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MEMBERS OF BOARD OF DIRECTORS AS AT 31st DECEMBER 2013

Drinagh:

David Connolly (Jnr.)

Derry Connolly

South West:

Micheál Leahy

Jerry Hegarty

South:

Patrick Burke

Jerry O'Neill

North:

Corney Buckley

James O'Donovan

East:

Patrick McCarthy

Ian Kingston

West:

Mary Hayes

Richard Connell

Castletownbere:

Patrick Kelly

OTHER INFORMATION

Chairman:

David Connolly (Jnr.)

Vice-Chairman:

Corney Buckley

Chief Executive and Secretary:

Joe O'Sullivan

Solicitors:

Murphy, Long & Taaffe,
Bandon

Bankers:

Allied Irish Banks plc,
Dunmanway Branch

Registered Office:

Drinagh, Co. Cork

Auditor:

Crowley & McCarthy
Chartered Accountants
& Registered Auditors
Clonakilty, Co. Cork





It is my pleasant function to present to you the Society's Annual Report for 2013 and to comment on the financial and operational highlights of the period. In summary it was a very satisfactory year for the Society and its stakeholders with a solid financial performance, strong milk prices and goods and services delivered to our members and customers at competitive prices.

Financial

2013 saw a marked increase in activity across all divisions - milk volume was up 5% on 2012, mill output was up nearly 17% and stores sales were almost 20% greater than 2012 with fertilizer volume alone up over 30%. This increase in volumes, together with higher prices for milk, feed and fertilizer, produced greater sales revenue for the Society - creamery sales value was up by almost 25% compared with 2012, mill sales value was up over 23% and stores sales were almost 20% up. 2013 was the first full year of trading for our Farm Centre and James Lyons & Co businesses in Bantry, with both outlets combined contributing over 22% of stores turnover. The Society's presence in Dunmanway was further enhanced with the opening of a pharmacy and coffee shop - revenue generated in the town for the Society was up over 59% on 2012.

Group operating gross margin % was achieved at a similar level to 2012. This, together with careful management of both production costs and overheads in an environment of increased activity, made it possible to generate the increase in operating results. In turn, it was possible to support feed customers during the fodder crisis and to increase year-end trade bonuses. The Society has also been able to retain profit for necessary and strategic re-investment in production and delivery efficiencies, taking into consideration the post 2015 milk quota era ahead.

Carbery

Carbery's Irish business performed well in 2013 as markets firmed in response to strong demand from China. However, cheddar cheese did lag behind the increases seen in commodity powders and butterfat prices in the first half of the year. Carbery continues to invest in modern and efficient manufacturing facilities in Ballineen in preparation for future demand. Internationally, Synergy continues to grow its business organically with facilities in the US, Thailand and Brazil all increasing output and seeing growth potential in emerging markets.

Other Investments

Drinlis, Shinagh Estates and the German Property all contributed positively to the Society's results for 2013. In diversifying its investment income base, the Society invested €2M in Carbery's Equity Instrument which will provide an annual 6.5% tax free dividend from 2014 and the Investec (formerly NCB) portfolio increased in value by 17%.

Operations

Milk production for the year increased to 144.8 million litres. This increase occurred despite a very poor Spring when the country experienced an unprecedented fodder crisis. I am proud to report that the Society worked hard to alleviate the weather effects by sourcing hay and other fodders at home and abroad for hard pressed farmers. We sincerely hope that such extraordinary events will not be witnessed again for many a day. This emergency aid combined with a strong milk price helped farmers to overcome the crisis. The weather for the second half of the year was much improved and with continuing rising milk prices led to a record output for the year.

Donal and Carmel O'Connor, Reavouler, Drinagh were the overall winners of the Carbery Milk Quality awards and a very successful farm walk was held on their farm in July.

In preparation for the post quota era, milk suppliers were offered a Milk Supply Agreement covering two years and nine months. Most of our suppliers availed of this opportunity to give themselves security of a route to market in the post quota era.

As already stated Stores sales increased by 20% due in the main to the effects of the Biggs acquisition for the full year and the well recited impact of the poor spring weather. We will continue to streamline the stores operations so that it operates efficiently and still continues to give a valued service to our customers.

The Society's pharmacy in Skibbereen and the newly opened unit in Dunmanway operated to plan in the period.

The provender Mill also experienced an exceptional year of activity because of the aforementioned factors. In addition a price drop of €40 in the late summer/autumn period and strong milk prices resulted in high feed usage on farms at the back end.

The Society's €10/tonne of feed rebate in the March/April period was a very welcome gesture to customers during the difficult spring weather.

To cope with the achieved increased throughput together with further increases planned in a post milk quota scenario, capital was expended on a new grinder. Further capital expenditure on projects associated with pelleting is currently being evaluated.

Trade Bonuses

Your Board has decided to pay the following bonuses for 2013 : 0.70 cents per litre of milk supplied in addition to the 0.50 cents paid by Carbery to the Society, a €7.00/tonne rebate on compounded feed purchased and €2.50/tonne on pig feed and feed straights and a €5.00/tonne rebate on fertilizer purchased. The Board has also decided that in future any bonuses payable on milk will be on the basis of milk solids as opposed to a volume payment which is currently the case.

Drinagh Co-Operative Limited Chairman's Report to Members

Additionally the Board will be recommending the issue of bonus shares based on trade to the Annual General Meeting to reward loyalty to the Society.

A Special General Meeting was held last January to approve a complete amendment of the Society's Rule Book. This edition consolidates previous amendments as well as a number of changes to reflect new demands and thinking. The new rules were adopted by the meeting with a very significant majority.

To conclude I would like to thank all those who contributed to a successful year for the Society; to the management and staff for their dedication and hard work; to my fellow Board members for their endeavours and guidance; to our shareholders and customers for their loyalty and support. With all of us working together into the future we can continue to reach our potential.

A handwritten signature in black ink, reading 'David Connolly'.

David Connolly
Chairman



Drinagh Co-Operative Limited Statement of Board of Directors Responsibilities

The Industrial and Provident Societies Acts 1893 to 1978 requires the Board of Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Society and of the income and expenditure of the Society for that year. In preparing those financial statements, the Board of Directors is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

The Board of Directors confirms that it has complied with the above requirements in preparing the financial statements.

The Board of Directors is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Society and which enables it to ensure that the financial statements comply with the Industrial and Provident Societies Acts 1893 to 1978. The Board is also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the Board of Directors:

David Connolly
Chairman

Joe O'Sullivan
Secretary



Drinagh Co-Operative Limited

Independent Auditors Report to the Members of Drinagh Co-Operative Limited

We have audited the group financial statements of Drinagh Co-operative Ltd for the year ended 31 December 2013 which comprise the Consolidated Profit and Loss Account, Consolidated Statement of Total Recognised Gains and Losses, Consolidated Movement on Profit and Loss Account, Consolidated Balance Sheet, Consolidated Cashflow Statement and related notes 1 to 27. The financial reporting framework that has been applied in their preparation is Irish Law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

This report is made solely to the society's members, as a body pursuant to Section 13 of the Industrial and Provident Societies Acts, 1893. Our audit work has been undertaken so that we might state to the society's members those matters we are required to state to them in 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 to the society and the society's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Board and Auditor

As explained more fully in the Directors Responsibility Statement set out on page 6 the directors are responsible for the preparation of the financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish Law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the society's affairs as at 31 December 2013 and of its profit for the year ended; and
- have been prepared in accordance with Generally Accepted Accounting Practice in Ireland.

As requested by Section 13(2) of the Industrial and Provident Societies Act 1893 we examined the balance sheet showing the receipts and expenditure, funds and effects of the society, and verified the same with the books, deeds, documents, accounts and vouchers relating thereto, and found them to be correct, duly vouched, and in accordance with law.

Crowley & McCarthy
Registered Auditors
Chartered Accountants
Building G
West Cork Technology Park
Clonakilty, Co. Cork

25th April 2014

Drinagh Co-Operative Limited
Consolidated Profit & Loss Account For the Year Ended 31 December 2013

	Notes	2013	2012
		€	€
Group Turnover	3	119,189,093	96,976,442
<u>Group Operating Costs</u>			
Cost of Sales		102,205,933	83,126,903
Production Costs		1,683,301	1,300,080
Trade Bonus	4	2,339,400	1,765,443
Wages & Salaries		7,205,848	6,466,689
Other Operating Costs/(Profits)	5	3,760,301	3,329,462
Exceptional Items	6	- (117,194,783)	(10,489) (95,978,088)
Group Operating Profit		1,994,310	998,354
Share of Operating Results of Associate and Joint Venture		<u>5,722,770</u>	<u>4,234,124</u>
Operating Profit		7,717,080	5,232,478
Investment & Other Income	7	2,996,151	1,290,501
Interest Payable & Similar Charges	8	(1,005,553)	(1,052,718)
Consolidated Profit on Ordinary Activities before Taxation		<u>9,707,678</u>	<u>5,470,261</u>
Taxation	9	(1,109,937)	(502,453)
Consolidated Profit for the Year after Taxation		<u>8,597,741</u>	<u>4,967,808</u>
Dividends Paid	10	(221,278)	(61,801)
Consolidated Retained Profit for the Year		<u><u>8,376,463</u></u>	<u><u>4,906,007</u></u>

The operating profit arose solely from continuing operations.

Signed on behalf of the Board of Directors:

David Connolly
Chairman

Joe O'Sullivan
Secretary

Drinagh Co-Operative Limited
Consolidated Statement of Total Recognised Gains and Losses
For the Year Ended 31 December 2013

	Notes	2013 €	2012 €
Consolidated Retained Profit for the Year		8,376,463	4,906,007
Actuarial Gain/(Loss) in Respect of Pension Scheme:			
Group		-	-
Share of Associate		181,922	(3,115,722)
Deferred Tax on Actuarial (Gain)/Loss:			
Group		-	-
Share of Associate		(22,697)	389,465
Redemption Reserve Movement of Associate		-	(105,509)
Currency Translation Loss on Net Assets of Associate		(1,323,036)	(209,633)
Total Consolidated Recognised Gains since last Financial Statements	20	<u>7,212,652</u>	<u>1,864,608</u>

Drinagh Co-Operative Limited
Movement on Consolidated Profit & Loss Account For the Year Ended 31 December 2013

	Notes	2013 €	2012 €
Profit & Loss Account 1 January	20	49,247,241	47,256,444
Retained Profit for the Year		8,376,463	4,906,007
Redemption Reserve Movement of Associate		-	(105,509)
Actuarial Profit/(Loss) in Respect of Pension Scheme		181,922	(3,115,722)
Deferred Tax on Pension Scheme Actuarial (Profit)/Loss		(22,697)	389,465
Transfer to Share Redemption Reserve		(50,000)	-
Issue of Bonus Shares		(94,417)	(83,444)
Profit & Loss Account 31 December	20	<u>57,638,512</u>	<u>49,247,241</u>

Signed on behalf of the Board of Directors:

David Connolly
Chairman

Joe O'Sullivan
Secretary

Drinagh Co-Operative Limited
Consolidated Balance Sheet
For the Year Ended 31 December 2013

	Notes	2013 €	2012 €
<u>Fixed Assets</u>			
Intangible Assets	11	2,704,360	2,851,860
Tangible Assets	12	21,997,076	21,784,153
Financial Assets	13	52,897,332	47,922,965
		<u>77,598,768</u>	<u>72,558,978</u>
<u>Current Assets</u>			
Stocks	14	7,855,580	7,489,248
Debtors	15	23,642,339	19,409,859
Cash and Bank Balances		908,304	1,345,087
		<u>32,406,223</u>	<u>28,244,194</u>
Creditors: amounts falling due within one year	16	(12,134,568)	(9,954,814)
Net Current Assets		<u>20,271,655</u>	<u>18,289,380</u>
Total Assets less Current Liabilities		97,870,423	90,848,358
Creditors: amounts falling due after more than one year	17	(8,686,588)	(8,831,295)
Net Assets		<u>89,183,835</u>	<u>82,017,063</u>
Financed By:			
<u>Capital and Reserves</u>			
Share Capital	19	6,315,908	6,259,451
Profit & Loss Account	20	57,638,512	49,247,241
Redemption Reserve	20	42,080	-
Other Reserves	20	25,187,335	26,510,371
Shareholders' Funds	20	<u>89,183,835</u>	<u>82,017,063</u>

Signed on behalf of the Board of Directors:

David Connolly
Chairman

Joe O'Sullivan
Secretary

Drinagh Co-Operative Limited
Consolidated Cash Flow Statement For the Year Ended 31 December 2013

	Notes	2013 €	2012 €
Net Cash (Outflow)/Inflow from Operating Activities	21	<u>(980,839)</u>	<u>3,919,555</u>
<u>Return on Investment and Servicing of Finance</u>			
Interest Paid		(554,674)	(539,418)
Investment Income		556,972	366,412
Rental and Other Income		<u>914,127</u>	<u>902,166</u>
Net Cash Inflow from Return on Investments and Servicing of Finance		<u>916,425</u>	<u>729,160</u>
Taxation Paid		<u>(519)</u>	<u>(610,640)</u>
<u>Capital Expenditure and Financial Investment</u>			
Purchase of Fixed Assets		(1,288,365)	(3,072,904)
Purchase of Investments		(2,363,034)	(2,985,675)
Proceeds of Sale of Investments		2,208,772	3,056,302
Repayment of Loan to Associate		104,000	-
Proceeds of Sale of Fixed Assets		<u>71,854</u>	<u>19,732</u>
Net Cash Outflow from Capital Expenditure and Financial Investment		<u>(1,266,773)</u>	<u>(2,982,545)</u>
Equity Dividend Paid		<u>(62,402)</u>	<u>(61,801)</u>
Net Cash (Outflow)/Inflow before Financing		<u>(1,394,108)</u>	<u>993,729</u>
<u>Financing</u>			
Issue of Ordinary Shares		8,215	10,160
Redemption of Ordinary Shares		<u>(54,095)</u>	<u>(23,459)</u>
Net Cash Outflow from Financing		<u>(45,880)</u>	<u>(13,299)</u>
(Decrease)/Increase in Cash and Bank Balances	22	<u><u>(1,439,988)</u></u>	<u><u>980,430</u></u>

Signed on behalf of the Board of Directors:

David Connolly
Chairman

Joe O'Sullivan
Secretary

Drinagh Co-Operative Limited

Notes to the Financial Statements For the Year Ended 31 December 2013

1. Principal Accounting Policies

Accounting Convention

The financial statements are prepared under the historical cost convention as modified to include the revaluation of investment properties.

Basis of Consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the Society and its subsidiary undertakings made up to 31st December 2013 and also the Group's share of the post acquisition profits of associated undertakings and joint venture.

Associated and Joint Venture Undertakings

The Group's share of profits less losses of associated undertakings and joint ventures is included in the consolidated profit and loss account, and the Group's share of their net assets is included in the consolidated balance sheet. These amounts are taken from the latest audited financial statements of the undertakings concerned, which all have the same accounting reference date, 31st December 2013.

Investments are treated as associates where the interest is substantial for the long term and the Society is in a position to exercise significant influence over the company in which the investment is made. Investments are treated as joint ventures where the interest is on a long term basis, and is jointly controlled together with another venturer.

Turnover

The turnover has been arrived at on the basis of goods and services at invoiced value, net of sales taxes.

Tangible Fixed Assets

Tangible fixed assets, other than investment properties, are stated at cost.

Investment properties are stated on the basis of open market value and are subject to annual revaluations by external valuers. Surpluses and deficits on valuation are taken to the revaluation reserve except for permanent deficits or their reversal, which on an individual property basis, are taken to the profit and loss account. Profits or losses on the sale of investment properties included in the profit and loss account are calculated as the difference between the net sales proceeds and the carrying value. The difference between the carrying value and the historic cost of investment properties disposed of is dealt with by transfer between revaluation reserve and retained profits.

Depreciation

Depreciation is calculated, with reference to the cost, to write off tangible assets over their expected useful lives at the following annual rates on a straight line basis:-

	Rate %
Land	not depreciated
Buildings	2.5 - 7.5
Machinery and fixtures	15 - 25
Transport vehicles	25

In accordance with Statement of Standard Accounting Practice 19 "Accounting for Investment Properties" no depreciation is provided against investment properties. This treatment is a departure from statutory requirements concerning the depreciation of fixed assets. However, these properties are held for investment purposes only and the Board considers that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the financial statements to present a true and fair view. Depreciation is only one of the factors reflected in the annual valuation and the amount of which might otherwise have been shown cannot reasonably be separately identified or quantified.

Stocks

Stocks have been valued at the lower of cost and net realisable value. Cost consists of direct materials and, in the case of products manufactured by the Society, may also include direct labour costs, together with the relevant production overheads. Net realisable value comprises the estimated selling price, less appropriate selling and distribution costs. Provision is made for obsolete and defective stocks.

Drinagh Co-Operative Limited

Notes to the Financial Statements For the Year Ended 31 December 2013

Debtors

Known bad debts are written off and specific provision is made for any amounts, the collection of which is considered doubtful.

Retirement Benefits

The group operates both defined benefit and defined contribution pension schemes for its employees.

Defined benefit pension scheme assets are measured at fair value. Defined benefit pension scheme liabilities are measured on an actuarial basis using the projected unit credit method. The excess of scheme liabilities over scheme assets is presented on the balance sheet as a liability net of related deferred tax. The defined benefit pension charge to operating profit comprises the current service cost and past service costs net of the excess of the expected return on scheme assets over the interest cost on the scheme liabilities. Actuarial gains and losses arising from changes in actuarial assumptions and from experience surpluses and deficits are recognised in the statement of total recognised gains and losses for the year in which they occur.

The defined contribution pension charge to operating profit comprises the contribution payable to the scheme for the year.

Dividends

Dividends on equity shares are recognised in the financial statements when they have been appropriately approved or authorised by the shareholders.

Deferred Taxation

Deferred taxation is provided on timing differences that have originated but have not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Timing differences are temporary differences between profits as computed for tax purposes and profits as stated in the financial statements which arise because certain items of income and expenditure in the financial statements are dealt with in different years for tax purposes.

Deferred taxation is measured at the rates expected to apply in the years in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

No provision has been made for gains recognised on revaluing assets to their market value as the Society does not intend to sell the revalued assets under their control, and assets controlled equally in a Joint Venture can only be sold under joint agreement.

Investments

Fixed Asset investments are stated at cost less provision for diminution in value.

Goodwill

Goodwill is the difference between the amount paid on the acquisition of businesses and the aggregate of the fair value of the related net assets. Goodwill is being written off in equal instalments over its estimated economic life which for the purposes of acquisitions is estimated at 20 years.

The fair value of the assets and liabilities are based on valuations using assumptions deemed by management to be appropriate. Professional valuers are engaged when it is deemed appropriate to do so.

Leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Foreign Currencies

Foreign currency transactions during the year have been translated at the exchange rate ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies are translated to euro at the rate of exchange ruling at the balance sheet date. The resulting profits and losses are dealt with in the profit and loss account.

The assets and liabilities of foreign undertakings are translated at the rate of exchange ruling at the balance sheet date. All translation differences are taken to the profit and loss account. These accounts are expressed in Euro (€).

Drinagh Co-Operative Limited

Notes to the Financial Statements For the Year Ended 31 December 2013

2. Changes to Disclosures and Comparative Figures

In preparing the Financial Statements for 2013, if necessary, changes to the comparative 2012 figures would be made in order to maintain consistency with the nature of the figures being reported for 2013.

3. Turnover

Turnover is derived from the core businesses of the Society namely milk supply, mill and agri-trading divisions. All turnover activities were wholly undertaken in the Republic of Ireland.

4. Trade Bonus

	2013 €	2012 €
Milk Bonus	1,766,440	1,433,771
Mill Bonus	459,912	233,783
Stores Bonus	113,048	97,889
	2,339,400	1,765,443

The milk bonus represents the following: (a) 0.5 cent per litre (2.27 cent per gallon) of milk supplied in the calendar year irrespective of the level of purchases (2012: 0.4 cent per litre (1.82 cent per gallon) of milk supplied in the calendar year irrespective of the level of purchases) plus (b) 0.70 cent per litre (3.18 cent per gallon) of milk supplied in the calendar year 2013 where purchases from the Society were greater than 6 cent per litre (2012: 0.70 cent per litre (3.18 cent per gallon) of milk supplied in the calendar year 2012 where purchases from the Society were greater than 6 cent per litre); 0.35 cent per litre (1.59 cent per gallon) where purchases were less than 6 cent per litre and greater than 4 cent per litre (2012: 0.35 cent per litre (1.59 cent per gallon) where purchases were less than 6 cent per litre and greater than 4 cent per litre); no bonus applied where purchases were less than 4 cent per litre (2012: no bonus applied where purchases were less than 4 cent per litre).

The mill bonus represents €7.00 per tonne on compound ruminant feed for 2013 (2012: €5.00) and €2.50 per tonne on feed straights (2012: €2.50) and €2.50 per tonne on pig feed (2012: €2.50). It also includes the €10 per tonne paid on compound ruminant feed purchased between March 16th 2013 and April 30th 2013 during the fodder crisis.

The stores bonus represents €5.00 per tonne on fertilizer purchases in 2013 (2012: €5.00).

5. Other Operating Costs/(Profits)

	2013 €	2012 €
Distribution & Selling Costs	1,342,071	1,070,839
Administrative Overhead	1,349,893	1,200,006
Depreciation	985,339	980,009
Amortisation of Goodwill	147,500	98,340
Profit on Sale of Tangible Fixed Assets	(64,502)	(19,732)
	3,760,301	3,329,462

The Profit on Sale of Tangible Fixed Assets is derived from the sale of the Kealkil branch and the trade-in or disposal of vehicles.

6. Exceptional Items

	2013 €	2012 €
D. Dennehy Ltd High Court Case Loss Provision Overstatement	-	(10,489)

Drinagh Co-Operative Limited
Notes to the Financial Statements For the Year Ended 31 December 2013

7. Investment and Other Income

	2013 €	2012 €
Profit on Sale of Listed Securities	2,196,849	1,816,140
Investment Income	434,959	349,407
(Impairment)/Write-back in Book Value of Investments	(21,979)	47,313
Impairment in Book Value of Foreign Investment Property	(82,751)	(663,162)
Profit/(Loss) on Disposal of Investments	122,012	(1,027,634)
Rental and Other Income	914,127	902,166
	<u>3,563,217</u>	<u>1,424,230</u>
Share of Associate		
Investment Income	108,594	55,547
Other Finance Expense	<u>(675,660)</u>	<u>(189,276)</u>
	<u>(567,066)</u>	<u>(133,729)</u>
	<u><u>2,996,151</u></u>	<u><u>1,290,501</u></u>

8. Interest Payable and Similar Charges

	2013 €	2012 €
Interest Payable - Society & Subsidiary	554,674	539,418
Share of Associate & Joint Venture		
Interest Payable	450,879	513,300
	<u>1,005,553</u>	<u>1,052,718</u>



Drinagh Co-Operative Limited
Notes to the Financial Statements For the Year Ended 31 December 2013

9. Taxation

	2013 €	2012 €
Domestic Current Year Tax		
Corporation Tax on Profit for the Year	477,035	172,413
Adjustment in respect of Prior Years	-	(3,097)
Total Current Tax	<u>477,035</u>	<u>169,316</u>
Domestic Deferred Tax		
Timing Differences on Pension Scheme	-	-
Domestic Tax on Profits on Ordinary Activities	<u>477,035</u>	<u>169,316</u>
Share of Tax of Associate Company	627,451	328,275
Share of Tax of Joint Venture	5,451	4,862
Profit and Loss Account	<u><u>1,109,937</u></u>	<u><u>502,453</u></u>
Factors Affecting the Tax Charge for the Year:		
Profit on Ordinary Activities before Taxation	9,707,678	5,470,261
Deduct Share of Profit in Associates and Joint Ventures	(4,704,825)	(3,587,095)
(Deduct)/Add Share of (Profit)/Loss in Foreign Subsidiary	(208,823)	385,729
Profit on Ordinary Activities before Taxation (excluding Profits from Associates, Joint Venture and Subsidiaries)	<u>4,794,030</u>	<u>2,268,895</u>
Standard Tax Rate	12.50%	12.50%
Expected Tax	599,254	283,612
Actual Tax Charge	477,035	169,316
Difference	<u><u>(122,219)</u></u>	<u><u>(114,296)</u></u>
Effects of:		
Prior Year Adjustment	-	(3,097)
Depreciation in Excess of Capital Allowances	53,263	54,719
Tax Rate Difference on Passive Income	17,634	9,430
Franked Investment Income not Taxed	(14,992)	(27,553)
Disallowable Expenses	(20,011)	(39,842)
Tax Rate Difference on Chargeable Gains	(38,986)	(101,030)
Losses Used	<u>(119,127)</u>	<u>(6,923)</u>
	<u><u>(122,219)</u></u>	<u><u>(114,296)</u></u>

The group has unutilised tax losses and other tax timing differences with tax value of €358,781 (2012: €617,010) in respect of which a deferred tax asset has not been recognised. These are available for set off against future tax liabilities.

Drinagh Co-Operative Limited

Notes to the Financial Statements For the Year Ended 31 December 2013

10. Dividends Paid

Dividend of one cent per share on shares issued as at 31 December 2012 (2012: one cent per share on shares issued as at 31 December 2011)

Share of Associate

6.5% annual coupon on 'B' Ordinary Shares

2013 €	2012 €
62,402	61,801
158,876	-
<u>221,278</u>	<u>61,801</u>

11. Intangible Assets

Goodwill €

Cost

At 1 January 2013

2,950,200

Additions

At 31 December 2013

-

2,950,200

Amortisation

At 1 January 2013

98,340

Amortised during the year

At 31 December 2013

147,500

245,840

Net Book Value

At 31 December 2013

2,704,360

At 31 December 2012

2,851,860

12. Tangible Assets

	Investment Property €	Land & Buildings €	Machinery & Fixtures €	Transport Vehicles €	Total €
Cost					
At 1 January 2013	13,368,610	12,177,980	10,437,765	3,166,377	39,150,732
Additions	-	379,885	599,430	309,050	1,288,365
Provision for Impairment in Value	(82,751)	-	-	-	(82,751)
Disposals	-	(20,000)	-	(199,857)	(219,857)
At 31 December 2013	<u>13,285,859</u>	<u>12,537,865</u>	<u>11,037,195</u>	<u>3,275,570</u>	<u>40,136,489</u>
Accumulated Depreciation					
At 1 January 2013	-	5,660,900	9,102,092	2,603,587	17,366,579
Profit and Loss Charge	-	240,656	450,451	294,232	985,339
Disposals	-	(20,000)	-	(192,505)	(212,505)
At 31 December 2013	<u>-</u>	<u>5,881,556</u>	<u>9,552,543</u>	<u>2,705,314</u>	<u>18,139,413</u>
Net Book Value					
At 31 December 2013	<u>13,285,859</u>	<u>6,656,309</u>	<u>1,484,652</u>	<u>570,256</u>	<u>21,997,076</u>
At 31 December 2012	<u>13,368,610</u>	<u>6,517,080</u>	<u>1,335,673</u>	<u>562,790</u>	<u>21,784,153</u>

Drinagh Co-Operative Limited

Notes to the Financial Statements For the Year Ended 31 December 2013

12. Tangible Assets (cont.)

Included in Transport Vehicles are leased assets as follows:

	Leased Assets
	€
Cost	
At 1 January 2013	743,000
Additions	155,250
Disposals	-
At 31 December 2013	<u>898,250</u>
Accumulated Depreciation	
At 1 January 2013	568,938
Profit and Loss Charge	88,917
Disposals	-
At 31 December 2013	<u>657,855</u>
Net Book Value	
At 31 December 2013	<u>240,395</u>
At 31 December 2012	<u>174,062</u>

13. Financial Assets

		2013	2012
		€	€
Investment in Associated Undertaking	(a)		
At Cost		2,085,073	85,073
Group Share of Post Acquisition Net Assets		41,532,025	38,824,141
Loan to Associated Undertakings		<u>6,908,647</u>	<u>7,012,647</u>
		<u>50,525,745</u>	<u>45,921,861</u>
Investment in Joint Venture Undertaking	(b)		
At Cost		50	50
Group Share of Post Acquisition Net Liabilities		(878,263)	(919,615)
Loan to Joint Venture		<u>323,000</u>	<u>323,000</u>
		<u>(555,213)</u>	<u>(596,565)</u>
Listed Securities	(c)	1,228,740	1,201,771
Unlisted Investments	(c)	1,698,060	1,395,898
		<u>52,897,332</u>	<u>47,922,965</u>

Drinagh Co-Operative Limited

Notes to the Financial Statements For the Year Ended 31 December 2013

(a) Investment in Associated Undertaking

The investment in the associated undertaking comprises a 34.92% (2012: 34.92%) interest in Carbery Creameries Limited, which is engaged in the development, management and supply of cheeses, alcohol and select food ingredients plus 40% in Shinagh Estates Limited, which is a holding investment company. During 2013 the Society invested €2,000,000 in acquiring "B" ordinary shares in Carbery Investments (Drinagh) Limited, a subsidiary of Carbery Creameries Limited. These shares do not carry any voting rights until after the seventh anniversary of allotment.

The loan to the associated undertakings comprises an interest free loan for €6,908,647 (2012: €6,908,647) to Carbery Creameries Limited with no fixed repayment term (it is subordinated to the rights of the associate's bankers). The loan to Shinagh Estates Limited for €104,000 as at 31st December 2012 was repaid during the year.

The Society's share of the results and assets and liabilities of its associates is as follows:

Share of Results

Turnover

Profit before Taxation

Taxation

Profit after Taxation

Decrease in Other Reserves

Actuarial Gain/(Loss)

Increase in Reserves following Share Redemption

Share of Dividends Paid to Minority Interest

Amortisation of Negative Goodwill

2013 €	2012 €
111,430,115	99,620,873
4,658,022	3,717,648
(627,451)	(328,275)
4,030,571	3,389,373
(1,541,036)	(403,633)
159,225	(2,726,257)
-	(105,509)
(158,876)	-
218,000	194,000
2,707,884	347,974

Share of Assets and Liabilities

Fixed Assets

Current Assets

Liabilities due within one year

Pension Liability

Liabilities due after one year

Share of Negative Goodwill

Share of Net Assets

2013 €	2012 €
55,751,593	55,812,584
40,445,586	40,094,940
(20,534,530)	(19,554,585)
(4,600,772)	(5,020,444)
(26,411,185)	(29,172,227)
44,650,692	42,160,268
(3,082,572)	(3,300,573)
41,568,120	38,859,695

(b) Investment in Joint Venture Undertaking

The investment in Joint Venture represents a 50% (2012: 50%) share in Drinlis Properties Limited, a company engaged in property investment.

The loan to the joint venture undertaking is an interest free loan with no fixed repayment term.

The Society's share of the results and assets and liabilities of its joint venture company is as follows:

Share of Results

Profit/(Loss) before Taxation

Taxation

Profit/(Loss) after Taxation

2013 €	2012 €
46,803	(130,553)
(5,451)	(4,862)
41,352	(135,415)

Drinagh Co-Operative Limited

Notes to the Financial Statements For the Year Ended 31 December 2013

Share of Assets and Liabilities

	2013 €	2012 €
Fixed Assets	475,000	475,000
Current Assets	2,645	5,412
Liabilities due within one year	(95,806)	(83,750)
Liabilities due after one year	(1,260,102)	(1,316,277)
Share of Net Assets	<u>(878,263)</u>	<u>(919,615)</u>

(c) Other Financial Investments

	Listed Investments €	Unlisted Investments €	Total €
Cost			
At 1 January 2013	1,201,771	1,395,898	2,597,669
Additions/(Disposals)	<u>26,969</u>	<u>328,180</u>	<u>355,149</u>
At 31 December 2013	<u>1,228,740</u>	<u>1,724,078</u>	<u>2,952,818</u>
Provision for Diminution in Value			
At 1 January 2013	-	-	-
Increase in Provision for Year	<u>-</u>	<u>26,018</u>	<u>26,018</u>
At 31 December 2013	<u>-</u>	<u>26,018</u>	<u>26,018</u>
Net Book Value			
At 31 December 2013	<u>1,228,740</u>	<u>1,698,060</u>	<u>2,926,800</u>
At 31 December 2012	<u>1,201,771</u>	<u>1,395,898</u>	<u>2,597,669</u>

The total value of the listed investments at 31 December 2013 amounted to €13.07 million (2012: €11.37 million). Should the quoted investments be sold at their valuation, a tax charge not exceeding €3.87 million (2012: €3.36 million) would arise.

Included in the unlisted investments are shares in One51 plc for which a grey market exists. Based on the value on this market at 31 December 2013 these shares had a value of €1.43 million (2012: €0.216 million) Should these shares be disposed of at their valuation, a tax charge not exceeding €0.37 million would arise (2012: nil).

In the opinion of the Board of Directors, the value of the Society's other Unlisted Investments is not less than cost.

(d) Subsidiary Companies

<i>Name</i>	<i>Principal Activities</i>	<i>Group Interest</i>	<i>Address of Registered Office</i>
Drinagh Sales Limited	Retailing	100%	Drinagh, Co. Cork
Drinagh Co-Operative GmbH	Property investment	100%	Leipzig, Germany
G.W.B. Trading Limited	Dormant	100%	Drinagh, Co. Cork

Drinagh Co-Operative Limited
Notes to the Financial Statements For the Year Ended 31 December 2013

14. Stocks

	2013 €	2012 €
Finished Goods	7,359,536	6,960,512
Raw Materials	262,434	303,688
Expense Stocks	233,610	225,048
	<u>7,855,580</u>	<u>7,489,248</u>

15. Debtors

	2013 €	2012 €
Trade Debtors	11,050,120	10,804,982
Carbery Creameries Limited	11,470,479	7,271,495
Withholding Tax	118,712	110,668
Prepayments and Accrued Income	1,003,028	1,222,714
	<u>23,642,339</u>	<u>19,409,859</u>

16. Creditors: amounts falling due within one year

	2013 €	2012 €
Bank Overdraft	1,754,368	575,070
Bank Loans (Note 17)	200,000	200,000
Lease Liability (Note 17)	70,359	101,745
Trade Creditors & Accruals	9,937,729	9,363,720
Corporation Tax	(35,095)	(511,611)
Others Taxes and Social Welfare: PAYE/PRSI	207,207	225,890
	<u>12,134,568</u>	<u>9,954,814</u>

17. Creditors: amounts falling due after more than one year

	2013 €	2012 €
Bank Loan	8,700,000	8,900,000
less amount falling due within one year (note 16)	<u>(200,000)</u>	<u>(200,000)</u>
	<u>8,500,000</u>	<u>8,700,000</u>
Repayable as follows:		
Between two and five years	800,000	800,000
After five years	<u>7,700,000</u>	<u>7,900,000</u>
	<u>8,500,000</u>	<u>8,700,000</u>

The loan is provided by Hypothekbank Frankfurt AG (owned by Commerzbank) and is secured on a property acquired in Germany by Drinagh Co-Operative GmbH. It is without recourse to that company or Drinagh Co-Operative Limited.

Drinagh Co-Operative Limited

Notes to the Financial Statements For the Year Ended 31 December 2013

17. Creditors: amounts falling due after more than one year (cont.)

	2013 €	2012 €
Lease Liability	256,947	233,040
less amount falling due within one year (note 16)	(70,359)	(101,745)
	<u>186,588</u>	<u>131,295</u>
Repayable as follows:		
Between two and five years	186,588	131,295
After five years	-	-
	<u>186,588</u>	<u>131,295</u>
Total amounts falling due after more than one year	<u>8,686,588</u>	<u>8,831,295</u>

18. Pensions

Defined Benefit Schemes

The Irish Co-Operative Societies Pension Scheme

The Society participates in an industry-wide Irish Co-Operative Societies Pension Scheme. This is a multi-employer defined benefit scheme. However, as the underlying assets and liabilities attributable to individual employers cannot be identified on a consistent and reasonable basis, the Society is accounting for the pension scheme as if it were a defined contribution scheme. This is in accordance with the rules of Financial Reporting Standard 17.

The most recent full actuarial valuation of the Irish Co-Operative Societies Pension Scheme was carried out on 1st July 2011. The report is available for inspection by scheme members but is not available to the public.

In general, the assumptions which have the most significant effect on the results of the actuarial valuation are those relating to the return on investment and the rate of increase in salaries. The rate of return on investment was assumed to exceed the rate of increase in salaries by 2.5% per annum.

At the date of the most recent full actuarial valuation of 1st July 2011 the scheme did not meet the minimum funding standard. At its annual review date of 1st July 2013 the scheme did not meet the minimum funding standard and an actuary's statement to this effect is included in the trustee annual report.

The trustees are in the process of preparing an application to the Pensions Board for a Section 50 Order under the Pensions Act. If the Pensions Board grants the Section 50 Order it will ensure that the Scheme will meet the minimum funding standard.

The Dairy Executives' Pension Fund

The Society participates in an industry-wide Dairy Executives' Pension Fund. This is a multi-employer defined benefit scheme. However, as the underlying assets and liabilities attributable to individual employers cannot be identified on a consistent and reasonable basis, the Society is accounting for the pension scheme as if it were a defined contribution scheme. This is in accordance with the rules of Financial Reporting Standard 17.

The most recent actuarial valuation of the Dairy Executives' Pension Fund was carried out on 31st March 2013. The report is available for inspection by scheme members but is not available to the public.

In general, the assumptions which have the most significant effect on the results of the actuarial valuation are those relating to the return on investment and the rate of increase in salaries. The rate of return on investment was assumed to exceed the rate of increase in salaries by 2.25% per annum and an allowance is made to reflect promotional increases.

At the date of the most recent actuarial valuation of 31st March 2013 the scheme did not meet the minimum funding standard. An actuary's certificate to this effect has been included in the trustee annual report. Where a scheme fails to meet the minimum funding standard, the trustees are required to develop a funding proposal in conjunction with participating employers and the scheme actuary.

The actuary believes that there is a requirement for an increase in contribution rates to the scheme to maintain current benefits.

Drinagh Co-Operative Limited

Notes to the Financial Statements For the Year Ended 31 December 2013

Defined Contribution Pension Schemes

The Society operates defined contribution pension schemes for some of its employees which require contributions to be made to separately administered funds. The contributions payable by the Society are charged to operating profit in the year in which they relate and amounted to €243,180 (2012: €218,593).

19. Called up Share Capital

Allotted, called up and fully paid shares of €1 each:

	2013 €	2012 €
At 1 January	6,259,451	6,189,306
Bonus Shares Issued (see below)	94,417	83,444
Subscribed for during the year	8,215	10,160
Shares cancelled during the year	(46,175)	(23,459)
At 31 December	<u>6,315,908</u>	<u>6,259,451</u>

During the year the Society issued the following bonus shares:

	2013 €	2012 €
Based on trading with the Society for 2012 (2012: for 2011):	<u>94,417</u>	<u>83,444</u>

20. Reconciliation of Shareholders' Funds and Movement on Reserves

	Share Capital €	Capital Reserves €	Redemption Reserve €	Profit & Loss Account €	Total €
At 1 January 2013	6,259,451	26,510,371	-	49,247,241	82,017,063
Total Consolidated Recognised Gains and Losses since last Financial Statements	-	(1,323,036)	-	8,535,688	7,212,652
Issue of Bonus Shares	94,417	-	-	(94,417)	-
Transfer to Redemption Reserve	-	-	50,000	(50,000)	-
Bonus on Share Redemption	-	-	(7,920)	-	(7,920)
Shares Subscribed for during the year	8,215	-	-	-	8,215
Shares Cancelled during the year	(46,175)	-	-	-	(46,175)
At 31 December 2013	<u>6,315,908</u>	<u>25,187,335</u>	<u>42,080</u>	<u>57,638,512</u>	<u>89,183,835</u>

During the year, €50,000 was transferred to a Redemption Reserve to enable on a first come first served basis the issue of one bonus share in respect of every one of the first five hundred shares or part thereof held at 31st December 2012 to members who cancel their membership of the Society.

Drinagh Co-Operative Limited

Notes to the Financial Statements For the Year Ended 31 December 2013

21. Reconciliation of Operating Profit to Net Cash (Outflow)/Inflow from Operating Activities

	2013 €	2012 €
Group Operating Profit	1,994,310	998,354
Depreciation of Tangible Fixed Assets	985,339	980,009
Profit on Sale of Tangible Fixed Assets	(64,502)	(19,732)
Amortisation of Goodwill	147,500	98,340
(Increase) in Stocks	(366,332)	(1,323,362)
(Increase)/Decrease in Debtors	(4,232,480)	1,256,243
Increase in Creditors	555,326	1,929,703
Net Cash (Outflow)/Inflow from Operating Activities	<u>(980,839)</u>	<u>3,919,555</u>

22. Analysis of Changes in Cash & Bank Balances during the Year

	At 1 January 2013 €	Net Increase/ (Decrease) €	At 31 December 2013 €
Cash at Bank and in Hand	1,345,087	(436,783)	908,304
<u>Debt:</u>			
Falling Due Within 1 Year	876,815	1,147,912	2,024,727
Falling Due After 1 Year	8,831,295	(144,707)	8,686,588
	<u>9,708,110</u>	<u>1,003,205</u>	<u>10,711,315</u>
Net Debt	<u>8,363,023</u>	<u>1,439,988</u>	<u>9,803,011</u>

23. Bank Securities

Allied Irish Banks, plc - Overdraft Facility

The title deeds to the Society's properties are deposited with Allied Irish Banks, plc. In addition, Allied Irish Banks plc holds a fixed charge over specific land and premises of the Society and a floating charge over all the assets of the Society.

Hypotheckenbank Frankfurt AG - Bank Loan

In respect of the bank loan to Drinagh Co-Operative GmbH, Hypotheckenbank Frankfurt AG (owned by Commerzbank) holds the title deeds to the property purchased. There is no other security in place.

24. Related Party Transactions

Members of the Board of Directors and their families trade with the Society on a normal commercial basis. The level of purchases from and sales to the members of the Board of Directors and their families by the Society amounted to €2,006,310 (2012: €1,542,357) and €1,019,164 (2012: €836,558) respectively. At 31 December trading balances amounted to €244,590 (2012: €212,419).

Total sales to Carbery Creameries Limited for the year were €59,091,313 (2012: €46,565,629).

Drinagh Co-Operative Limited

Notes to the Financial Statements For the Year Ended 31 December 2013

Board members who attend monthly, special, audit committee and investment committee meetings receive a fee of €150 per full day meeting attended plus mileage allowance (both of which are subjected to PAYE, PRSI and Levies in arriving at the net amount paid). Board members who attend other meetings (including certain courses) on Society business receive the same fee and are re-imbursed for expense outlay incurred. Board members who attend relevant continuing education courses have associated costs re-imbursed.

In 2013 there were 12 monthly meetings, 1 special meeting, 4 audit committee meetings and 1 investment committee meeting. The following schedule sets out the total number of meetings for which Board members received a fee plus the total amount which was paid to the Board members (before the deduction of PAYE, PRSI and Levies) associated with those meetings, attendance at courses and any other re-imbursed expenditure including continuing education courses.

Board Member	No. of Meetings	€	Also a Member of:
Corney Buckley	17	2,790	Investment Committee; Audit Committee from June '13
Patrick Burke	17	2,685	Audit Committee from June '13
Richard Connell	9	1,809	Investment Committee
David Connolly	20	3,348	Audit Committee to June '13; Investment Committee from June '13
Derry Connolly	25	3,395	Investment Committee to June '13
Jerry Hegarty	12	2,052	
Mary Hayes (from June '13)	6	1,125	
Patrick Kelly	12	2,808	
Ian Kingston	18	2,995	Investment Committee from June '13
Micheál Leahy (from June 2013)	7	2,256	
Donal McCarthy (to June '13)	6	1,080	Investment Committee to June '13
Patrick McCarthy	13	2,086	
James O'Donovan	20	3,390	Audit Committee to June '13
Michael John O'Donovan (to June '13)	6	855	
Jerry O'Neill	17	2,677	Audit Committee

25. Capital Commitments

Future capital expenditure approved by the Board of Directors but not provided for in these financial statements is as follows:

	2013 €	2012 €
Contracted for	-	195,721
Authorised but not Contracted for	632,000	-

26. Events after the Balance Sheet Date

There have been no significant events affecting the Society since the year end.

27. Approval of the Financial Statements

The financial statements were approved by the Board of Directors on 25th April 2014.

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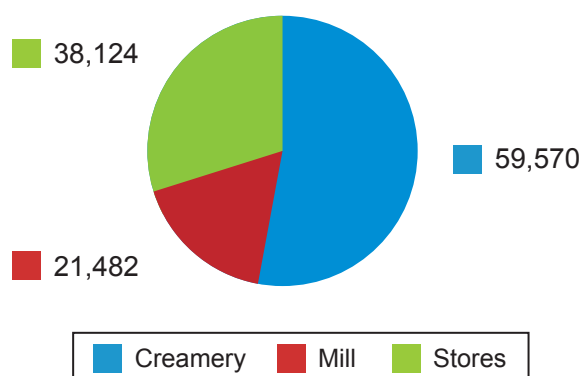


APPENDICES

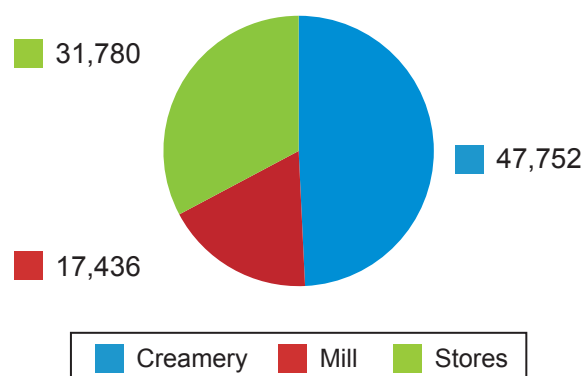
Appendix I Group Turnover

	2013 €	2012 €
Creamery	59,569,563	47,752,204
Mill	21,481,974	17,436,434
Stores	38,123,719	31,779,895
Other Turnover	13,837	7,909
	<u>119,189,093</u>	<u>96,976,442</u>

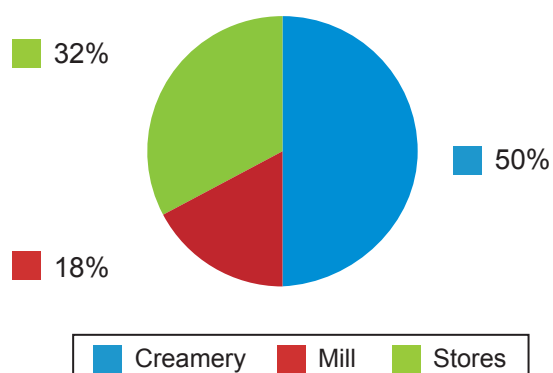
**2013 Dept Turnover
€'000s**



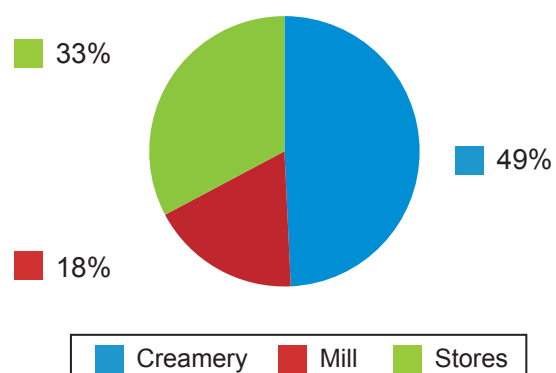
**2012 Dept Turnover
€'000s**



2013 Dept Turnover Split



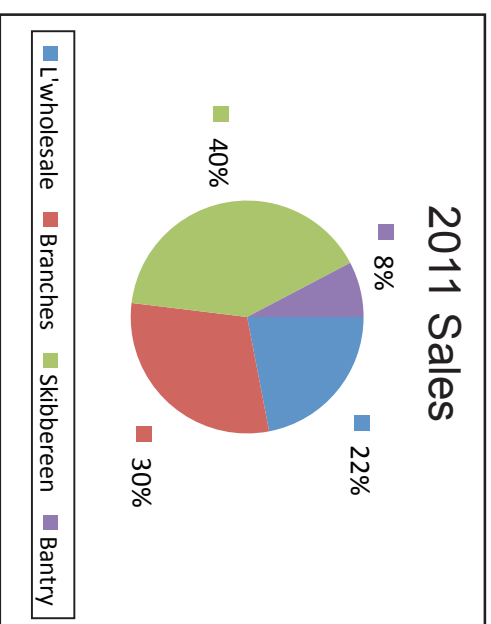
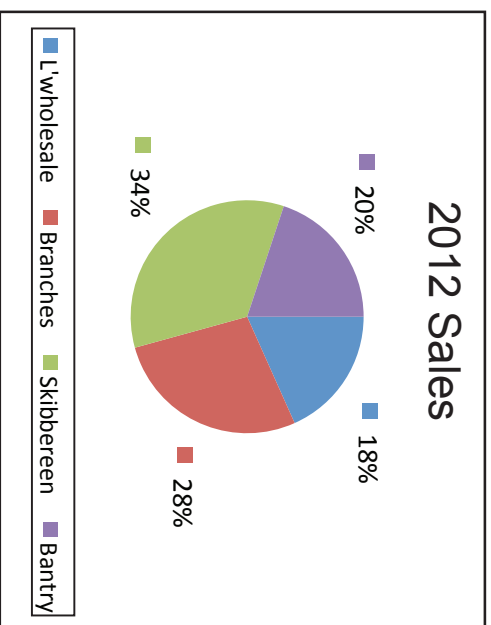
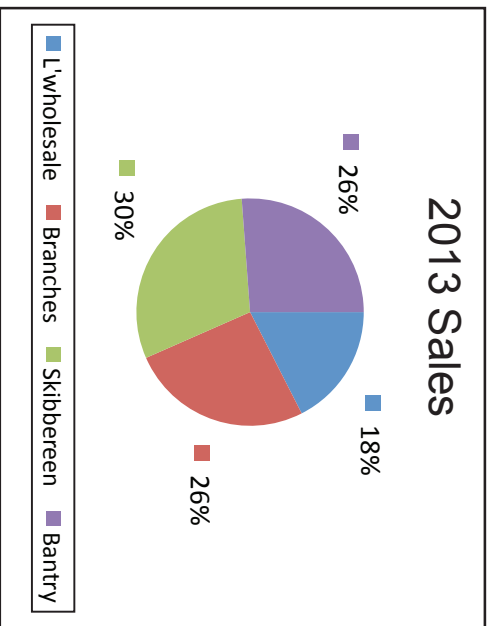
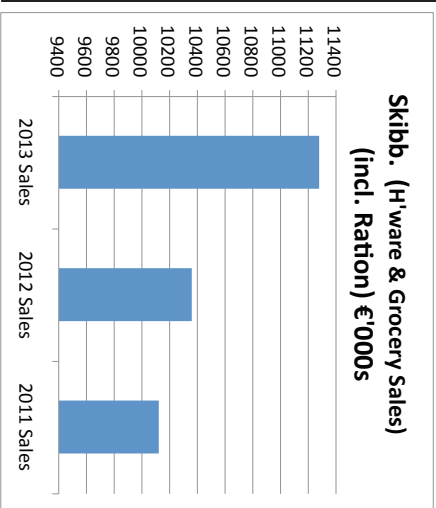
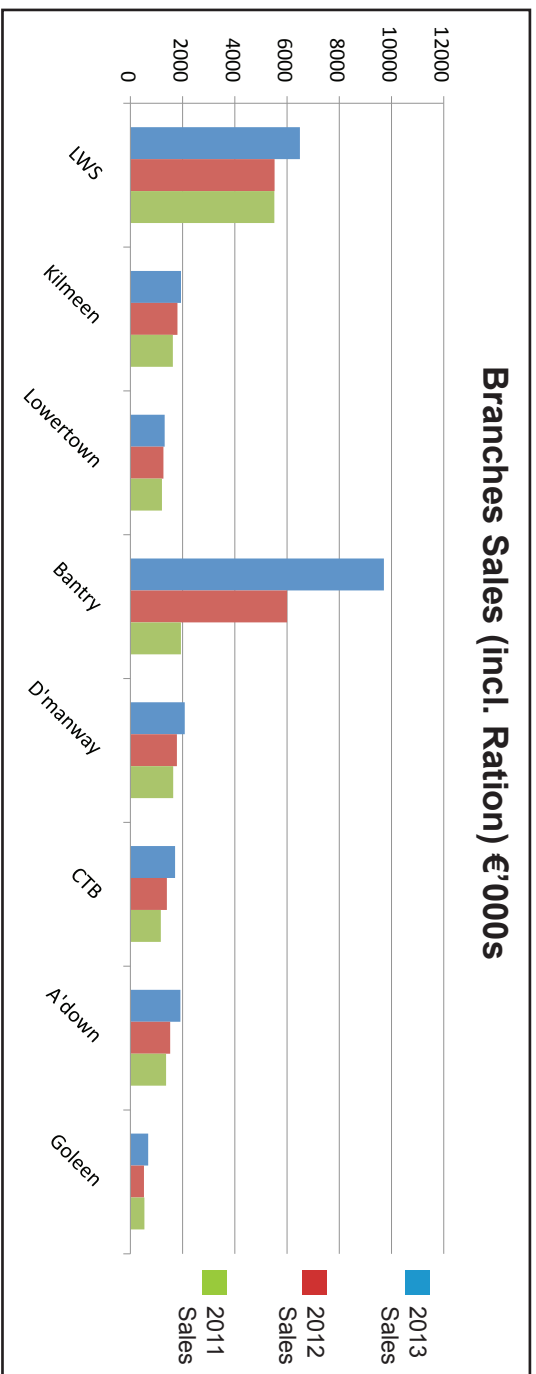
2012 Dept Turnover Split



APPENDICES

Appendix I contd/....

Group Turnover - Branch Sales (incl. Ration)



APPENDICES

Appendix II

Operating Costs Analysis

	2013	2012
	€	€
<u>Production Costs</u>		
Packaging	209,474	144,338
Fuel & Oil	175,906	147,067
Electricity	519,600	432,966
Laboratory Expenses	22,572	18,323
Cleaning, Protective Clothing & Pest Control	121,056	108,400
Maintenance, Repairs & Parts	634,693	448,986
	<u>1,683,301</u>	<u>1,300,080</u>
<u>Administrative Overhead</u>		
Rates & Insurance	408,897	383,389
Advertising, Printing & Stationery	188,215	196,876
Computer Services	99,011	105,750
Postage & Telephone	108,888	103,049
Audit, Legal & Consultancy	231,264	231,370
Committee Expenses	41,882	46,552
Sundries	40,865	27,781
Subscriptions	101,668	105,239
Provision for Bad Debts	129,203	-
	<u>1,349,893</u>	<u>1,200,006</u>

APPENDICES

Appendix III

Operating Results

	2013					2012						
	Drinagh Co-Operative Ltd.	Carbery	Drinlis Properties	Shinagh Estates	German Subsidiary	Total	Drinagh Co-Operative Ltd.	Carbery	Drinlis Properties	Shinagh Estates	German Subsidiary	Total
	€	€	€	€	€	€	€	€	€	€	€	€
Operating Results	2,062,849	5,552,632	67,844	102,294	(68,539)	7,717,080	1,084,470	4,313,254	(107,220)	28,090	(86,116)	5,232,478

Appendix IV

Investment & Other Income

	2013						2012					
	Drinagh Co-Operative Ltd. €	Carbery €	Drinlis Properties €	Shinagh Estates €	German Subsidiary €	Total €	Drinagh Co-Operative Ltd. €	Carbery €	Drinlis Properties €	Shinagh Estates €	German Subsidiary €	Total €
Income/(Losses) from Investments	2,731,842	108,594	-	-	(82,751)	2,757,685	1,185,226	55,547	-	-	(663,162)	577,611
Deposit Interest Received	-	-	-	-	-	-	-	-	-	-	-	-
Other Income	36,316	-	-	-	-	36,316	23,148	-	-	-	-	23,148
Rental Income	79,084	-	-	-	798,726	877,810	68,085	-	-	-	810,933	879,018
Other Finance Income	-	(675,660)	-	-	-	(675,660)	-	(189,276)	-	-	-	(189,276)
	2,847,242	(567,066)	-	-	715,975	2,996,151	1,276,459	(133,729)	-	-	147,771	1,290,501

APPENDICES

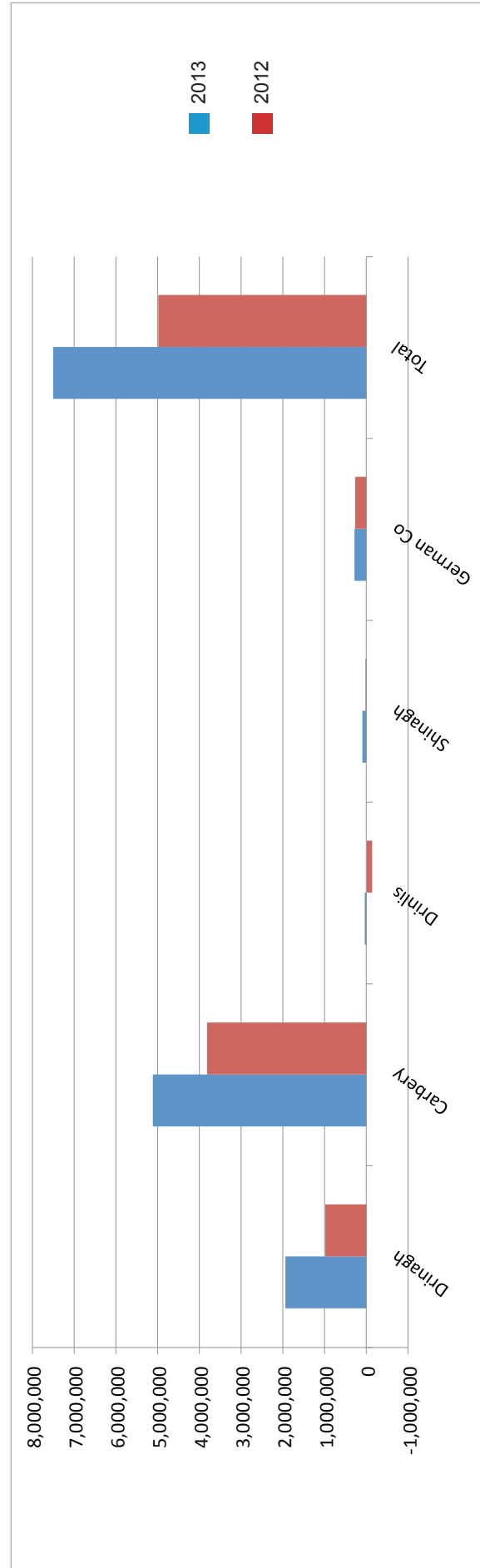
Appendix V

Interest Payable & Similar Charges

	2013					2012				
	Drinagh Co-Operative Ltd.	Carbery	Drinlis Properties	German Subsidiary	Total	Drinagh Co-Operative Ltd.	Carbery	Drinlis Properties	German Subsidiary	Total
	€	€	€	€	€	€	€	€	€	€
Bank Interest & Charges	116,061	429,838	21,041	438,613	1,005,553	92,034	489,967	23,333	447,384	1,052,718

Appendix VI

Operating Profit/(Loss) less Interest Payable & Similar Charges



APPENDICES

Appendix VII

Movement in Profit & Loss Account

	2013						2012					
	Drinagh Co-Operative Ltd. €	Carbery €	Drinlis Properties €	Shinagh Estates €	German Subsidiary €	Total €	Drinagh Co-Operative Ltd. €	Carbery €	Drinlis Properties €	Shinagh Estates €	German Subsidiary €	Total €
Retained Profit for the Year	4,254,593	3,787,187	41,352	84,508	208,823	8,376,463	2,037,778	3,368,360	(135,415)	21,013	(385,729)	4,906,007
Actuarial Gain/(Loss) in Respect of Pension Scheme	-	181,922	-	-	-	181,922	-	(3,115,722)	-	-	-	(3,115,722)
Deferred Tax on Actuarial (Gain)/Loss	-	(22,697)	-	-	-	(22,697)	-	389,465	-	-	-	389,465
Redemption Reserve Movement	(50,000)	-	-	-	-	(50,000)	-	(105,509)	-	-	-	(105,509)
Issue of Bonus Shares	(94,417)	-	-	-	-	(94,417)	(83,444)	-	-	-	-	(83,444)
Movement in Profit & Loss Account	4,110,176	3,946,412	41,352	84,508	208,823	8,391,271	1,954,334	536,594	(135,415)	21,013	(385,729)	1,990,797

Appendix VIII

Annual Comparatives

	2013	2012	2011	2010	2009
<u>Financial</u>					
Turnover	€000	119,189	96,976	90,751	81,274
Consolidated Profit/(Loss) for the Year after Tax	€000	8,598	4,968	4,207	3,573
Shareholders Funds	€000	89,184	82,017	80,166	76,689
<u>Statistical</u>					
Number of Milk Suppliers	No.	605	620	625	627
Milk Intake	Gallons (Mill.)	31.85	30.33	31.41	29.68
Average Butterfat	%	3.94	3.94	3.88	3.84
Average Protein	%	3.41	3.36	3.38	3.34