

**Tata Global Beverages Australia Pty
Limited**

ACN 003 450 922

**Financial statements
for the year ended 31 March 2015**

Tata Global Beverages Australia Pty Limited ACN 003 450 922
Financial statements - 31 March 2015

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Directors' report

Your directors present their report on the company for the year ended 31 March 2015.

Directors

The following persons were directors of Tata Global Beverages Australia Pty Limited during the whole of the financial year and up to the date of this report:

L Krishna Kumar
S Hallahan
S Rice
H Bhat

Principal activities

The principal activities of the company during the course of the financial year were the importation and sale of tea products.

Dividends

No dividends have been paid during the financial year. The directors do not recommend that a dividend be paid in respect of the financial year (2014: \$nil).

Review of operations

The profit after income tax of the company for the year ended 31 March 2015 amounted to \$811,364 (2014 profit: \$1,742,642).

Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the company during the year.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 31 March 2015 that has significantly affected, or may significantly affect:

- (a) the company's operations in future financial years, or
- (b) the results of those operations in future financial years, or
- (c) the company's state of affairs in future financial years.

Likely developments and expected results of operations

Information on likely developments in the operations of the company and the expected results of operations have not been included in this financial statements because the directors believe it would be likely to result in unreasonable prejudice to the company.

Environmental regulation

The company is not affected by any significant environmental regulation in respect of its operations.

Insurance of officers

The directors and officers of the company are indemnified under a global insurance policy taken out by Tata Global Beverages Services Limited. Tata Global Beverages Australia Pty Limited has been asked to contribute to the cost of global insurance.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 3.

Rounding of amounts

The company is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to the 'rounding off of amounts in the directors' report. Amounts in the directors' report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

Auditor

PwC Australia continues in office in accordance with section 327 of the *Corporations Act 2001*. This report is made in accordance with a resolution of directors.



S Hallahan
Director

Melbourne

12/5/15



Auditor's Independence Declaration

As lead auditor for the audit of Tata Global Beverages Australia Pty Limited for the year ended 31 March 2015, I declare that to the best of my knowledge and belief, there have been:

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

A handwritten signature in black ink, appearing to read 'J.P. Roberts', with a stylized flourish at the end.

Jon Roberts
Partner
PricewaterhouseCoopers

Melbourne
12 May 2015

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These financial statements are the financial statements of Tata Global Beverages Australia Pty Limited as an individual entity. The financial statements are presented in the Australian currency.

Tata Global Beverages Australia Pty Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Tata Global Beverages Australia Pty Limited
Suite 2.01, Level 2
620 Church Street
Richmond VIC 3121

A description of the nature of the entity's operations and its principal activities is included in the directors' report on page 1, which is not part of these financial statements.

The financial statements were authorised for issue by the directors on 12 May 2015. The directors have the power to amend and reissue the financial statements.

Tata Global Beverages Australia Pty Limited
Statement of comprehensive Income
For the year ended 31 March 2015

	Notes	2015	2014
Revenue from continuing operations			
Sale of goods	3	29,835,092	28,312,145
Other revenue from continuing operations	3	143,359	13,147
		29,978,451	28,325,292
Expenses			
Cost of sales		(13,866,369)	(13,350,888)
Other expenses from ordinary activities			
Distribution		(2,656,946)	(2,602,944)
Selling		(8,994,540)	(10,028,527)
Administration		(3,084,096)	(1,602,775)
Other		(39,738)	(160,769)
Borrowing costs	4	(185,286)	(541,315)
Profit/(loss) before income tax		1,151,476	38,074
Income tax expense	5	(340,112)	1,704,568
Profit/(loss) for the year		811,364	1,742,642
Other comprehensive income for the year, net of tax			
		-	-
Total comprehensive income/(loss) for the year		811,364	1,742,642
Profit/(loss) is attributable to:			
Owners of Tata Global Beverages Australia Pty Limited		811,364	1,742,642
Total comprehensive income/(loss) for the year is attributable to:			
Owners of Tata Global Beverages Australia Pty Limited		811,364	1,742,642

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Tata Global Beverages Australia Pty Limited
Statement of financial position
As at 31 March 2015

	Notes	2015 \$	2014 \$
ASSETS			
Current assets			
Cash and cash equivalents	6	2,796	174,519
Receivables	7	6,077,197	5,960,934
Inventories	8	1,789,317	1,835,555
Current tax receivables		-	1,026,595
Total current assets		<u>7,869,310</u>	<u>8,997,603</u>
Non-current assets			
Receivables	9	5,148,907	-
Plant and equipment	10	87,974	19,105
Deferred tax assets	11	1,432,293	1,783,173
Intangible assets	12	459,723	536,809
Total non-current assets		<u>7,128,897</u>	<u>2,339,087</u>
Total assets		<u>14,998,207</u>	<u>11,336,690</u>
LIABILITIES			
Current liabilities			
Payables	13	5,299,055	8,920,963
Borrowings	14	6,371,133	-
Provisions	15	651,498	553,534
Total current liabilities		<u>12,321,686</u>	<u>9,474,497</u>
Non-current liabilities			
Provisions	16	100,167	97,203
Total non-current liabilities		<u>100,167</u>	<u>97,203</u>
Total liabilities		<u>12,421,853</u>	<u>9,571,700</u>
Net assets/(liabilities)		<u>2,576,354</u>	<u>1,764,990</u>
EQUITY			
Contributed equity	17	11,800,000	11,800,000
Accumulated losses	18	(9,223,646)	(10,035,010)
Total equity/(deficiency in equity)		<u>2,576,354</u>	<u>1,764,990</u>

The above statement of financial position should be read in conjunction with the accompanying notes.

Tata Global Beverages Australia Pty Limited
Statement of changes in equity
For the year ended 31 March 2015

	Contributed equity	Accumulated losses	Total equity/ (deficiency in equity)
	\$	\$	\$
Balance at 1 April 2013	2,800,000	(11,777,652)	(8,977,652)
Profit/(loss) for the year		1,742,642	1,742,642
Other comprehensive income			
Total comprehensive income for the year		1,742,642	1,742,642
Transactions with owners in their capacity as owners:			
Contributions of equity, net of transaction costs and tax	9,000,000	-	9,000,000
Balance at 31 March 2014	11,800,000	(10,035,010)	1,764,990
Balance at 1 April 2014	11,800,000	(10,035,010)	1,764,990
Profit/(loss) for the year		811,364	811,364
Other comprehensive income			
Total comprehensive income for the year		811,364	811,364
Balance at 31 March 2015	11,800,000	(9,223,646)	2,576,354

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Tata Global Beverages Australia Pty Limited
Statement of cash flows
For the year ended 31 March 2016

	Notes	2015	2014
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		30,487,144	30,324,324
Payments to suppliers and employees (inclusive of goods and services tax)		<u>(32,984,570)</u>	<u>(30,260,927)</u>
Interest received		(2,497,426)	63,397
Income Tax received		143,369	13,147
Net cash inflow from operating activities	23	<u>(1,316,704)</u>	<u>76,544</u>
Cash flows from investing activities			
Payments for intangibles, plant and equipment		(77,245)	(11,942)
Loans to related parties		<u>(5,148,907)</u>	<u>(9,000,000)</u>
Net cash (outflow) from investing activities		<u>(5,226,152)</u>	<u>(9,011,942)</u>
Cash flows from financing activities			
Proceeds from borrowings		6,371,133	-
Proceeds from issues of shares and other equity securities		-	9,000,000
Net cash inflow from financing activities		<u>6,371,133</u>	<u>9,000,000</u>
Net increase in cash and cash equivalents		(171,723)	64,602
Cash and cash equivalents at the beginning of the financial year		<u>174,519</u>	<u>109,917</u>
Cash and cash equivalents at end of year	6	<u>2,796</u>	<u>174,519</u>

The above statement of cash flows should be read in conjunction with the accompanying notes.

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1 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for Tata Global Beverages Australia Pty Limited.

(a) Basis of preparation

(i) Special purpose financial report

In the directors' opinion, the company is not a reporting entity because there are no users dependent on general purpose financial reports.

This is a special purpose financial report that has been prepared for the sole purpose of complying with the *Corporations Act 2001* requirements to prepare and distribute a financial report to the members and must not be used for any other purpose.

The financial report has been prepared in accordance with the recognition and measurement principles of all applicable Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. It contains the disclosures that are mandatory under the Accounting Standards and those considered necessary by the directors to meet the needs of the members. Tata Global Beverages Australia Pty Limited is a for-profit entity for the purpose of preparing the financial statements.

(ii) New and amended standards adopted by the group

None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 April 2014 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods.

(iii) Early adoption of standards

The company has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 April 2014.

(iv) Historical cost convention

The financial statements are prepared in accordance with the historical cost convention.

(v) Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

(vi) Comparative information

Comparative figures have been adjusted to conform to changes in presentation for the current financial year.

1 Summary of significant accounting policies (continued)

(b) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the company operates ("the functional currency"). The financial statements are presented in Australian dollars, which is the company's functional and presentation currency.

(ii) Transactions and balances

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 statement of comprehensive income.

(c) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid. Revenue is recognised for the major business activities as follows:

(i) Sale of goods

Revenue from the sale of goods is recognised (net of returns, trade allowances, duties and taxes paid) when the goods have been delivered and the associated risks have passed to the customers.

(ii) Interest revenue

Interest revenue is recognised when it is received.

(d) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for 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. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

1 Summary of significant accounting policies (continued)

(e) Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases (note 21). Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

(f) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(g) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

(h) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally settled within 30-60 days from the date of recognition.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial. The amount of the provision is recognised in the statement of comprehensive income.

(i) Inventories

Raw materials and stores, work in progress and finished goods

Raw materials and stores and finished goods are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of standard costing method.

(j) Plant and equipment

Plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

1 Summary of significant accounting policies (continued)

(j) Plant and equipment (continued)

Internally constructed assets are depreciated from the time an asset is completed and held ready for use. Depreciation on other assets is calculated using the straight line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives as follows:

- Plant and equipment 3 - 7 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(f)).

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

(k) Intangible assets

(i) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the company's share of the net identifiable assets of the acquired business at the date of acquisition. Goodwill acquired in business combinations is not amortised. Instead, goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of the business include the carrying amount of goodwill relating to the business sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing.

(ii) Computer software

Computer software has a finite useful life and is carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight line method to allocate the cost of computer software over its estimated useful life of 7 years.

(l) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(m) Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed.

(n) Employee benefits

(i) Wages and salaries, and annual leave

Liabilities for wages and salaries, and annual leave expected to be settled within 12 months of the end of each reporting period are recognised in other payables and current provisions respectively, in respect of employees' services up to the end of each reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

1 Summary of significant accounting policies (continued)

(n) Employee benefits (continued)

(ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of each reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of each reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(iii) Retirement benefit obligations

All employees of the company are entitled to benefits on retirement, disability or death from the company's superannuation plan. The company has a defined contribution section within its plan. The defined contribution section receives fixed contributions from the company and the company's legal or constructive obligation is limited to these contributions.

Contributions to the defined contribution fund are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(o) Contributed equity

Ordinary shares are classified as equity (note 17).

(p) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

(q) Rounding of amounts

The company is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to the 'rounding off of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

(r) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 31 March 2015 reporting periods. Management assessment indicates that there are no new Australian Accounting Standards or interpretations that have been issued but are not yet effective with an expected material impact on the company's financial statements in the period of initial application.

2 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Estimated impairment of goodwill

The company tests impairment on goodwill whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, or at least annually in accordance with the accounting policy stated in note 1(f). The recoverable amounts of cash generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions.

(ii) Carrying value of deferred tax asset

The company has recognised deferred tax assets relating to carried forward tax losses to the extent there are sufficient taxable temporary differences (deferred tax liabilities) relating to the same taxation authority. The company has in place appropriate plans in order to ensure the carrying value of this asset is supported and the losses are recognised. However, utilisation of the tax losses will also depend on the ability of the company to satisfy certain tests at the time the losses are recouped.

Tata Global Beverages Australia Pty Limited
Notes to the financial statements
31 March 2015
(continued)

3 Revenue

	2015	2014
	\$	\$
From continuing operations		
<i>Sales revenue</i>		
Sale of goods	29,835,092	28,312,145
<i>Other revenue</i>		
Interest from third parties	12,213	13,147
Interest from related parties	131,146	
	29,978,451	28,325,292

4 Expenses

	2015	2014
	\$	\$
Profit/(loss) before income tax includes the following specific expenses:		
<i>Depreciation and amortisation</i>	85,462	79,585
<i>Finance costs</i>		
Interest and finance charges paid/payable	185,286	541,315
<i>Rental expense relating to operating leases</i>		
Minimum lease payments	92,476	98,916
<i>Employee benefits expense</i>	2,977,704	2,705,921

5 Income Tax Expense

	2015	2014
	\$	\$
Adjustment for income tax of prior years	(10,768)	(1,026,595)
Decrease (increase) in deferred tax assets	350,880	(677,973)
	340,112	(1,704,568)

Tata Global Beverages Australia Pty Limited
Notes to the financial statements
31 March 2015
 (continued)

6 Current assets – Cash and cash equivalents

	2015	2014
	\$	\$
Cash at bank and in hand	2,796	174,519

7 Current assets - Trade and other receivables

	2015	2014
	\$	\$
Trade receivables	5,940,545	6,131,644
Provision for impairment of receivables	(68,066)	(68,066)
	5,872,479	6,063,578
Other receivables	191,305	192,621
Prepayments	319,638	250,012
	6,383,422	6,506,211

8 Current assets - Inventories

	2015	2014
	\$	\$
Finished goods - at cost	2,241,695	1,950,494
Provision	(452,378)	(114,939)
	1,789,317	1,835,555

9 Non-current assets - Receivables

	2015	2014
	\$	\$
Loans to related party	5,148,907	-

Tata Global Beverages Australia Pty Limited
Notes to the financial statements
31 March 2015
(continued)

10 Non-current assets - Plant and equipment

	Plant and equipment \$	Total \$
At 1 April 2013		
Cost	137,045	137,045
Accumulated depreciation	(115,041)	(115,041)
Net book amount	<u>22,004</u>	<u>22,004</u>
Year ended 31 March 2014		
Opening net book amount	22,004	22,004
Depreciation charge	(2,899)	(2,899)
Closing net book amount	<u>19,105</u>	<u>19,105</u>
At 31 March 2014		
Cost	137,045	137,045
Accumulated depreciation	(117,940)	(117,940)
Net book amount	<u>19,105</u>	<u>19,105</u>
Year ended 31 March 2015		
Opening net book amount	19,105	19,105
Additions	84,315	84,315
Disposals	(899)	(899)
Depreciation charge	(14,547)	(14,547)
Closing net book amount	<u>87,974</u>	<u>87,974</u>
At 31 March 2015		
Cost	220,461	220,461
Accumulated depreciation	(132,487)	(132,487)
Net book amount	<u>87,974</u>	<u>87,974</u>

Tata Global Beverages Australia Pty Limited
Notes to the financial statements
31 March 2015
(continued)

11 Non-current assets - Deferred tax assets

	2015	2014
	\$	\$
Deferred tax assets expected to be recovered within 12 months	427,706	267,550
Deferred tax assets expected to be recovered after more than 12 months	1,004,587	1,515,623
	<u>1,432,293</u>	<u>1,783,173</u>

Tata Global Beverages entered into an Advanced Pricing Agreement (APA) with the Australian Tax office. The APA is for a period of five years commencing 1 April 2012 through to March 2017. The agreement is designed to establish a net operating margin between 2% - 4% as a profit level indicator. This agreement has also provided a reliable and measurable deferred tax asset balance in relation to accumulated losses for the year ended 31 March 2013. This figure has subsequently been updated to reflect 31 March 2015 closing position.

Tata Global Beverages Australia Pty Limited
Notes to the financial statements
31 March 2015
(continued)

12 Non-current assets - Intangible assets

	Goodwill \$	Computer software \$	Total \$
At 1 April 2013			
Cost	500,000	496,408	996,408
Accumulation amortisation and impairment	(294,391)	(100,464)	(394,855)
Net book amount	<u>205,609</u>	<u>395,944</u>	<u>601,553</u>
Year ended 31 March 2014			
Opening net book amount	205,609	395,944	601,553
Additions		11,942	11,942
Amortisation charge		(76,686)	(76,686)
Closing net book amount	<u>205,609</u>	<u>331,200</u>	<u>536,809</u>
At 31 March 2014			
Cost	500,000	508,350	1,008,350
Accumulated amortisation and impairment	(294,391)	(177,150)	(471,541)
Net book amount	<u>205,609</u>	<u>331,200</u>	<u>536,809</u>
Year ended 31 March 2015			
Opening net book amount	205,609	331,200	536,809
Disposals		(6,171)	(6,171)
Amortisation charge		(70,915)	(70,915)
Closing net book amount	<u>205,609</u>	<u>254,114</u>	<u>459,723</u>
At 31 March 2015			
Cost	500,000	502,179	1,002,179
Accumulated amortisation and impairment	(294,391)	(248,065)	(542,456)
Net book amount	<u>205,609</u>	<u>254,114</u>	<u>459,723</u>

Tata Global Beverages Australia Pty Limited
Notes to the financial statements
31 March 2015
(continued)

13 Current liabilities - Trade and other payables

	2015	2014
	\$	\$
Trade payables	757,918	2,633,115
Accrued expenses and other payables	2,235,425	2,304,771
Amounts due to related parties	2,305,712	3,983,077
	<u>5,299,055</u>	<u>8,920,963</u>

14 Current liabilities - Borrowings

	2015	2014
	\$	\$
Bank overdrafts	6,371,133	-

15 Current liabilities - Provisions

	2015	2014
	\$	\$
Employee benefits (a)	651,498	553,534

(a) Amounts not expected to be settled within 12 months

The current provision for employee benefits includes accrued annual leave, vesting sick leave and long service leave. For long service leave it covers all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount of the provision is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

16 Non-current liabilities - Provisions

	2015	2014
	\$	\$
Employee benefits	100,167	97,203

Tata Global Beverages Australia Pty Limited
Notes to the financial statements
31 March 2015
 (continued)

17 Contributed equity

(a) Share capital

	2015 Shares	2014 Shares	2015 \$	2014 \$
Ordinary shares Fully paid	<u>11,800,000</u>	11,800,000	<u>11,800,000</u>	11,800,000

(b) Movements in ordinary share capital

Date	Details	Number of	
		shares	\$
1 April 2013	Opening balance	2,800,000	2,800,000
27 March 2014	Shares issued	9,000,000	9,000,000
31 March 2014	Closing balance	<u>11,800,000</u>	<u>11,800,000</u>
1 April 2014	Opening balance	<u>11,800,000</u>	<u>11,800,000</u>
31 March 2015	Closing balance	<u>11,800,000</u>	<u>11,800,000</u>

(c) Ordinary shares

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholder meetings.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the company does not have a limited amount of authorised capital.

(d) Capital risk management

The company's objective when managing capital is to safeguard its ability to continue as a going concern.

18 Accumulated losses

Movements in accumulated losses were as follows:

	2015 \$	2014 \$
Balance 1 April	(10,035,010)	(11,777,652)
Net profit for the year	811,364	1,742,642
Balance 31 March	<u>(9,223,646)</u>	<u>(10,035,010)</u>

19 Dividends

(a) Franked dividends

The franked portions of the final dividends recommended after 31 March 2015 will be franked out of existing franking credits or out of franking credits arising from the payment of income tax in the year ended 31 March 2015.

	2015	2014
	\$	\$
Franking credits available for subsequent reporting periods based on a tax rate of 30% (2014 - 30%)	<u>985,614</u>	<u>985,614</u>

The above amounts represent the balance of the franking account as at the end of the reporting period, adjusted for:

- (a) franking credits that will arise from the payment of the amount of the provision for income tax,
- (b) franking debits that will arise from the payment of dividends recognised as a liability at the reporting date, and
- (c) franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date.

20 Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor of the company:

(a) PwC Australia

	2015	2014
	\$	\$
<i>Audit and other assurance services</i>		
Audit and review of financial statements	89,000	87,780
Total remuneration for audit and other assurance services	89,000	87,780
<i>Taxation services</i>		
Tax compliance services, including review of company income tax returns and tax advice	32,900	31,900
Total remuneration for taxation services	32,900	31,900
<i>Audit-related services</i>		
Assistance in the preparation of financial statements	-	13,000
Total remuneration for other services	-	13,000
 Total remuneration of PwC Australia	 121,900	 132,680

21 Commitments

Lease commitments: company as lessee

	2015	2014
	\$	\$
Commitments in relation to leases contracted for at the end of each reporting period but not recognised as liabilities, payable:		
Within one year	278,256	54,888
Later than one year but not later than five years	1,127,766	16,018
Later than five years	121,432	-
	1,527,454	70,906
 Representing:		
Cancellable operating leases	1,527,454	70,906

22 Parent entities

The immediate parent entity is Tata Global Beverages Overseas Holdings Limited (Incorporated in the United Kingdom), which is wholly owned by Tata Global Beverages Services Limited (incorporated in the United Kingdom). The ultimate parent entity is Tata Global Beverages Limited (incorporated in India).

Tata Global Beverages Australia Pty Limited
Notes to the financial statements
31 March 2015
(continued)

23 Reconciliation of profit/(loss) after inflow income tax to net cash inflow from operating activities

	2015	2014
	\$	\$
Profit for the year	811,364	1,742,642
Depreciation and amortisation	85,462	79,585
Change in operating assets and liabilities:		
(Increase) in receivables	(116,263)	(776,153)
Decrease in inventories	46,238	40,954
Decrease/(Increase) in deferred tax assets	350,880	(677,973)
Decrease/(Increase) in current tax receivables	1,026,595	(1,026,595)
(Decrease)/Increase in payables and provisions	(3,520,980)	694,084
Net cash inflow from operating activities	(1,316,704)	76,544

**Tata Global Beverages Australia Pty Limited
Directors' declaration
31 March 2015**

As stated in note 1(a) to the financial statements, in the directors' opinion, the company is not a reporting entity because there are no users dependent on general purpose financial reports. This is a special purpose financial report that has been prepared to meet *Corporations Act 2001* requirements.

The financial report has been prepared in accordance with Accounting Standards and mandatory professional reporting requirements to the extent described in note 1.

In the directors' opinion:

- (a) the financial statements and notes set out on pages 4 to 25 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards and other mandatory professional reporting requirements as detailed above, and the *Corporations Regulations 2001*; and
 - (ii) giving a true and fair view of the entity's financial position as at 31 March 2015 and of its performance for the year ended on that date, and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of directors.



S Hallahan
Director

Melbourne

12/5/15



Independent auditor's report to the members of Tata Global Beverages Australia Pty Limited

Report on the financial report

We have audited the accompanying financial report, being a special purpose financial report, of Tata Global Beverages Australia Pty Limited (the company), which comprises the statement of financial position as at 31 March 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the members.

The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

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

PricewaterhouseCoopers, ABN 52 780 433 757
Freshwater Place, 2 Southbank Boulevard, SOUTHBANK VIC 3006, GPO Box 1331, MELBOURNE VIC 3001
T: 61 3 8603 1000, F: 61 3 8603 1999, www.pwc.com.au

Liability limited by a scheme approved under Professional Standards Legislation.



Auditor's opinion

In our opinion, the financial report of Tata Global Beverages Australia Pty Limited is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position as at 31 March 2015 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 and complying with the *Corporations Regulations 2001*.

Basis of accounting and restriction on distribution and use

Without modifying our opinion, we draw attention to Note 1, to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the members of Tata Global Beverages Australia Pty Limited.


PricewaterhouseCoopers


Jon Roberts
Partner

Melbourne
12 May 2015