

<b>Allied Farmers Limited</b>	
<b>Results for announcement to the market</b> (Audited)	
Reporting Period	12 months to 30 June 2016
Previous Reporting Period	12 months to 30 June 2015

	Amount (000s)	Percentage change
Revenue from ordinary activities	\$NZ 16,040	4.5%
Profit (loss) from ordinary activities after tax attributable to security holder.	\$NZ 705	450.8%
Net profit (loss) attributable to security holders.	\$NZ 705	450.8%

Interim/Final Dividend	Amount per security	Imputed amount per security
	It is not proposed to pay dividends.	\$ N/A

Record Date	Not Applicable
Dividend Payment Date	Not Applicable

Comments: (see below)	
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Net Tangible Assets per security	\$NZ 0.0 dollars	\$NZ (0.01) dollars
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## **CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

The Group makes estimates and assumptions about the future in preparing their financial statements that effect the reported amounts of assets and liabilities. The actual results in the future will often differ from the estimates made. Estimates and judgments 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. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below.

### **Going concern and liquidity**

The financial statements have been presented on a going concern basis. In order for there to be a reasonable expectation that the Group has adequate resources to continue operations for the foreseeable future, there will need to be:

- the continued cash flow and budget achievement of New Zealand Farmers Livestock Limited as well as timely receipt of distributions from New Zealand Farmers Livestock Limited;
- agreement of arrangements with certain creditors for satisfaction of outstanding balances including timed repayment and share issues.
- arrangements to satisfy bond debt maturities in 2017 (see note 10); The Group has considered the following options for these debt maturities - alternative borrowing sources, rollover of bonds, and partial repayment and rollover.
- achievement of the key assumptions underpinning the 2017 financial performance and cash flow forecasts.

The Group manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may issue new shares, sell assets, seek new debt funding, or adjust the amount of dividends paid to shareholders.

The Group is in a net current liability position of \$544,000 30 June 2016. The current liability position is made up of \$600,000 of bonds that matured and were reissued in August 2016. (see note 23). After removing these bonds the Group is in net current asset position of \$56,000.

In approving these financial statements for issue the Directors consider the adoption of the going concern assumption to be appropriate having taken account of the matters listed above and their ability to undertake the actions necessary to meet those assumptions. To this end the Directors are seeking to confirm arrangements with other creditors; have confidence in the series of dividends planned to be made by NZFL and continue to support growth opportunities for NZFL. The Directors forecast that they can generate sufficient cash flows to meet their obligations as they fall due, and have reasonable expectations that this forecast will be met.