares to related parties and 2021 Redeemable Preference Shares held at year end were:

	RPS Dividends Paid Year Ended 30 June 2020 $'000	*RPS Dividends Paid Year Ended 30 June 2019 $'000*	***RPS Shares Held 30 June 2020 $'000***	*RPS Shares Held 30 June 2019 $'000*
Derek Walker - Director	**3**	3	**30**	30
Lee Simpson – Company Secretary	**11**	11	**126**	126
	14	14	**156**	156

Other Transactions with Key Management Personnel

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of these entities.

A number of these entities transacted with the Group in the reporting period. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or for which might reasonably be expected to be available, on similar transactions to non-key management personnel.

Entities with which Speirs Group Limited is deemed to be related are:

- Speirs Foods Limited (a wholly owned subsidiary until June 2020 when the company was deregistered from the Register of Companies);
- Speirs Foods (2018) LP (a Limited Partnership in which Speirs Group has a 67% interest and is therefore a majority owned subsidiary. This Limited Partnership began operating on 1 November 2018;
- Speirs Investments LP (a wholly owned subsidiary);
- Equipment Leasing and Finance Holdings Limited and its subsidiaries (a company in which Speirs Investments LP holds 2.27% of the ordinary shares on issue as well as Speirs Group Limited and Equipment Leasing and Finance Holdings having a common director); and
- Kane Investments Limited (a company which holds a 33% partnership interest in Speirs Foods (2018) LP).

- **Speirs Foods Limited (until 3 February 2020 when the business ceased trading. On 18 June 2020 Speirs Foods Limited was deregistered from the Register of Companies)**
  - Speirs Group Limited received dividends (both cash and in-specie) of $1,652,898 (30 June 2019: $400,000) from Speirs Foods Limited.
  - Speirs Group Limited charged Speirs Foods Limited $Nil (30 June 2019: $22,000 in respect of corporate services provided by Speirs Group Limited.
  - For comparative purposes for the year ended 30 June 2019:
    - On 1 November 2018 Speirs Foods Limited sold its trading business to Speirs Foods (2018) LP and the majority of Speirs Foods Limited's assets and liabilities (with the principal exception of land and buildings, and the associated mortgage facility which were retained by Speirs Foods Limited). As part of this transaction:
      - Speirs Foods Limited recorded a gain on disposal of plant and equipment of $1,551,262
      - Received a promissory note for $1,868,000 issued by Speirs Group Limited from Speirs Foods (2018) LP in part payment for the value of the business and net assets sold to Speirs Foods (2018) LP;
      - Speirs Foods Limited forgave the requirement to repay the promissory note of $1,868,000 issued by Speirs Group Limited;
      - A one-off loss on disposal of $153,535 was recognised by Speirs Foods Limited.

- **Speirs Foods (2018) LP (from 1 November 2018)**
  - Speirs Group Limited received a distribution of $301,500 (8 months 30 June 2019: $Nil) from Speirs Foods (2018) LP. Of this $150,750 was paid prior to 30 June 2020 with the remaining $150,750 being paid in equal instalments of $15,075 from July 2020 to April 2021.
  - Speirs Foods Limited charged rent on land and buildings leased by Speirs Foods (2018) LP of $96,250 (8 months 30 June 2019: $110,000).
  - Speirs Group Limited charged rent on land and buildings leased by Speirs Foods (2018) LP of $55,000 (8 months 30 June 2019: $Nil). Speirs Group Limited forgave $13,750 in rental due (one month's rent) as a result of the Covid 19 pandemic.
  - Speirs Group Limited charged Speirs Foods (2018) LP $66,000 (8 months 30 June 2019: $44,000) in respect of corporate services provided by Speirs Group Limited.
  - At 30 June 2020 Speirs Foods (2018) LP owed $Nil (30 June 2019: $196,500) to Speirs Foods Limited. During the year ended 30 June 2020 Speirs Foods Limited charged interest on this loan in the amount of $Nil (30 June 2019: $12,496).
  - During the year ended 30 June 2020 Speirs Group Limited charged interest on a loan in the amount of $4,210 (8 months 30 June 2019: $Nil). The loan of $196,500 was at 30 June 2019 held by Speirs Foods Limited and was transferred to Speirs Group Limited from Speirs Foods Limited on 1 July 2020 (by way of an in-specie dividend). The loan was repaid in full on 4 October 2019.
  - At 30 June 2020 Speirs Foods (2018) LP owed $150,750 (30 June 2019: $Nil) to Speirs Group Limited.

  - For comparative purposes for the year ended 30 June 2019:
    - On 1 November 2018 Speirs Foods 2018(LP)acquired the business of Speirs Foods Limited and the majority of Speirs Foods Limited's assets and liabilities (with the principal exception of land and buildings, and the associated mortgage facility which were retained by Speirs Foods Limited). Immediately after this acquisition a 33% partnership interest in Speirs Foods (2018) LP was sold for $653,000. As part of this transaction:
      - Speirs Group issued a promissory note in favour of Speirs Foods (2018) LP in the amount of $1,868,000;
      - The $1,868,000 promissory note was then transferred to Speirs Foods Limited in part payment for the value of the business and net assets acquired from Speirs Foods Limited;
      - A one-off bargain gain on acquisition of $153,535 was recognised by Speirs Foods (2018) LP.

- **Equipment, Leasing & Finance Holdings Limited and its subsidiaries**
  - There were no related party transactions with these entities during the years ended 30 June 2020 and 2019.

- **Speirs Investments LP**
  - Speirs Group Limited provided an interest free loan to Speirs Investments LP in the amount of $171,846. At 30 June 2019 and 2020 the balance owed by Speirs Investments LP to Speirs Group Limited was $171,846.

- **Kane Investments Limited**
  - On 1 November 2018 this company acquired a 33% shareholding in Speirs Foods (2018) LP for $653,000. Of this balance $326,500 was paid in cash on 1 November 2018 with the balance ($326,500) being financed by way of a loan from Speirs Foods (2018) LP. This debt carried an interest rate of 8.50% per annum with the interest payable in arrears on the last business day of each quarter. On 21 December 2018 Kane Investments Limited made a voluntary early repayment of $130,000 leaving a balance owing of $196,500. On 4 October 2019 Kane Investments Limited made a final voluntary early repayment of $196,500 leaving a balance owing of $Nil. The borrower had the right to partially or fully repay the amounts due early with no penalty being incurred. The debt was secured by a first ranking charge over all of the assets of Speirs Foods (2018) LP.
  - At 30 June 2020 Kane Investments Limited owed $Nil (30 June 2019: $196,500) to Speirs Foods (2018) LP. During the year ended 30 June 2020 Speirs Foods (2018) LP charged interest on this loan in the amount of $4,210 (8 months 30 June 2019: $12,496).
  - Kane Investments Limited received a distribution of $148,500 (8 months 30 June 2019: $Nil) from Speirs Foods (2018) LP. Of this $74,250 was paid prior to 30 June 2020 with the remaining $74,250 being paid in equal instalments of $7,425 from July 2020 to April 2021.
  - At 30 June 2020 Speirs Foods (2018) LP owed $74,250 (30 June 2019: $Nil) to Kane Investments Limited.

23 COMMITMENTS AND CONTINGENCIES

Commitments

The Group was committed to the following at period end:

30 June 2020	**Capital Expenditure $'000**	**Total $'000**
Less than One Year	-	-
Between One and Five Years	-	-
More than Five Years	-	-
	-	-

30 June 2019	Operating Leases $'000	Capital Expenditure $'000	Total $'000
Less than One Year	68	-	68
Between One and Five Years	138	-	138
More than Five Years	-	-	-
	206	-	206

Contingent Liabilities and Contingent Assets

At 30 June 2020 the Group had no contingent liabilities or contingent assets (30 June 2019: Nil)

24 EVENTS AFTER THE REPORTING PERIOD

On 22 September 2020 Speirs Foods (2018) LP resolved to enter into a term loan facility with a bank registered in New Zealand ("The Bank"). The key terms of the facility are:

Amount	$1 million
Main Purpose of the Facility	To fund capital expenditure
Term	5 years
Interest Rate	2.30% (fixed for 5 years)
Repayment Terms	60 monthly payments of $12,900.18 The repayment amounts are based on a repayment period of 7 years. If this repayment period extends past the 5-year maturity date, Speirs Foods (2018) LP must repay the loan on the maturity date in full unless The Bank agrees to extend it.
Security	A first ranking charge over the assets of Speirs Foods (2018) LP and a guarantee from Speirs Foods General Partner Limited
Covenants	• EBITDA (earnings before interest, tax expense, depreciation and amortisation of intangibles) is to be maintained at a minimum of 3 times gross interest expense. This will be tested as at the last day of each financial quarter on a rolling 12-month basis, with first test date at 30/12/2020. • Equity (total assets less loans to related parties less total liabilities plus loans from Limited Partners) is to be maintained at a minimum of $1,500,000 at all times. This will be tested as at the last day of each financial quarter, with first test date at 30/12/2020.

There have been no other events subsequent to balance date requiring disclosure in, or adjustment to, the financial statements.

25 FINANCIAL RISK MANAGEMENT

Introduction and Overview

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

- Credit risks
- Liquidity risks
- Market risks

The Group manages raw material price risks through negotiated supply contracts. However, these contracts are for the purpose of receipt in accordance with the Group's expected usage requirements only and, accordingly, are not accounted for as financial instruments.

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 risk, and the Group's management of its Capital.

Risk Management Framework

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

Risk management is carried out and monitored by the senior management team under policies approved by the Board of Directors. Management identifies, evaluates and manages financial risks in close co-operation with the Group's operating units. The Board provides written principles for overall risk management.

Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's loans and advances and investment securities. For risk management reporting purposes, the Group considers and consolidates all elements of credit risk exposure.

Management of Credit Risk

The Board of Directors are responsible for the approval of credit risk policy. Senior management is responsible for the management and oversight of the credit risk policy established by the Board of Directors.

All reporting entities within the Group are required to implement Group credit policies and procedures, with credit approval delegated from senior Management. Each business unit has a Senior Executive who reports on all credit related matters to the Board of Directors. Each business unit is responsible for the quality and performance of its credit portfolio and for the monitoring and controlling of all credit risks in its portfolios.

Assets subject to credit risk are monitored by Directors and management on a monthly basis as part of the monthly reporting cycle.

- The ageing of accounts receivable is monitored to ensure that receivables are being collected in a timely manner. Should any issues be identified management will be asked to actively engage with the customer to either collect the debt or impair the receivable should this become necessary. The Board of Directors must approve any significant bad debt write-offs. On a six-monthly basis management and the Board of Directors review actual bad debts written off and reviews the current ageing profile of the accounts receivable to determine future estimated credit losses.
- Loans and Advances owing to the Group from Rosa Foods Limited have scheduled interest payments due at the end of each calendar quarter as well as an annual requirement to make an agreed repayment of principal. In order to ascertain credit risk and determine any estimated credit losses the Board of Directors monitors the following: individually for both exposures:
    - Whether the quarterly interest payments have been received on time;
    - Whether the annual principal repayments have been received on time;
    - Regular assessments as to the value of collateral securities and guarantees held by the Group;

Exposure to Credit Risk

The maximum credit risk is the amount represented on the consolidated statement of financial position. Financial Assets which subject the Group to credit risks consist of:

	Group	
	30 June 2020 $'000	*30 June 2019 $'000*
Cash and Cash Equivalents	**341**	251
Trade and Other Receivables	**1,548**	1,595
Loans, Advances and Investments	**975**	972

The following categories are not impaired, contain no past due balances, nor contain any impairment allowances: cash and cash equivalents. A summary of impaired assets, past due assets, and allowances for impairment with respect to loans and advances and trade and other receivables is set out below:

Group	**Loans and Advances**		**Trade and Other Receivables**	
	30 June 2020 $'000	*30 June 2019 $'000*	***30 June 2020 $'000***	*30 June 2019 $'000*
Carrying Amount – Trade and Other Receivables	**-**	-	**1,548**	1,595
Carrying Amount – Rosa Foods Limited	**225**	450	**-**	-
Carrying Amount – Kane Investments Limited	**-**	197	**-**	-
Carrying Amount – BNZ Short Term Deposits	**750**	325	**-**	-
Total Carrying Amounts	**975**	972	**1,548**	1,595
Past Due by 90 days but not Impaired	**-**	-	**11**	-
Neither Past Due nor Impaired	**975**	972	**1,537**	1,595
Impairment Allowance	**-**	-	**-**	-
Total Carrying Amount	**975**	972	**1,548**	1,595

Trade and other receivables totalling $10,987 (2019: $Nil) are greater than 90 days overdue. The Group has assessed the expected credit losses that should be recognised on the loans and advances as required by NZ IFRS9. The loans and advances did not deteriorate in credit quality and the amount of the probability-weighed expected credit losses is immaterial and therefore not disclosed separately.

Concentrations of Credit Risk

Concentration of credit risks arises where monetary assets are invested with a particular individual customer or in a particular industrial or geographic sector.

The Group has a concentration of credit risk in relation to trade receivables as 97% (2019: 99%) of total sales are made to two customers.

The Group manages concentration of credit risk by placing restrictions on the maximum amounts which may be deposited with a Registered Bank and ensuring that payments received from trade customers are made within prearranged payment parameters. Approved Registered Bank maximum credit exposure limits are $1,250,000 (30 June 2019: $750,000) at any of BNZ, Westpac, ANZ , ASB, Rabobank and Kiwibank. At 30 June 2020 and 2019 the Group only had surplus funds deposited with the BNZ. At 30 June 2020 the amount invested with BNZ was $1,091,000 (30 June 2019: $576,000).

Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations from its financial liabilities.

Management of Liquidity Risk

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 mitigates its liquidity risk through the holding of liquid cash reserves and by having supporting credit lines.

The Group has a debtor financing facility. See Note 21. At 30 June 2020 the undrawn facility on the debtor financing facility was $1,179,920 (30 June 2019: $433,256).

Until its repayment and cancellation during the year ended 30 June 2020 the Group had a first mortgage term finance facility of up to $Nil (2019: $500,000) secured on Group owned real estate. At 30 June 2019 the undrawn facility on the mortgage was $495,000.

In September 2021 the Redeemable Preference Shares ("2021 RPS") amounting to $2,500,000 (held by 23 holders) mature and are due for repayment. Current cash flow forecasting (including the utilisation of existing bank deposits) indicates that the Group will likely need to refinance between $1,500,000 and $1,700,000 of these 2021 RPS when they mature in September 2021. The current intention is make a new offer of Redeemable Preference Shares on similar terms and conditions to the maturing 2012 RPS in 2021 to existing 2021 RPS holders and other eligible investors.

In February 2020 all holders were written to and were asked (on a non-binding indicative basis) what their current intentions were with regard to their holding of 2021 RPS should a new similar offer be made in 2021.

The responses can be summarised as follows:

- 20 out of the 23 investors have replied totaling $2,423,000 of the $2,500,000 of the existing 2021 RPS (97% by value).
- Of the $2,423,000:
  - $2,048,000 will likely be reinvested if a similar instrument is offered;
  - $225,000 will likely be repaid;
  - $150,000 will seek a reduced investment but as the quantum of the likely reduction was not specified, these have been regarded as being likely to seek repayment.
- Of those investors who have indicated a likelihood to reinvest, there is an indication that these holders may likely reinvest an additional $140,000 above their existing investment.
- Therefore possible interest in any new issue of Redeemable Preference Shares from existing 2021 RPS holders stands at $2,188,000 ($2,048,000 reinvestment and the $140,000 possible additional investment).

Accordingly, based on current forecasts cash that the Group will be required to refinance an estimated $1,700,000 from the issuance of a new RPS offer compared to current holders reinvestment indications of up to $2,188,000 a new offer in 2021 is likely to be an oversubscription of $488,000 ($2,188,000 likely reinvestment less the $1,700,000 estimated cash required at the time of refinancing) if a similar RPS instrument was offered to replace the maturing 2021 RPS. This represents a possible oversubscription of 28.70% ($488,000 divided by $1,700,000). As the responses from the existing 2021 RPS holders were received on a non-binding and indicative basis, the actual outcome of any new fundraising may differ to that reported above.

The Group also has potential access to additional funds from:

- mortgaging land and buildings owned by the Group. The land and buildings owned by Speirs Group Limited and leased to Speirs Foods (2018) LP are unencumbered and mortgage finance could be sought. In November 2019 an independent valuation placed a market value on the land and buildings of $1,380,000 on an "as occupied" basis.

- The partial or full sale of EL&F shares currently held by the Group and valued at $2,423,000 at 30 June 2020 (See Note 15 above).

The refinancing of the maturing 2021 RPS will commence shortly after the Group's half annual reporting date of 31 December 2020 to allow sufficient time to complete the refinancing by the issue of new Redeemable Preference Shares and/or exploring the other financing options noted above.

Exposure to Liquidity Risk

The following tables set out the contractual cash flows for all financial assets and liabilities and derivatives that are settled on a gross cash flow basis:

30 June 2020	Carrying Amount	Gross Nominal Cash Flow	On Demand	Less than 3 Months	3-6 Months	6-12 Months	1-2 Years	2-5 Years
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Non-Derivative Assets								
Cash and Cash Equivalents	**341**	**341**	**341**	**-**	**-**	**-**	**-**	**-**
Loans, Advances and Investments	**975**	**999**	**-**	**349**	**293**	**357**	**-**	**-**
Trade and Other Receivables	**1,548**	**1,548**	**97**	**1,451**	**-**	**-**	**-**	**-**
Total	**2,864**	**2.888**	**438**	**1,800**	**293**	**357**	**-**	**-**

30 June 2020	Carrying Amount	Gross Nominal Cash Flow	On Demand	Less than 3 Months	3-6 Months	6-12 Months	1-2 Years	2-5 Years
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Non-Derivative Liabilities								
Trade and Other Payables	**1,658**	**1,658**	**-**	**1,606**	**22**	**30**	**-**	**-**
Borrowings	**2,500**	**2,781**	**-**	**56**	**56**	**113**	**2,556**	**-**
Total	**4,158**	**4,439**	**-**	**1,662**	**78**	**143**	**2,556**	**-**

30 June 2019	Carrying Amount	Gross Nominal Cash Flow	On Demand	Less than 3 Months	3-6 Months	6-12 Months	1-2 Years	2-5 Years
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Non-Derivative Assets								
Cash and Cash Equivalents	251	252	106	146	-	-	-	-
Loans, Advances and Investments	972	1,065	-	18	192	402	342	111
Trade and Other Receivables	1,595	1,595	-	1,595	-	-	-	-
Total	2,828	2,912	106	1,759	192	402	342	111

30 June 2019	Carrying Amount	Gross Nominal Cash Flow	On Demand	Less than 3 Months	3-6 Months	6-12 Months	1-2 Years	2-5 Years
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Non-Derivative Liabilities								
Trade and Other Payables	1,469	1,469	-	1,469	-	-	-	-
Borrowings	3,107	3,673	-	71	71	745	225	2,561
Total	4,576	5,142	-	1,540	71	745	225	2,561

The Group had no contractual cash flows with respect to financial liabilities going out beyond 5 years at both reporting dates.

The above tables show the undiscounted cash flows of the Group's financial liabilities on the basis of their earliest possible contractual maturity.

Market Risk

Market risk is the risk that changes in market prices, such as interest rate, equity prices, foreign exchange rates and credit spreads (not relating to changes in the obligor / issuer's credit standing) will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising return on risk.

Management of Market Risk

Equity price risk and credit spread risk (not relating to the obligor / issuer's credit standing) are not monitored by management in relation to all investments other than the Group's investment in Equipment Leasing and Finance Holdings Limited as they are not currently significant in relation to the overall results and the consolidated financial position of the Group. With regard to equity price risk for Equipment Leasing and Finance Holdings Limited, this is monitored via the review of regular management reporting information received from Equipment Leasing and Finance Holdings Limited.

Equity Price Risk Sensitivity

At 30 June 2020 and 2019 the Group is exposed to changes in the value of its investment in Equipment Leasing and Finance Holdings Limited.

The following table illustrates the sensitivity of profit and equity to a reasonable possible change in the share price of Equipment Leasing and Finance Holdings Limited of +/- 20 cents per share (2019: +/- 20 cents per share) (The carrying value at both 30 June 2020 was $1.36 per share and 30 June 2019 was $1.50 per share). These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the share price for each period, and the shares held at each reporting date that are sensitive to changes in the share price. All other variables are held constant.

	Profit for the Year		**Equity**	
	+20 cents	*-20 cents*	***+20 cents***	*-20 cents*
30 June 2020 ($'000)	**356**	(356)	**356**	(356)
30 June 2019 ($'000)	**356**	(356)	**356**	(356)

Interest Rate Sensitivity

At 30 June 2020 and 2019 the Group is exposed to changes in market interest rates through debtor and mortgage financing at variable interest rates. Other borrowings are at fixed interest rates. The Group's investments in Loans and Advances all pay fixed interest rates. The exposure to interest rates for the Group's short-term deposits is considered immaterial.

The following table illustrates the sensitivity of profit and equity to a reasonable possible change in interest rates of +/- 1% (2019: +/- 1%). These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

	Profit for the Year		**Equity**	
	+1%	*-1%*	***+1%***	*-1%*
30 June 2020 ($'000)	**5**	(5)	**5**	(5)
30 June 2019 ($'000)	**(6)**	6	**(6)**	6

Exposure to Interest Rate Risk

Interest rate margin risk arises as a result of mismatches between the repricing dates of advances and debt securities.

The interest rate gap position is calculated based on the earlier of the underlying instruments' maturity date or repricing date. A summary of the interest rate gap positions is as follows:

30 June 2020	**Carrying Amount**	**Non-Interest Bearing**	**Less than 3 Months**	**3-6 Months**	**6-12 Months**	**1-2 Years**	**2-5 Years**
	$'000	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Cash and Cash Equivalents	**341**	**311**	**30**	**-**	**-**	**-**	**-**
Loans, Advances and Investments	**975**	**-**	**340**	**285**	**350**	**-**	**-**
	1,316	**311**	**370**	**285**	**350**	**-**	**-**
Borrowings	**2,500**	**-**	**-**	**-**	**-**	**2,500**	**-**
	2,500	**-**	**-**	**-**	**-**	**2,500**	**-**
	(1,184)	**311**	**370**	**285**	**350**	**(2,500)**	**-**

30 June 2019	Carrying Amount $'000	Non-Interest Bearing $'000	Less than 3 Months $'000	3-6 Months $'000	6-12 Months $'000	1-2 Years $'000	2-5 Years $'000
Cash and Cash Equivalents	251	71	180	-	-	-	-
Loans, Advances and Investments	972	-	-	175	375	314	108
	1,223	71	180	175	375	314	108
Borrowings	3,107	-	-	-	602	-	2,505
	3,107	-	-	-	602	-	2,505
	(1,884)	71	180	175	(227)	314	(2,397)

Capital Management

The Group's capital includes share capital, accumulated deficits and a non-controlling interest.

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. To achieve this the Directors and management monitor such matters as profitability and capital held on a monthly basis.

The Group's equity at the reporting dates comprises:

	30 June 2020 $'000	*30 June 2019 $'000*
Contributed Equity	**12,925**	12,925
Accumulated Deficits	**(9,276)**	(9,185)
Equity Available to Ordinary Shareholders	**3,649**	3,740
Non-Controlling Interest	**540**	420
Total Equity Balance at Period End	**4,189**	4,160

There have been no material changes in the Group's management of capital during the period. There are no externally imposed capital requirements.

26 INVESTMENT IN SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with accounting policy 2.2.

On 15 August 2018 Speirs Foods (2018) LP was established with Speirs Group Limited as the sole Limited Partner. This entity undertook no material transactions until 1 November 2018 when the trading business and majority of Speirs Foods Limited 's assets (excluding land and buildings) and liabilities were sold to Speirs Foods (2018) LP. On the same day Speirs Group Limited sold a 33% Limited Partnership interest share to Kane Investments Limited. Please see Note 23 for further details.

All subsidiaries are incorporated in New Zealand.

Name of Entity	**Principal Activity**	**Equity Holding 30 June 2020**	**30 June 2019**
Speirs Foods Limited	A land and building owning company until 31 January 2020 when the assets were transferred to Speirs Group Limited. Speirs Foods Limited was deregistered on 18 June 2020	0%	100%
Speirs Securitisation Management Limited	General Partner for Speirs Investments LP	100%	100%
Speirs Investments LP	Limited Partnership holding a 2.27% investment in EL&F Holdings Limited	100%	100%
Speirs Foods (2018) LP	Food processing entity	67%	67%
Speirs Foods General Partner Limited	General Partner for Speirs Foods (2018) LP	67%	67%

Subsidiary with Material Non-Controlling Interests
The Group includes one subsidiary, Speirs Foods (2018) LP with material non-controlling interests (NCI). The table below and the associated table showing the comparative prior year information is derived after any intragroup eliminations have been accounted for

30 June 2020

Name	Proportion of Ownership Interests and Voting Rights held by the NCI	Total Comprehensive Income Allocated to the NCI	Accumulated NCI
	%	$'000	$'000
Speirs Foods (2018) LP	33	269	540

30 June 2019

Name	Proportion of Ownership Interests and Voting Rights held by the NCI	Total Comprehensive Income Allocated to the NCI	Accumulated NCI
	%	$'000	$'000
Speirs Foods (2018) LP	33	49	420

A distributions were declared to the NCI during the year ended 30 June 2020 of $148,500 (30 June 2019: $Nil).

Summarised financial information for Speirs Foods (2018) LP, before intragroup eliminations, is set out below:

	30 June 2020 $'000	*30 June 2019 $'000*
Non Current Assets	**2,854**	2,475
Current Assets	**2,458**	2,409
Total Assets	**5,312**	4,884
Non Current Liabilities	**607**	197
Current Liabilities	**1,959**	2,018
Total Liabilities	**2,566**	2,215
Equity Attributable to Owners of the Parent	**1,840**	1,788
Non Controlling Interests	**906**	801

	Twelve Months 30 June 2020 $'000	*Eight Months 30 June 2019 $'000*
Revenue	**17,058**	11,219
Profit for the Year Attributable to Owners of the Parent	**353**	99
Profit for the Year Attributable to NCI	**174**	49
Profit for the Year	**527**	148
Other Comprehensive Income for the Year		
Total Comprehensive Income for the Year Attributable to Owners of the Parent	**547**	99
Total Comprehensive Income for the Year Attributable to NCI	**269**	49
Total Comprehensive Income	**816**	148

	Twelve Months 30 June 2019 $'000	*Eight Months 30 June 2019 $'000*
Net Cash From Operating Activities	**1,519**	356
Net Cash From/(to) Investing Activities	**(82)**	68
Net Cash From/(to) Financing Activities	**(1,201)**	(360)
Net Cash Inflow/(Outflow)	**236**	64

27 NET TANGIBLE ASSETS PER SECURITY

	30 June 2020	***30 June 2019***
Net Tangible Assets Per Security - $ per security	**0.31**	0.32

28 RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The changes in the Group's liabilities arising from financing activities can be classified as follows:

	Long Term Borrowings $'000	**Short Term Borrowings $'000**	**Total $'000**
Balance at 1 July 2019	2,505	602	3,107
Non - Cash			
Amount Owing from Debtor Finance Provider	**-**	**97**	**97**
Cash Flows			
- Repayments – Net	**(5)**	**(699)**	**(704)**
- Proceeds – Net	-	-	-
Balance at 30 June 2020	**2,500**	**-**	**2,500**

	Long Term Borrowings $'000	**Short Term Borrowings $'000**	**Total $'000**
Balance at 1 July 2018	2,510	900	3,410
Cash Flows			
- Repayments – Net	(5)	(298)	(303)
- Proceeds – Net	-	-	-
Balance at 30 June 2019	2,505	602	3,107

29 LEASES

NZ IFRS 16 Leases

The Group has leases for motor vehicles, forklifts and some IT equipment. The lease liabilities are secured over the related underlying assets. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment (see Note 17).

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublet the asset to another party, the right-of-use asset can only be used by the Group. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to extend the lease for a further term. The Group is prohibited from selling or pledging the underlying leased assets as security. The Group must insure items of property, plant and equipment and incur maintenance fees on such items in accordance with the lease contracts.

Lease liabilities are presented in the Consolidated Statement of Financial Position within Borrowings (see Note 19) as follows:

	30 June 2020 $'000	*30 June 2019 $'000*
Lease Liabilities (current)	**84**	-
Lease Liabilities (non-current)	**125**	-
	209	-

Future minimum lease payments are as follows:

Minimum Lease Payments Due

30 June 2020	**Within 1 Year $'000**	**1 to 5 Years $'000**	**After 5 Years $'000**	**Total $'000**
Lease Payments	**100**	**138**	**-**	**238**
Finance Charges	**(16)**	**(13)**	**-**	**(29)**
Net Present Values	**84**	**125**	**-**	**209**

30 June 2019	**Within 1 Year $'000**	**1 to 5 Years $'000**	**After 5 Years $'000**	**Total $'000**
Lease Payments	-	-	-	-
Finance Charges	-	-	-	-
Net Present Values	-	-	-	-

The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognised on the Consolidated Statement of Financial Position:

Right-of-Use Asset	Number of Right-of-Use Assets Leased	Range of Remaining Terms	Average Remaining Lease Term	Number of Leases with Extension Options	Number of Leases with Options to Purchase	Number of Leases with Variable Payments Linked to an Index	Number of Leases with Termination Options
Computer Equipment	2	13 to 31 months	22 months	0	0	0	0
Vehicles	4	10 to 29 months	19 months	0	0	0	0
Other Plant and Equipment	3	37 to 51 months	42 months	0	0	0	0

Lease Payments Not Recognised as a Liability
The Group has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight line basis.

Additional information on the right-of-use assets by class of assets is as follows:

	Carrying Amount (Note 17) $'000	**Depreciation Expense $'000**	**Impairment $'000**
Computer Equipment	48	25	-
Vehicles	56	31	-
Other Plant and Equipment	97	25	-
Total Right-of-Use Assets	**201**	**81**	**-**

30 REVENUE

The following table summarises some key characteristics of the Group's revenue streams.

	2020	2019
Geographical Region	New Zealand - 100% of Revenue	New Zealand - 100% of Revenue
Type of Goods	Salads and fresh cut vegetables	Salads and fresh cut vegetables
Customers/Sales Channels	Supermarket Chains – 97% of Revenue	Supermarket Chains – 99% of Revenue
Timing of Transfer of Goods	Revenue from goods or services transferred to customers at a point in time – 100% of Revenue	Revenue from goods or services transferred to customers at a point in time – 100% of Revenue
Transaction Pricing	Each good sent to customers is individually priced on the associated invoice. Any payment discounts available to customers is netted off revenue in the month in which the sale took place.	Each good sent to customers is individually priced on the associated invoice. Any payment discounts available to customers is netted off revenue in the month in which the sale took place.
Timing of Revenue Recognition	When the customer takes undisputed control of the goods. This occurs when the goods are delivered to the customer.	When the customer takes undisputed control of the goods. This occurs when the goods are delivered to the customer.
Payment Terms	Generally 30 days after the goods have been supplied. There are no subsequent performance obligations.	Generally 30 days after the goods have been supplied. There are no subsequent performance obligations.
Key Assumptions and Judgements in Relation to Revenue Recognition	None	None
Credit Risk Associated with Revenue	Minimal	Minimal
Obligation to Provide a Credit Note for Returned Goods	Only in relation to goods which arrive in a damaged condition. These equate to approximately 2% of all sales made. At balance date the obligations to provide a credit note for returned goods was immaterial.	Only in relation to goods which arrive in a damaged condition. These equate to approximately 1% of all sales made. At balance date the obligations to provide a credit note for returned goods was immaterial.

31 IMPACT OF COVID 19

In preparing the 30 June 2020 Annual Report the directors have assessed the impact of the Covid 19 pandemic on the businesses that the group is involved with and any consequent impacts upon the financial statements.

Please see below for a discussion relating to some key assets and investments held by the group:

- **Speirs Foods (2018) LP**

  Speirs Group Limited's majority owned subsidiary Speirs Foods (2018) LP ("Speirs Foods"), like others in New Zealand's food service sector, was deemed an essential service and continued to operate, as New Zealand moved into Alert Levels 4, 3, 2 and 1.

  To enable Speirs Foods to continue supplying fresh salads to customers throughout New Zealand (primarily through both supermarket chains) a number of special measures were put in place to keep its people safe and to allow it to continue to operate. Speirs Foods was conscious of ensuring staff and customer safety at all times and with this in mind continued to comply with all Ministry of Primary Industries and other government directives to allow Speirs Foods to stay open as an essential business.

  Sales materially declined during Alert Level 4 (during the period 23 March 2020 to 27 April 2020) when buying trends for fresh salads were very uncertain and unpredictable. A number of supermarkets closed their delicatessens during this period. All steps were taken to minimise the impact of the decrease in revenue including, where appropriate, seeking Government support to allow Speirs Foods to retain staff during this period. As the alert levels progressively reduced demand for fresh salads recovered, particularly for pre-packaged products and salad kits, and continues to recover albeit not to budgeted levels. Speirs Foods' business fundamentals remain strong.

  Speirs Foods suppliers continue to provide quality raw materials and in sufficient quantities to enable Speirs Foods to meet customer needs.

- **<u>Short Term Bank Deposits and Cash and Cash Equivalents (See Notes 12 and 15)</u>**

  All bank accounts and short-term deposits are held with the BNZ. Based on current BNZ credit ratings the directors do not consider that these assets are at any material risk as a result of the impact of Covid 19.

- **<u>Trade Receivables (See Note 13)</u>**

  97% of all sales are made to the two New Zealand supermarket chains who have continued to demonstrate a strong ability to meet their financial obligations as they fall due. With the exception of some immaterial amounts, all monies owed to the group at 30 June 2020 have been collected in full in the period immediately after balance date. As such no impairment issues have been identified in relation to trade receivables.

- **<u>Inventories (See Note 14)</u>**

  The bulk of the items of inventory at 30 June 2020 consist of fresh vegetables and dressings for the manufacture of salads. The vast majority of the items on hand at 30 June 2020 have been subsequently utilised in production of products for sale. As such no impairment issues have been identified in relation to inventories.

- **<u>Investment in Equipment Leasing and Finance Holdings Limited Ordinary and Preference Shares (See Note 15)</u>**

  As discussed in Note 15 the directors have reduced the carrying value per share from $1.50 per share at 30 June 2019 to $1.36 per share at 30 June 2020. This is based on the negative impact that Covid 19 has had on the 2020 financial year as well as the projected impact on the 2021 trading year for the Equipment Leasing and Finance Holdings' operations.

- **<u>Property, Plant and Equipment (See Note 17)</u>**

  As noted above Speirs Foods (2018) LP has continued production throughout the period impacted by Covid 19 and continues to utilise all items of Property, Plant and Equipment owned by the group. As such no impairment issues have been identified in relation to property, plant and equipment.

Grant Thornton

Independent auditor's report

To the shareholders of Speirs Group Limited

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Speirs Group Limited (the Company) and its consolidated entities (the Group) on pages 7 to 44 which comprise the consolidated statement of financial position as at 30 June 2020, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 30 June 2020 and its financial performance and cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards ("NZ IFRS") issued by the New Zealand Accounting Standards Board.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) issued by the New Zealand Audit and Assurance Standards Board. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Group.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. We summarise below a matter, and our key audit procedures, to address that matter in order that the Company's shareholders, as a body, may better understand the process by which we arrived at our audit opinion. The matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Speirs GROUP

Why the matter is significant	How our audit addressed the key audit matter
Equipment, Leasing & Finance Holdings Limited (EL&F) Investment classified as at fair value through profit or loss The Group holds investments in EL&F ordinary shares and preference shares (see Note 15). The investments are a key audit matter due to their significance to the Group's consolidated statement of financial position and the level of judgement involved in determining the fair value. Inputs used to determine the fair value are unobservable.	Our work focused on understanding the overall valuation methodology for compliance with NZ IFRS 13 *Fair Value Measurement* and evaluating significant inputs. In obtaining sufficient appropriate audit evidence, we: • discussed the basis for the valuation assumptions with management and Directors; • assessed the assumptions applied; • obtained, and read, a 3rd party valuation report; and • considered the adequacy of the related financial statement disclosures including consideration of sensitivity analysis in respect to the changes in value of the investment.

Other information

The Directors are responsible for the other information. The other information comprises the Reporting by Directors, Purpose, Goals and Strategy, Statutory Information and the Directory but does not include the consolidated financial statements on pages 7 to 44 and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Directors' responsibilities for the Consolidated Financial Statements

The Directors are responsible on behalf of the Group for the preparation and fair presentation of the consolidated financial statements in accordance with NZ IFRS issued by the New Zealand Accounting Standards Board, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible on behalf of the Group for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of the auditor's responsibilities for the audit of the consolidated financial statements is located on the External Reporting Board's website at: https://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-1/

Restriction on use of our report

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

Grant Thornton New Zealand Audit Partnership

Grant Thornton

Wellington
8 October 2020

STATUTORY INFORMATION

Principal activities

Speirs Group Limited (the Company) operates as a holding company. At 30 June 2020 its principal interests are in:

Entity	Interest	Principal Activity
Speirs Foods (2018) LP	Majority (67%) owned subsidiary	Fresh food production and distribution
Speirs Investments LP	Speirs Group Limited is the sole Limited Partner	Holding an investment in Equipment, Leasing and Finance Holdings Limited

Directors' shareholdings – ordinary shares

The number of shares held by Directors of Speirs Group Limited at 30 June 2020:	Beneficial Holdings	Non-Beneficial Holdings
Nelson Speirs	1,047,678	1,409,638
Derek Walker	-	-
Fred Hutchings	-	-
David Speirs	-	271,388
David Speirs (as Co-Trustee)	-	1,321,269

A Beneficial Holding records that the Director holds the shares in his own name. A Non-Beneficial Holding records that the Director(s) hold the shares in their capacity as a Trustee.

Directors' shareholdings – perpetual preference shares

The number of shares held by Directors of Speirs Group Limited at 30 June 2020:	Beneficial Holdings	Non-Beneficial Holdings
Nelson Speirs	389,000	-
David Speirs	290.000	-

A Beneficial Holding records that the Director holds the shares in his own name. A Non-Beneficial Holding records that the Director(s) hold the shares in their capacity as a Trustee.

Directors' shareholdings – redeemable preference shares

The number of shares held by Directors of Speirs Group Limited at 30 June 2020:	Beneficial Holdings	Non-Beneficial Holdings
Derek Walker	30,000	-

A Beneficial Holding records that the Director holds the shares in his own name. A Non-Beneficial Holding records that the Director(s) hold the shares in their capacity as a Trustee.

Disclosure of interests by directors

The following entries were made in the Interests Register during the year ended 30 June 2020:

- On 22 November 2019 Derek Walker declared:
    - His retirement as a director of Speirs Foods General Partner Limited.

- On 10 January 2020 Nelson Speirs declared:
    - He was no longer a director of SN Management Limited as this company was deregistered from the Register of Companies on 10 January 2020.

- On 30 March 2020 David Speirs declared:
    - His acquisition of 290,000 Speirs Group Limited Perpetual Preference Shares from the DP Speirs Number 3 Trust.

- On 18 June 2020 Derek Walker and Fred Hutchings declared:
    - They were no longer directors of Speirs Foods Limited as this company was deregistered from the Register of Companies on 18 June 2020.

Governance positions held by directors at 30 June 2020

Director	**Entity**	**Relationship**
Derek Walker	The Factory NZ Limited & Associated Companies	Director
	TBL Investments Limited	Director
	Elmira Consulting Limited	Director
	Wildbase Recovery Community Trust	Trustee
	Centralines Limited	Director
Nelson Speirs	Speirs Securitisation Management Limited	Director
	Equipment, Leasing & Finance Holdings Limited and Associated Companies	Director
Fred Hutchings	Amwell Holdings Limited	Director
	Walker Nominees Limited	Director
	Speirs Foods General Partner Limited	Director (Chair)
	Seeka Limited & Associated Companies	Director
	Commerce Commission Audit Finance and Risk Management	Convenor
David Speirs	-	-

Transfers of interests in Speirs Group Limited ordinary shares by directors during the year

- Nil

Directors' remuneration

Directors' remuneration received, or due and receivable during the year ended 30 June 2020, is as follows:

Name	Consultants Fees	Parent Company Directors Fees	Subsidiary/Associate Company Directors Fees	Total Remuneration	
Derek Walker	$ Nil	$30,000	$3,944	$33,944	Independent Director and Chair
Nelson Speirs	$ Nil	$12,000	$Nil	$12,000	Non-Independent Director
Fred Hutchings	$ Nil	$21,000	$8,333	$29,333	Independent Director
David Speirs	$ Nil	$10,000	$ Nil	$10,000	Non-Independent Director

Directors are reimbursed for travel and accommodation expenses and any other costs properly incurred by them in connection with the business of Speirs Group Limited.

Use of Company information by directors

There were no recorded notices from directors requesting to use Company information received in their capacity as directors that would not otherwise have been available to them.

Directors' Loans

During the years ended 30 June 2020 and 30 June 2019, there were no loans to directors

Indemnification and insurance of directors and officers

The Company has arranged policies of directors' and officers' liability insurance which together with an indemnity provided under the Company's constitution ensures that generally directors will incur no monetary loss as a result of actions taken by them as directors. Certain actions, such as penalties and fines which may be imposed in respect of breaches of the law, are excluded.

Employee Remuneration

Remuneration and other benefits exceeding $100,000 paid to employees during the years ended 30 June 2019 and 2020 were:

- $100,000 to $110,000 1 employee

DISCLOSURE IN RELATION TO SHAREHOLDERS

Twenty largest shareholders at 30 June 2020

	Fully Paid Ordinary Shares	*Percentage of Issued Voting Capital*
Nelson Speirs	**1,047,678**	**9.24%**
Estate D P Speirs	**900,523**	**7.94%**
B H Wallace	**821,682**	**7.25%**
Nelson Speirs, Robert Speirs, Susan Le Moigne and Glendinnings Trustee Company Limited	**705,489**	**6.22%**
Ann Nicholas, Sandra Baldwin, David Speirs and Markhams Wanganui Trustees Limited	**642,273**	**5.67%**
Nelson Speirs, Robert Speirs, Susan Le Moigne and Glendinnings Trustee Company Limited	**521,222**	**4.60%**
Keith Taylor	**500,000**	**4.41%**
Ann Nicholas, Sandra Baldwin, David Speirs and Markhams Wanganui Trustees Limited	**421,790**	**3.72%**
David Speirs, Rebecca Speirs	**271,388**	**2.39%**
Ann Nicholas, Sandra Baldwin, David Speirs and Markhams Wanganui Trustees Limited	**257,206**	**2.27%**
K Mody	**235,000**	**2.07%**
C M Tyler	**200,000**	**1.76%**
P O Belk, B J Belk	**132,395**	**1.17%**
T A Morgan, S Morgan	**124,885**	**1.10%**
M Le Moigne	**109,385**	**0.97%**
M W Speirs	**102,994**	**0.91%**
M B Beale	**102,394**	**0.91%**
Nelson Speirs, Robert Speirs, Susan Le Moigne and Glendinnings Trustee Company Limited	**100,000**	**0.88%**
W Carson	**100,000**	**0.88%**
Cervelo Investments Limited	**95,302**	**0.84%**
	7,391,606	**65.20%**

Shareholder Statistics at 30 June 2020

Ordinary Shares	*Holders*	*%*	*Shares*	*%*
1 to 999	28	6.19	14,554	0.13
1,000 to 4,999	205	45.35	459,439	4.05
5,000 to 9,999	65	14.38	461,511	4.07
10,000 to 99,999	135	29.88	3,102,768	27.37
100,000 and over	19	4.20	7,296,304	64.38
	452	100.00	11,334,576	100.00

DIRECTORY

Directors

At 30 June 2020 the Board of Directors of Speirs Group Limited is comprised of four Non-Executive Directors. All Directors have served for the whole year.

Non-Executive Directors

Derek Walker (Chairman) , BE (Hons), BBS

Fred Hutchings (Deputy Chairman) BBS, FCA

Nelson Speirs, FCA

David Speirs

Company Secretary

Lee Simpson BBS, CA, FCG, FGNZ

Email: lees@speirs.co.nz

Registered Office

19 Lower High Street, Marton
P O Box 318, Palmerston North
Telephone: 06 350 6004

Securities Registrar

Computershare Investor Services Limited
Private Bag 92119
Auckland 1142

Telephone:	09 488 8700
Facsimile:	09 488 8787
Investor Enquiries:	09 488 8777
Website:	www.computershare.co.nz
Email:	enquiry@computershare.co.nz

Production Facility Offices

Speirs Foods (2018) LP
Hair Street
Marton
P O Box 108, Marton
Telephone: 0800 366 324
Facsimile: 06 327 5717
Email: sales@speirs.co.nz
Website: www.speirsfoods.co.nz

Advisors/Service Suppliers

Independent Auditor

Grant Thornton

Solicitors

Chapman Tripp

Bankers

Bank of New Zealand