ECOYA LIMITED ANNUAL REPORT

For The Year Ended
31 March 2012

ECOYA:

Fragrance and Bodycare

TRILOGY:

Natural Skincare

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Chairman's Report

Dear Shareholders,

Welcome to the 2011/12 Annual Report. It was a year that saw sales grow from $14.3m to $22.6m; our inaugural profit (pre-IFRS); and the full integration of the Trilogy Natural Products business acquired in 2010.

Ecoya, as stated at the time of our IPO, is a growth business and our overriding objective is to continue to build a larger revenue generating asset. The 58% growth and the modest profit (pre-IFRS adjustments) demonstrated that we are achieving this. Going forward we aim to continue this growth strategy, whilst keeping the business at a close-to-breakeven operating position.

Both the Trilogy and Ecoya businesses grew strongly in the 2011/12 year with strong results in the home markets of Australia and New Zealand. We started the year with the belief that we needed to build a particularly strong foundation in Australia and New Zealand, before aggressive expansion off shore. This continues to be the case as we build our market share across the 2012/13 year in these two markets. This will provide a robust base for expansion into off shore markets, particularly in Asia, in the 2013/14 year and beyond.

The most descriptive way to communicate a sense of how the business is performing, and give it a sense of colour, is to review the most recent months since we took full control of Trilogy, post the earn-out period which finished on December 31st 2011.

In brief and across both businesses:

Trilogy

Trilogy launched a new flagship product, Rosehip Oil Antioxidant+, in order to further strengthen its ownership of the rosehip oil segment. This got off to a great start thanks to some very positive PR on rosehip oil in Australia and also the UK. This has proven to be a spearhead product for gaining greater in-store presence with many of our retail partners. Trilogy has also started well in key Asian markets, particularly Japan. As mentioned above, we do believe there is significant opportunity for growth in Asia and will be building beachheads there this year.

Trilogy's logistics and financial administration are now integrated with Ecoya and we are seeing synergies here with the benefit of building one strong team that services both brands.

At a retail level, we recently launched a joint Trilogy/Ecoya sales kiosk at Auckland International Airport. This is a trial for establishing more of our own retail outlets. Whilst only very new at the time of this report, we do believe there is significant advantage for both brands in having a select number of their own counters to build brand presence and relationships with consumers.

Ecoya

Ecoya also released new products in the year, firstly a 'Botanicals' range for the Australian and US markets, as well as a 'Decadence' range for high end gift stores. This gave the business a much greater offering of fragrances and allowed us to cater for a very broad range of consumer preferences in fragrances. As with Trilogy, the core home markets of Australia and New Zealand are very much our focus. We also launched a beachhead in the UK with products now available in department stores like Harrods and Liberty of London. Ecoya launched very recently in Japan, starting a new market for us there, and we also now have three Ecoya branded stores in Taiwan.

Ecoya very recently opened a kiosk in the Bondi Junction Westfield in Sydney, which gives us our first foray into brand retail in Australia. We believe this will support growth within our existing retail partners and also online.

Both brands are also in growth in online sales. We are currently undergoing a major rework of both the Trilogy and Ecoya websites, which will allow us to continue to grow online sales. This is another area where we experience synergies across both brands with the formation of a specialist platform and online sales team.

The year ahead continues to be about growth with a view to gaining very strong positions in Australia and New Zealand, and the necessary beachheads for growth in offshore markets. We intend to do this with high top line growth while maintaining breakeven at operating level, thus continuing to build the size of our assets and their ability to generate revenue.

We continue to be excited about the year ahead and the benefits of scale that are already emerging.

Director Changes

As a result of an internal review, Collette Dinnigan, Deeta Colvin and Craig Schweighoffer have resigned as directors in June 2012. I would like to thank Deeta, Collette and Craig for their significant contributions to our Board.

On behalf of the Board, I would like to thank you, our shareholders, for your on-going support and also take this opportunity to thank the teams within Trilogy and Ecoya. We are thrilled to be on this journey with you.

Best Regards,

Geoff Ross
Chairman & Chief Executive Officer


"If every star in the sky had a scent, I could subconsciously identify each one and arrange them into constellations of pleasure, sorrow or desire, with each galaxy pulling a different emotional thread"
ECOYA

ECOYA:

Directors' Responsibility Statement

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors have pleasure in presenting the annual report of Ecoya Limited, incorporating the financial statements and the auditors' report, for the year ended 31 March 2012.

The directors are responsible for presenting financial statements, in accordance with New Zealand law and generally accepted accounting practice, which give a true and fair view of the financial position of the Group as at 31 March 2012 and the results of the Group's operations and cash flows for the year ended on that date.

The directors consider the financial statements of the Group to have been prepared using accounting policies which have been consistently applied and supported by reasonable judgements and estimates and that all relevant financial reporting and accounting standards have been followed.

The directors believe that proper accounting records have been kept which enable with reasonable accuracy, the determination of the financial position of the Group and facilitate compliance with the Financial Reporting Act 1993.

The directors consider that they have taken adequate steps to safeguard the assets of the Group, and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide a reasonable assurance as to the integrity and reliability of the financial statements.

The Board of Directors of the Group authorised these financial statements presented on pages 25 to 92 for issue on 30 May 2012.

For and on behalf of the Board.

Geoff Ross
Chairman
30 May 2012

Stephen Sinclair
Director
30 May 2012

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Directors' Profiles

DIRECTORS' PROFILES

Geoff Ross
Chairman & Chief Executive Officer

Geoff was the founder and CEO of 42 Below Limited which was a listed company for three years prior to its sale to Bacardi in late 2006.

Prior to 42 Below, he was a Managing Partner and Board Member of DDB Advertising for two years and was a Client Service Director and Management Team Member for Saatchi & Saatchi in Wellington for eight years. Geoff is Trustee to the Melanoma Foundation and Trustee to Pure Advantage.

Stephen Sinclair
Chief Operating Officer

Stephen was the Chief Financial Officer of 42 Below Limited as well as an Executive Director and Company Secretary.

Stephen is a Chartered Accountant. Before 42 Below Limited, Stephen was the Financial Controller for Empower Limited prior to its sale to Contact Energy. He also held this role with Netco Limited. Prior to this, he spent 13 years with PricewaterhouseCoopers. Stephen is a Director of Dorchester Pacific Limited.

Grant Baker
Executive Director

Grant was the Executive Chairman of 42 Below Limited before its sale to Bacardi in 2006 and has vast experience within numerous New Zealand businesses, both private and public.

He has previously held a number of senior business positions, including Chief Executive and Director of Blue Star Group Limited, Chairman and founding Director of EFTPOS retailer Netco Limited, as well as serving as Executive Chairman of Empower Limited.

Grant is currently Chairman of Dorchester Pacific Limited and Deputy Chairman of the New Zealand cancer charity GICI (Gastro Intestinal Cancer Institute Limited).

Sarah Gibbs
Non-Executive Director

Sarah Gibbs is the co-founder and former Chief Executive of natural skincare brand Trilogy.

She brings to the Board a mix of strategic vision, foresight and expertise in international business expansion. After running her own business manufacturing ingredients for the natural cosmetics and supplements industries, Sarah established Trilogy with her sister Catherine de Groot in 2002. They built the business from a boutique local operation into a successful international brand, before selling to Ecoya in 2010. Sarah was named Emerging International Business Leader in the 2012 New Zealand International Business Awards.

She is a Chartered Accountant and a Director on the Boards of Ecoya, Export New Zealand and The Cosmetic, Toiletry and Fragrance Association.

Rich Frank
Independent Director

Rich is a former Chairman President of Walt Disney Studios, former President of Paramount TV Group and is currently Vice Chairman of the American Film Institute.

He currently produces two television shows, Royal Pains for the USA network and Wilfred for the FX network.

He is a Board Director of Napastyle, retailing exclusive home goods and specialty foods with a focus on sustainable living.

Rich and his family own The Frank Family Vineyards in California's Napa Valley.

Rob Fyfe
Independent Director

Rob Fyfe has held the role of Chief Executive Officer of Air New Zealand since October 2005.

Since that time the airline has consolidated its strong financial position, undertaken a significant fleet and route expansion and been recognised by numerous international awards, particularly for its uniquely Kiwi experience and pursuit of delivering customers inspiring journeys.

Prior to joining Air New Zealand in 2003 where he has also held the roles of Group General Manager Airlines and Chief Information Officer Mr Fyfe held senior roles globally. These include roles with National Australia Bank, Telecom NZ, Bank of New Zealand and ITV Group in the UK.

He began his career as an engineer with the Royal New Zealand Airforce.


THERE WILL ALWAYS BE SOMEONE WHO LOOKS
YOUNGER THAN YOU
IT MIGHT AS WELL
BE YOU
trilogy
advanced formula
rosehip oil antioxidant+
Rosapene™
ROSEHIP OIL ANTIOXIDANT +

ECOYA:

Corporate Governance

The overall responsibility for ensuring that the company is properly managed to enhance investor confidence through corporate governance and accountability lies with the Board of Directors. On 27 May 2010 the Board of Directors adopted a corporate governance code ("Code"). A copy of the Code is available on the Ecoya website www.ecoya.co.nz.

The Code is generally consistent with the principles identified in the "Corporate Governance in New Zealand Principles and Guidelines" report, released by the New Zealand Securities Commission in 2004. The Code materially complies with the NZX Corporate Governance Best Practice Code, except that the Audit Committee is not comprised solely of non-executive directors.

The company will continue to monitor best practice in the governance area and update its policies to ensure it maintains the most appropriate standards.

Our principal governance statements are outlined in this report.

The Board of Directors

The Board has ultimate responsibility for the strategic direction of Ecoya and supervising Ecoya's management for the benefit of shareholders.

The specific responsibilities of the Board include:

- Working with management to set the strategic direction of Ecoya.
- Monitoring and working with management to direct the business and financial performance of Ecoya.
- Monitoring compliance and risk management.
- Establishing and monitoring Ecoya's health and safety policies.
- Establishing and overseeing succession plans for senior management.
- Ensuring effective disclosure policies and procedures are adopted.

The Board met eleven times during the financial year, including sessions to consider Ecoya's strategic direction and business plans.

Ethical Conduct

The Code includes a policy on business ethics which is designed to govern the Board's conduct. The Code addresses conflicts of interest, receipt of gifts, confidentiality and fair business practices.

Board Membership

The Board currently consists of two independent directors, one Non-Executive Director and three Executive Directors, who are elected based on the value they bring to the Board.

Each Ecoya director is a skilled and experienced business person. Together they provide value by making quality contributions to corporate governance matters, conceptual thinking, strategic planning, policies and providing guidance to management.

Board Meeting and Committee Attendance

	BOARD MEETING	AUDIT AND RISK MANAGEMENT COMMITTEE
GEOFF ROSS	10	N/A
GRANT BAKER	10	N/A
CRAIG SCHWEIGHOFFER	11	N/A
STEPHEN SINCLAIR	11	2
COLLETTE DINNIGAN	5	N/A
RICH FRANK	8	0
ROB FYFE	7	2
DEETA COLVIN	8	N/A
SARAH GIBBS (FROM OCTOBER)	5	N/A

As at 31 March 2012 the Board consisted of:

Geoff Ross	Chairman/ Chief Executive Officer
Stephen Sinclair	Chief Operating Officer
Grant Baker	Executive Director
Craig Schweighoffer	Executive Director
Sarah Gibbs	Non-Executive Director
Collette Dinnigan	Independent Director
Rich Frank	Independent Director
Rob Fyfe	Independent Director
Deeta Colvin	Independent Director

Deeta Colvin, Collette Dinnigan and Craig Schweighoffer have resigned from the board of Ecoya Limited as advised to the NZX on the 26 June 2012.

Profiles of current board members are shown on pages 11-12.

The number of elected directors and the procedure for their retirement and re-election at annual meetings of shareholders are set out in the Constitution of the Company.

Director Independence

In order for a director to be independent, the Board has determined that he or she must not be an executive of Ecoya and must have no disqualifying relationship as defined in the corporate governance code and the NZSX Listing Rules.

The Board has determined that Rich Frank and Rob Fyfe are independent directors.

Geoff Ross, Grant Baker, Sarah Gibbs and Stephen Sinclair are not independent directors.

No director ceased to hold office in the accounting period ended 31 March 2012, however Deeta Colvin, Collette Dinnigan and Craig Schweighoffer have resigned from the board of Ecoya Limited as advised to the NZX on the 26 June 2012.

Nomination and Appointment of Directors

The Board is responsible for identifying and recommending candidates. Directors may also be nominated by shareholders under NZSX Listing Rule 3.3.5.

A director may be appointed by ordinary resolution and all directors are subject to removal by ordinary resolution.

The Board may at any time appoint additional directors. A director appointed by the Board shall only hold office until the next annual meeting of the Company, but shall be eligible for election at that meeting.

One third of directors shall retire from office at the annual meeting each year. The directors to retire shall be those who have been longest in office since they were last elected or deemed to be elected.

Disclosure of Interests by Directors

The Code sets out the procedures to be followed where directors have an interest in a transaction or proposed transaction or are faced with a potential conflict of interest requiring the disclosure of that conflict to the Board. Ecoya maintains an interests register in which particulars of certain transactions and matters involving directors are recorded. The interests register for Ecoya is available for inspection at its registered office.

Directors' Share Dealings

The Company has adopted a securities dealing policy which sets out the procedure to be followed by directors and staff when trading in Ecoya listed securities, to ensure that no trades are effected whilst that person is in possession of material information which is not generally available to the market. Details of directors' share dealings are outlined on page 102.

Indemnification and Insurance of Directors and Officers

The Company has directors' and officers' liability insurance with Chartis which ensures that generally, directors and officers will incur no monetary loss as a result of actions undertaken by them.

Board Committees

The Board has two formally constituted committees of Directors. These Committees, established by the Board, review and analyse policies and strategies, usually developed by management, which are within their terms of reference. The Committees examine proposals and, where appropriate, make recommendations to the Board. Committees do not take action or make decisions on behalf of the Board unless specifically authorised to do so by the Board.

Audit and Risk Management Committee

The Audit and Risk Management Committee is responsible for overseeing the risk management (including treasury and financing policies), treasury, insurance, accounting and audit activities of Ecoya, and reviewing the adequacy and effectiveness of internal controls, meeting with and reviewing the performance of external auditors, reviewing the consolidated financial statements, and making recommendations on financial and accounting policies.

The members of the Audit and Risk Management Committee are Stephen Sinclair, Rob Fyfe and Rich Frank.

The Audit and Risk Committee met on 22 November 2011 and 19 May 2012.

Remuneration Committee

The Remuneration Committee is responsible for overseeing management succession planning, establishing employee incentive schemes, reviewing and approving the compensation arrangements for the executive Directors and senior management, and recommending to the full Board the remuneration of Directors.

The members of the Remuneration Committee are Geoff Ross, Rob Fyfe and Rich Frank.

During the year all remuneration issues were reviewed within the normal Board meetings.

Remuneration

Remuneration of directors and executives is the key responsibility of the Remuneration Committee. Details of directors and executives' remuneration and entitlements are detailed on page 101.

Directors' Remuneration

The Directors' fees for the Independent Directors of Ecoya have been fixed, initially at a total of A$40,000 per Independent Director. To provide the flexibility, the existing shareholders have approved an aggregate cap on Independent Directors' fees of A$200,000 for the purpose of NZSX Listing Rule 3.5. At the election of each Independent Director, Directors' fees may be paid in part or whole by issue of Shares in accordance with the NZSX Listing Rules.

Ecoya has access to the Executive Directors through consultancy agreements with The Business Bakery LP ("The Bakery") and Paunui Holdings Pty Limited ("Paunui"). The Bakery has entered into a consultancy agreement with Ecoya, pursuant to which it has agreed to make Geoff Ross, Stephen Sinclair and Grant Baker available to Ecoya to provide specialist director, management and executive services. Under the consultancy agreement, Ecoya paid directors fees of $177,913 plus GST and consultancy fees of NZ$ 339,824 plus GST to The Bakery in respect of services provided for the year ended 31 March 2012.

Paunui has entered into a contract for services pursuant to which it has agreed to make Craig Schweighoffer available to Ecoya to provide services as Managing Director, Australia. Under the consultancy agreement, Ecoya paid a consultancy fee of NZ$286,311 plus GST per annum to Paunui in respect of such services for the year ended 31 March 2012.

Sarah Gibbs, through her company Bill & George's Investment Limited was paid Consulting fees totalling NZ$ 57,666 plus GST and directors fees of NZ$25,545 plus GST for her services to Ecoya Limited and Trilogy Natural Products Limited for the year ended 31 March 2012.

The Directors are also entitled to be paid for all reasonable travel, accommodation and other expenses incurred by them in connection with their attendance at Board or shareholder meetings, or otherwise in connection with Ecoya's business.

Loans to Independent Directors

As part of an incentive package, Ecoya plans to provide limited recourse loans to the Independent Directors to enable them to subscribe for an aggregate of 900,000 shares in the Company at $1 per Share. Loans will not bear interest, and will be repayable after five years or earlier at the discretion of the Independent Director. The loans will be non recourse against the borrowing Independent Directors, but will be secured against the relevant Shares and Warrants held by or on behalf of the Independent Directors and which were acquired with the loan proceeds.

The Independent Directors will be offered loans of NZ$225,000 each to enable them to subscribe for the shares at NZ$1.00 per share set out below. These shares will have warrants attached to them, but at the time of exercise of the warrants, the Independent Directors will need to subscribe, in cash, if they elect to exercise their warrants.

Loans had not been made to directors as at the date of this report.

Managing Risk

The Board has overall responsibility for the company's system of risk management and internal control and has procedures in place to provide effective control within the management and reporting structure.

Financial Statements are prepared monthly and reviewed by the Board progressively during the year to monitor performance against budget goals and objectives.

The Board also requires managers to identify and respond to risk exposures.

A structured framework is in place for capital expenditure, including appropriate authorisations and approval levels.

The Board maintains an overall view of the risk profile of the Company and is responsible for monitoring corporate risk assessment processes.

Disclosure

The Company adheres to the NZX continuous disclosure requirements which govern the release of all material information that may affect the value of the Company's listed shares or warrants. The Board and senior management team have processes in place to ensure that all material information flows up to the Chairman with a view to consultation with the Board and disclosure of that information if appropriate.

Auditors

PricewaterhouseCoopers acted as auditors of the Company, and have undertaken the audit of the financial statements for the 31 March 2012 year and provided other services to the Company for which they were remunerated. Particulars of the audit and other fees paid during the year are set out on page 60.

ECOYA:

Auditors' Report to the shareholders of Ecoya Limited

Independent Auditors' Report
to the shareholders of Ecoya Limited

Report on the Financial Statements

We have audited the financial statements of Ecoya Limited on pages 25 to 92, which comprise the statements of financial position as at 31 March 2012, the statements of comprehensive income, statements of movements in equity and statements of cash flows for the year then ended, and the notes to the financial statements that include a summary of significant accounting policies and other explanatory information for both the Company and the Group. The Group comprises the Company and the entities it controlled at 31 March 2012 or from time to time during the financial year.

Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation of these financial statements in accordance with generally accepted accounting practice in New Zealand and that give a true and fair view of the matters to which they relate and for such internal controls as the Directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand) and International Standards on Auditing. These standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal controls relevant to the Company and Group's preparation of financial statements that give a true and fair view of the matters to which they relate, 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 Company and Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the financial statements.

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

Other than in our capacity as auditors and providers of other assurance services, we have no relationship with, or interests in, Ecoya Limited or any of its subsidiaries.

Opinion

In our opinion, the financial statements on pages 25 to 92:

(i) comply with generally accepted accounting practice in New Zealand;

(ii) comply with International Financial Reporting Standards; and

(iii) give a true and fair view of the financial position of the Company and the Group as at 31 March 2012, and their financial performance and cash flows for the year then ended.

Report on Other Legal and Regulatory Requirements

We also report in accordance with Sections 16(1)(d) and 16(1)(e) of the Financial Reporting Act 1993. In relation to our audit of the financial statements for the year ended 31 March 2012:

(i) we have obtained all the information and explanations that we have required; and

(ii) in our opinion, proper accounting records have been kept by the Company as far as appears from an examination of those records.

Restriction on Distribution or Use

This report is made solely to the Company's shareholders, as a body, in accordance with Section 205(1) of the Companies Act 1993. Our audit work has been undertaken so that we might state to the Company's shareholders those matters which we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders, as a body, for our audit work, for this report or for the opinions we have formed.

PricewaterhouseCoopers

Chartered Accountants
Auckland
30 May 2012

"From birth to death, our entire lives have a soundtrack written in scent. One note of a half forgotten fragrance is enough to place us at the heart of every moment we've ever lived"

Isaac Sinclair

Perfumer for Ecoya

ECOYA:

Financial Statements

Statements of Comprehensive Income

For the year ended 31 March 2012

	NOTES	CONSOLIDATED 2012 $'000	CONSOLIDATED 2011 $'000	PARENT 2012 $'000	PARENT 2011 $'000
REVENUE	5	22,638	14,279	905	470
COST OF SALES		(8,208)	(5,939)	-	-
GROSS PROFIT		**14,430**	**8,340**	**905**	**470**
OTHER INCOME	6	68	128	791	-
OTHER GAINS (LOSSES) – NET	6	308	(268)	(1)	(88)
EXPENSES	7				
DISTRIBUTION		(1,185)	(888)	-	-
SALES AND MARKETING		(7,628)	(5,622)	-	-
ADMINISTRATION		(5,146)	(5,270)	(1,378)	(1,311)
LISTING EXPENSES		-	(502)	-	(502)
FINANCE INCOME	8	11	164	7	542
FINANCE COSTS	8	(654)	(170)	(975)	(167)
FINANCE COST ON CONTINGENT CONSIDERATION	19	(337)	(197)	-	-
CONTINGENT CONSIDERATION ADJUSTMENT	19	25	-	-	-
LOSS BEFORE INCOME TAX		**(108)**	**(4,285)**	**(651)**	**(1,056)**
INCOME TAX (EXPENSE)/CREDIT	9	(110)	274	27	138
LOSS FOR THE YEAR		**(218)**	**(4,011)**	**(624)**	**(918)**
OTHER COMPREHENSIVE INCOME					
FOREIGN CURRENCY TRANSLATION, NET OF TAX	22	(308)	281	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**(526)**	**(3,730)**	**(624)**	**(918)**

THE ABOVE STATEMENTS OF COMPREHENSIVE INCOME SHOULD BE READ IN CONJUNCTION WITH THE ACCOMPANYING NOTES.

Statements of Comprehensive Income

For the year ended 31 March 2012

LOSSES PER SHARE FOR LOSS ATTRIBUTABLE TO THE ORDINARY EQUITY HOLDERS OF THE COMPANY DURING THE PERIOD:	NOTES	DOLLARS 2012	DOLLARS 2011
BASIC LOSSES PER SHARE	28	0.00	0.09
DILUTED LOSSES PER SHARE	28	0.00	0.09

THE ABOVE STATEMENTS OF COMPREHENSIVE INCOME SHOULD BE READ IN CONJUNCTION WITH THE ACCOMPANYING NOTES.

Trilogy at Auckland Airport

Statements of Financial Position

As at 31 March 2012

	NOTES	CONSOLIDATED 2012 $'000	CONSOLIDATED 2011 $'000	PARENT 2012 $'000	PARENT 2011 $'000
ASSETS					
CURRENT ASSETS					
CASH AND CASH EQUIVALENTS	10	1,921	1,878	99	-
TRADE AND OTHER RECEIVABLES	11	4.295	3,586	460	119
INVENTORIES	12	5,036	5,563	-	-
TAX RECEIVEABLE		16	-	2	29
RECEIVABLES FROM SUBSIDIARIES	25	-	-	31,979	23,796
DERIVATIVE FINANCIAL INSTRUMENTS	20	27	-	-	-
TOTAL CURRENT ASSETS		11,295	11,027	32,540	23,944
NON-CURRENT ASSETS					
PLANT AND EQUIPMENT	14	1,767	1,894	-	-
INTANGIBLE ASSETS	16	17,686	17,831	-	-
SHARES IN SUBSIDIARIES	13	-	-	3,490	3,490
DEFERRED TAX ASSET	15	185	274	165	138
TOTAL NON-CURRENT ASSETS		19,638	19,999	3,655	3,628
TOTAL ASSETS		**30,933**	**31,026**	**36,195**	**27,572**
CURRENT LIABILITIES					
TRADE AND OTHER PAYABLES	17	3,272	3,734	398	393
PROVISION FOR TAX		-	99	-	-
INTEREST BEARING LIABILITIES	18	17	2,572	17	2,572
CONTINGENT CONSIDERATION PAYABLE	19	-	8,663	-	-
DERIVATIVE FINANCIAL INSTRUMENTS	20	-	153	-	-
PAYABLES TO SUBSIDIARIES	25	-	-	-	563
TOTAL CURRENT LIABILITIES		3,289	15,221	415	3,528
NON-CURRENT LIABILITIES					
DEFERRED TAX LIABILITY	15	5	-	-	-
INTEREST BEARING LIABILITIES	18	8,100	2,875	8,100	2,875
TOTAL NON-CURRENT LIABILITIES		8,105	2,875	8,100	2,875
TOTAL LIABILITIES		**11,394**	**18,096**	**8,515**	**6,403**
NET ASSETS		**19,539**	**12,930**	**27,680**	**21,169**
EQUITY					
CONTRIBUTED EQUITY	21	29,195	22,060	29,195	22,060
RESERVES	22	(2)	306	-	-
(ACCUMULATED LOSSES)	22	(9,654)	(9,436)	(1,515)	(891)
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF ECOYA LIMITED		**19,539**	**12,930**	**27,680**	**21,169**

THE ABOVE STATEMENTS OF FINANCIAL POSITION SHOULD BE READ IN CONJUNCTION WITH THE ACCOMPANYING NOTES.

Statements of Movements in Equity

For the year ended 31 March 2012

Consolidated	NOTE	SHARE CAPITAL $'000	ACCUMULATED LOSSES $'000	RESERVES $'000	TOTAL EQUITY $'000
		ATTRIBUTABLE TO EQUITY HOLDERS OF ECOYA LIMITED			
BALANCE AS AT 1 APRIL 2010		6,727	(5,425)	25	1,327
LOSS FOR THE YEAR	22(b)	-	(4,011)	-	(4,011)
FOREIGN CURRENCY TRANSLATION	22(a)	-	-	281	281
TOTAL COMPREHENSIVE INCOME		-	(4,011)	281	(3,730)
ISSUE OF ORDINARY SHARES	21				
FOR CASH AT IPO		10,103	-	-	10,103
FOR CASH AT 17 SEPTEMBER		5,050	-	-	5,050
IPO SHARE ISSUE COST		(653)	-	-	(653)
17 SEPTEMBER SHARE ISSUE COST		(178)	-	-	(178)
SHARE PURCHASE PLAN ALLOTMENT		953	-	-	953
SHARES IN LIEU OF DIRECTORS' FEES		58	-	-	58
		15,333	-	-	15,333
BALANCE AS AT 31 MARCH 2011		**22,060**	**(9,436)**	**306**	**12,930**
BALANCE AS AT 1 APRIL 2011		22,060	(9,436)	306	12,930
LOSS FOR THE YEAR	22(b)	-	(218)	-	(218)
FOREIGN CURRENCY TRANSLATION	22(a)	-	-	(308)	(308)
TOTAL COMPREHENSIVE INCOME		-	(218)	(308)	(526)
ISSUE OF ORDINARY SHARES	21				
FOR CASH IN NOVEMBER		1,150	-	-	1,150
FOR CASH FROM SERIES 1 WARRANT ALLOTMENT		1,510	-	-	1,510
IN SETTLEMENT OF TRILOGY PURCHASE		4,372	-	-	4,372
SHARES IN LIEU OF DIRECTORS' FEES		103	-	-	103
		7,135	**-**	**-**	**7,135**
BALANCE AS AT 31 MARCH 2012		**29,195**	**(9,654)**	**(2)**	**19,539**

THE ABOVE STATEMENTS OF MOVEMENT IN EQUITY SHOULD BE READ IN CONJUNCTION WITH THE ACCOMPANYING NOTES.

Statements of Movements in Equity

For the year ended 31 March 2012

Parent	NOTE	SHARE CAPITAL $'000	ACCUMULATED LOSSES $'000	RESERVES $'000	TOTAL EQUITY $'000
BALANCE AS AT 1 APRIL 2010		6,727	27	-	6,754
LOSS FOR THE YEAR	22(b)	-	(918)	-	(918)
TOTAL COMPREHENSIVE INCOME		-	(918)	-	(918)
ISSUE OF ORDINARY SHARES	21				
FOR CASH AT IPO		10,103	-	-	10,103
FOR CASH AT 17 SEPTEMBER		5,050	-	-	5,050
IPO SHARE ISSUE COST		(653)	-	-	(653)
17 SEPTEMBER SHARE ISSUE COST		(178)	-	-	(178)
SHARE PURCHASE PLAN ALLOTMENT		953	-	-	953
SHARES IN LIEU OF DIRECTORS' FEES		58	-	-	58
		15,333	-	-	15,333
BALANCE AS AT 31 MARCH 2011		**22,060**	**(891)**	**-**	**21,169**
BALANCE AS AT 1 APRIL 2011		22,060	(891)	-	21,169
LOSS FOR THE YEAR	22(b)	-	(624)	-	(624)
TOTAL COMPREHENSIVE INCOME		-	(624)	-	(624)
ISSUE OF ORDINARY SHARES	21				
FOR CASH IN NOVEMBER		1,150	-	-	1,150
FOR CASH FROM SERIES 1 WARRANT ALLOTMENT		1,510	-	-	1,510
IN SETTLEMENT OF TRILOGY PURCHASE		4,372	-	-	4,372
SHARES IN LIEU OF DIRECTORS' FEES		103	-	-	103
		7,135	-	-	7,135
BALANCE AS AT 31 MARCH 2012		**29,195**	**(1,515)**	**-**	**27,680**

THE ABOVE STATEMENTS OF MOVEMENT IN EQUITY SHOULD BE READ IN CONJUNCTION WITH THE ACCOMPANYING NOTES.

Statements of Cash Flows

For the year ended 31 March 2012

	NOTES	CONSOLIDATED YEAR ENDED 2012 $'000	CONSOLIDATED YEAR ENDED 2011 $'000	PARENT YEAR ENDED 2012 $'000	PARENT YEAR ENDED 2011 $'000
CASH FLOWS FROM OPERATING ACTIVITIES					
RECEIPTS FROM CUSTOMERS (INCLUSIVE OF GOODS AND SERVICES TAX)		23,675	13,624	-	467
PAYMENTS TO SUPPLIERS AND EMPLOYEES (INCLUSIVE OF GOODS AND SERVICES TAX)		(23,494)	(20,063)	(1,043)	(1,656)
GOVERNMENT GRANTS RECEIVED		68	128	-	-
INTEREST RECEIVED		11	107	7	102
INTEREST PAID		(465)	(164)	(431)	(155)
TAXATION (PAID)/RECEIVED		(115)	(294)	22	(101)
NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	27	**(320)**	**(6,662)**	**(1,445)**	**(1,343)**
CASH FLOWS FROM INVESTING ACTIVITIES					
ACQUISITION OF SUBSIDIARY, NET OF CASH ACQUIRED	26	-	(10,109)	-	-
PAYMENTS FOR PLANT AND EQUIPMENT		(378)	(1,433)	-	-
PROCEEDS FROM SALE OF PLANT AND EQUIPMENT		30	207	-	-
PAYMENTS FOR INTANGIBLE ASSETS		(66)	(134)	-	-
LOAN REPAID BY SUBSIDIARY		-	-	4,285	-
LOAN ADVANCED TO SUBSIDIARY		-	-	(8,071)	(18,609)
SETTLEMENT OF CONTINGENT CONSIDERATION	19	(4,603)	-	-	-
NET CASH INFLOW / (OUTFLOW) FROM INVESTING ACTIVITIES		**(5,017)**	**(11,469)**	**(3,786)**	**(18,609)**
CASH FLOWS FROM FINANCING ACTIVITIES					
REPAYMENT ON FINANCE LEASE		-	(29)	-	-
PROCEEDS FROM BORROWINGS	18	7,600	3,500	7,600	3,500
REPAYMENT OF BORROWINGS	18	(3,000)	(1,000)	(3,000)	(1,000)
NET PROCEEDS FROM ISSUE OF SHARES	21	2,660	15,275	2,660	15,275
NET CASH INFLOW / (OUTFLOW) FROM FINANCING ACTIVITIES		**7,260**	**17,746**	**7,260**	**17,775**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		1,923	(385)	2,029	(2,177)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		(69)	310	(1,947)	230
EXCHANGE GAINS ON CASH AND CASH EQUIVALENTS		50	6	-	-
CASH AND CASH EQUIVALENTS AT END OF PERIOD		**1,904**	**(69)**	**82**	**(1,947)**
COMPOSITION OF CASH AND CASH EQUIVALENTS:					
CASH AND CASH EQUIVALENTS	10	1,921	1,878	99	-
BANK OVERDRAFT	18	(17)	(1,947)	(17)	(1,947)
		(1,904)	**69**	**82**	**(1,947)**

THE ABOVE STATEMENTS OF CASH FLOWS SHOULD BE READ IN CONJUNCTION WITH THE ACCOMPANYING NOTES.

Notes to the Financial Statements

Note: *Page:*

1. General information

Ecoya Limited ('the Company') and its subsidiaries (together 'the Group') is a manufacturer and wholesaler of products in the home fragrance, bodycare and natural skincare categories. Its major markets are New Zealand and Australia. The Group has manufacturing operations in Australia and the head office is based in New Zealand.

The Company is a limited liability company incorporated and domiciled in New Zealand. The address of its registered office is Level 1, 116-118 Quay Street, Auckland.

These financial statements have been approved for issue by the Board of Directors on 30 May 2012.

2. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied through the periods presented, unless otherwise stated.

(a) Basis of preparation

The Directors have prepared the financial statements on the basis that the Company and the Group are going concerns.

The financial statements have been prepared in accordance with New Zealand generally accepted accounting practice (NZ GAAP). They comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), and other applicable New Zealand Financial Reporting Standards, as appropriate for profit-oriented entities.

The separate and consolidated financial statements of Ecoya Limited also comply with International Financial Reporting Standards (IFRS).

The preparation of financial statements in accordance with NZ IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

The Group has adopted the following new and amended NZ IFRS's of relevance to the Group and Company as of 1 April 2011:

NZ IFRIC 13 (revised): Customer Loyalty Programmes (effective for annual periods beginning on or after 1 January 2011)

The amendments clarify that the fair value of award credits takes into account the amount of discounts or incentives that otherwise would be offered to customers that have not earned the award credits.

NZ IFRIC 19: Extinguishing financial liabilities with equity instruments (effective for annual periods beginning on or after 1 July 2010)

This interpretation addresses the accounting by an entity when the terms of a financial liability are renegotiated and result in the entity issuing equity instruments to a creditor of the entity to extinguish all or part of the financial liability. It does not address the accounting by the creditor.

NZ IFRS 7 (amendment): Financial Instruments disclosures (effective for annual periods beginning on or after 1 January 2011)

The amendments add an explicit statement that qualitative disclosure should be made in the context of the quantitative disclosures to better enable users to evaluate an entity's exposure to risks arising from financial instruments. In addition, the IASB amended and removed existing disclosure requirements.

NZ IAS 24 Related party disclosures (Revised 2009) (effective for annual periods beginning on or after 1 January 2011)

The amendment simplifies the definition of a related party and provides a partial exemption from the disclosure requirements for government-related entities.

The adoption of these new standards or amendments has not resulted in material accounting or disclosure changes for the Group or Company.

Entities reporting
The financial statements for the 'Parent' are for Ecoya Limited as a separate legal entity.

The consolidated financial statements for the 'Group' are for the economic entity comprising Ecoya Limited and its subsidiaries.

Statutory base
Ecoya Limited is a limited liability company which is domiciled and incorporated in New Zealand. It is registered under the Companies Act 1993.

The financial statements have been prepared in accordance with the requirements of the Financial Reporting Act 1993 and the Companies Act 1993.

Historical cost convention
These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial instruments (including derivative financial instruments) at fair value through profit or loss.

(b) Principles of consolidation

(i) Subsidiaries
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Ecoya Limited ('Company' or 'parent entity') as at 31 March 2012 and the results of all subsidiaries for the period then ended. Ecoya Limited and its subsidiaries together are referred to in these financial statements as the Group or the consolidated entity.

Subsidiaries are entities that are controlled, either directly or indirectly, by the Group. Control exists when the Group has the power directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The acquisition method of accounting is used to account for the acquisition of subsidiaries and businesses by the Group.

The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest.

The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the statement of comprehensive income.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(c) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates, 'the functional currency'. The consolidated and parent financial statements are presented in New Zealand dollars, which is Ecoya Limited'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 profit and loss component of the statement of comprehensive income, except when recognised in other comprehensive income as qualifying net investment hedges.

Foreign exchange gains and losses that relate to borrowings are presented in the profit and loss component of the statement of comprehensive income within 'finance income or cost'. All other foreign exchange gains and losses are presented in the profit and loss component of the statement of comprehensive income within 'other gains/(losses) - net'.

(iii) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position item presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised as a separate component of equity in the foreign currency translation reserve.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are taken to other comprehensive income. When a foreign operation is sold or borrowings repaid, a proportionate share of such exchange differences are recognised in the profit and loss component of the statement of comprehensive income as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of foreign entities are treated as assets and liabilities of the foreign entities and translated at the closing rate.

(d) Revenue recognition

Revenue comprises the fair value for the sale of goods and services, net of value-added tax (including Goods and Services Tax), rebates and discounts and after eliminating sales within the Group. Revenue is recognised as follows:

(i) Sales of goods - wholesale
Sales of goods are recognised when a Group entity has delivered products to the customer, the customer has accepted the products and collectability of the related receivables is reasonably assured.

(ii) Interest income
Interest income is recognised on a time-proportion basis using the effective interest method.

(iii) Government grants
Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants relating to operating activities are included in "other income" in the statement of comprehensive income.

(e) Income tax

The income tax expense or revenue for the period is the total of the current period's taxable income based on the national income tax rate for each jurisdiction plus/minus any prior years' under/over provisions, plus/minus movements in the deferred tax balance except where the movement in deferred tax is attributable to a movement in reserves.

Movements in deferred tax are attributable to temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements and any unused tax losses or credits. Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or loss or taxable profit or loss.

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

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

The income tax expense or revenue attributable to amounts recognised in other comprehensive income are also recognised in other comprehensive income. The associated current or deferred tax balances are recognised in these accounts as usual.

Current and deferred tax assets and liabilities of individual entities are reported separately in the consolidated financial statements unless the entities have a legally enforceable right to make or receive a single net payment of tax and the entities intend to make or receive such a net payment or to recover the current tax asset or settle the current tax liability simultaneously.

(f) Goods and Services Tax (GST)

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

(g) Leases

Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other long term payables. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The interest element of the finance cost is charged to the statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the asset's useful life and the lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the profit and loss component of the statement of comprehensive income on a straight-line basis over the period of the lease.

(h) Financial instruments

Financial instruments comprise cash and cash equivalents, trade and other receivables, trade and other payables, derivative financial instruments, borrowings and contingent consideration payable.

Financial assets and financial liabilities are recognised on the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

(i) Cash and cash equivalents

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 interest bearing liabilities in current liabilities on the statement of financial position.

(j) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Trade receivables are due for settlement between 30-90 days from invoice date.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful receivables is established when there is objective evidence that the Group 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 effective interest rate. The amount of the provision is recognised in the profit and loss component of the statement of comprehensive income.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the profit and loss component of the statement of comprehensive income within 'administration expenses'. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against 'administration expense' in the statement of comprehensive income.

(k) Financial assets

The Group classifies its financial assets in the following categories: loans and receivables and financial assets at fair value through profit and loss. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at each reporting date.

(i) *Loans and receivables*
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the

Group provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the statement of financial position date which are classified as non-current assets. The Group's loans and receivables comprise 'trade and other receivables' and 'cash and cash equivalents' in the statement of financial position.

(ii) *Financial assets at fair value through profit or loss*
This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss on initial recognition. For accounting purposes, derivatives are categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the statement of financial position date.

Purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Loans and receivables are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

The Group establishes fair value by using valuation techniques. These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, and discounted cash flow analysis.

(l) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The carrying value of cash and cash equivalents, receivables, payables and accruals and the current portion of borrowings are assumed to approximate their fair values due to the short-term maturity of these investments. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. The fair value of forward exchange contracts is determined using forward exchange market rates at the statement of financial position date.

(m) Derivative financial instruments

The Group uses derivative financial instruments to hedge its exposure to foreign exchange risks. The Group does not hold or issue derivative financial instruments for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are re-measured at their fair value at subsequent reporting dates. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged. Up to and including 31 March 2012, the Group has not designated the forward foreign exchange contracts used as hedging instruments, therefore the derivatives do not qualify for hedge accounting.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in the profit and loss component of the statement of comprehensive income.

(n) Inventories

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(o) Investments in subsidiaries

Investments in subsidiaries in the Parent financial statements are stated at cost less impairment.

(p) Plant and equipment

All 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 Group 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 financial period in which they are incurred.

Depreciation is calculated using the diminishing value method to expense the cost of the assets over their useful lives. The rates are as follows:

- Plant and equipment	10-67%
- Furniture and office equipment	13-67%
- Display equipment	13-33%
- Motor vehicles	25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

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.

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

(q) Intangible assets

(i) *Goodwill*
Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary 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 an entity include the carrying amount of goodwill relating to the entity sold.

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

(ii) Trademarks
Trademarks have a finite useful life and are carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight line method to allocate the cost of trademarks over their estimated useful lives of 10 years.

(iii) Software and website development costs
Software and website development costs have a finite useful life. Software and website development costs are capitalised and written off over the useful economic life of 3 to 4 years.

(iv) Brands
Acquired brands are recorded under the heading Intangible Assets in the statement of financial position at fair value on acquisition of the brands. Where the brands have a substantial and long term sustainable value and continued investment is made in the brand e.g. through advertising expenditure, the brand is deemed to have an indefinite life and is therefore not amortised.

Brands are reviewed annually for impairment or whenever events or changes in circumstances indicate the carrying value of the brand may be impaired. No deferred tax is recognised on brands as they are deemed to have an indefinite life and therefore are not being consumed through use.

(r) Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment irrespective of whether any circumstances identifying a possible impairment have been identified. 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 flows (cash generating units).

(s) Trade and other payables

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

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 and 60 days of recognition.

(t) Interest bearing liabilities

Interest bearing liabilities are initially recognised at fair value, net of transaction costs incurred. Interest bearing liabilities are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the profit and loss component of the statement of comprehensive income over the period of the borrowings using the effective interest method. Arrangement fees are amortised over the term of the loan facility. Other borrowing costs are expensed as incurred.

Interest bearing liabilities are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date.

(u) Employee benefits

(i) *Wages and salaries, annual leave and sick leave*
Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

(ii) *Retirement benefit obligations*
Contributions to defined contribution superannuation schemes 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.

(v) Contributed equity

Ordinary shares are classified as equity.
Incremental costs directly attributable to the issue of new shares for the acquisition of a business are shown in equity as a deduction, net of tax, from the proceeds.

(w) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been readily estimated.

(x) Standards, amendments and interpretations to existing standards that are not yet effective

Certain new standards, amendments and interpretations to existing standards have been published that are mandatory for the Group's accounting periods beginning on or after 1 April 2012 or later periods.

(i) *Standard and Interpretations early adopted by the Group*
The Group and Company have not early adopted any new accounting standard and IFRIC interpretations in the current financial period.

(a) *Standards, amendments and interpretations to existing standards that are relevant to the Group, not yet effective and have not been early adopted by the Group*

FRS 44 New Zealand Additional Disclosures and Harmonisation Amendments (effective for annual periods beginning on or after 1 July 2011)

FRS 44 sets out New Zealand specific disclosures for entities that apply NZ IFRSs. These disclosures have been relocated from NZ IFRSs

to clarify that these disclosures are additional to those required by IFRSs. The Harmonisation Amendments amends various NZ IFRSs for the purpose of harmonising with the source IFRSs and Australian Accounting Standards.
The new standard and amendments are not expected to have a material impact on the Group or Company's financial statements and will be adopted in the financial statements for the annual reporting period ending 31 March 2013.

NZ IFRS 10 Consolidated Financial Statements, NZ IFRS 11 Joint Arrangements, NZ IFRS 12 Disclosure of Interests in Other Entities, revised NZ IAS 27 Separate Financial Statements and NZ IAS 28 Investments in Associates and Joint Ventures (effective for annual periods beginning on or after 1 January 2013)

NZ IFRS 10 replaces all of the guidance on control and consolidation in NZ IAS 27, and NZ IFRIC 12. The core principle that a consolidated entity presents a parent and its subsidiaries as if they are a single economic entity remains unchanged, as do the mechanics of consolidation. However, the standard introduces a single definition of control that applies to all entities. The Group does not expect the new standard to have a significant impact on its composition.

NZ IFRS 11 introduces a principles based approach to accounting for joint arrangements, focusing on how rights and obligations are shared by the parties to the joint arrangement rather than on the legal structure. A joint arrangement will be classified as either a joint operation or joint venture. Joint ventures are accounted for using the equity method, and the choice to proportionately consolidate will no longer be permitted. Parties to a joint operation will account for their share of revenues, expenses, assets and liabilities in much the same way as under the previous standard. The Group does not currently have any joint arrangements.
NZ IFRS 12 sets out the required disclosures for entities reporting under the two new standards, NZ IFRS 10 and NZ IFRS 11, and replaces the disclosure requirements currently found in NZ IAS 28. Application of this standard by the Group will not affect any of the amounts recognised in the financial statements, but may impact the type of information disclosed in relation to the Group's investments.

NZ IAS 27 is renamed Separate Financial Statements and is now a standard dealing solely with separate financial statements. Application of this standard by the Group and Company will not affect any of the amounts recognised in the financial statements, but may impact the type of information disclosed in relation to the parent's investments in the separate parent entity financial statements.

Amendments to NZ IAS 28 provide clarification that an entity continues to apply the equity method and does not re-measure its retained interest as part of ownership changes where a joint venture becomes an associate, and vice versa. The amendments also introduce a "partial disposal" concept. The amendment is not expected to have a material impact on the Group's financial statements.

The Group expects to adopt these new standards in the financial statements for the annual reporting period ending 31 March 2014.

NZ IFRS 13 Fair Value Measurement (effective for annual periods beginning on or after 1 January 2013)

NZ IFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The Group has yet to assess the full impact of NZ IFRS 13 on measurement and disclosures. The Group and Company expect to adopt the new standard in the financial statements for the annual reporting period ending 31 March 2014.

NZ IAS 1 Amendments Presentation of Items of Other Comprehensive Income (effective for annual periods beginning on or after 1 July 2012)

The amendment requires entities to separate items presented in other comprehensive income into two groups, based on whether they may be recycled to profit or loss in the future. This will not affect the measurement of any of the items recognised in the balance sheet or the profit or loss in the current period. The Group and Company expect to adopt the amendment in the financial statements for the annual reporting period ending 31 March 2014.

NZ IFRS 9: Financial instruments (effective for annual periods beginning on or after 1 January 2015)

NZ IFRS 9 addresses the classification, measurement and recognition of financial assets and financial liabilities and replaces the parts of NZ IAS 39 relating to classification and measurement of financial instruments. NZ IFRS 9 requires financial instruments to be classified into two measurement categories: amortised cost and fair value. The determination is made at initial recognition. All equity investments are measured at fair value. A debt instrument is measured at amortised cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is measured at fair value through profit or loss.

For financial liabilities the standard retains most of the NZ IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The new standard is not expected to have a material impact on the Group or Company's financial statements. The Group and Company have not yet decided when to adopt NZ IFRS 9.

(y) Segmental reporting

Operating segments are reported in a manner consistent with internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors of the Group made up of the Chief Executive Officer and the Chief Operating Officer.

3. Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and foreign exchange risks and aging analysis for credit risk.

(a) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control risk exposures within acceptable parameters while optimising the return on risk.

(i) Currency risk

The Group is exposed to currency risk on sales and purchases that are denominated in a currency other than the respective functional currencies of the Group's entities, being NZ dollars (NZD) and Australian dollars (AUD). The currency risk arises primarily with respect to purchases of materials in US dollars (USD) and NZ dollars by the Australian subsidiary, and sales to international customers in US dollars (USD), GB pounds (GBP) Euros (EUR), and Japanese Yen (JPY) by the New Zealand subsidiaries.

The parent entity is exposed to currency risk on the related party receivable due from the Australian subsidiary, denominated in Australian dollars. The risk is measured using sensitivity analysis and cash flow forecasting.

After allowing for natural hedges, the Group uses forward foreign exchange contracts to manage its estimated foreign currency exposure in respect of forecast revenue received from international customers, and in respect of forecast raw material purchases.

The Group has certain investments in foreign operations whose net assets are exposed to foreign currency translation risk.

The corresponding table summarises the Group's exposure at the reporting date to foreign currency risk on the net monetary assets/(liabilities) of each Group entity against its respective functional currency, expressed in NZ dollars.

Foreign currency risk on net monetary assets / (liabilities)

31 MARCH 2012	NZD $'000	USD $'000	AUD $'000	GBP $'000	EUR $'000	JPY $'000
ECOYA LIMITED	-	-	8,132	-	-	-
ECOYA NZ LIMITED	-	146	4,067	11	-	-
ECOYA PTY LIMITED	2,854	(131)	-	-	(31)	-
TRILOGY NATURAL PRODUCTS LIMITED	-	9	566	146	334	(5)
ECOYA GROUP	**2,854**	**24**	**12,765**	**157**	**303**	**(5)**

31 MARCH 2011	NZD $'000	USD $'000	AUD $'000	GBP $'000	EUR $'000	JPY $'000
ECOYA LIMITED	-	-	8,647	-	-	-
ECOYA NZ LIMITED	-	67	2,362			-
ECOYA PTY LIMITED	1,526	9	-		-	-
TRILOGY NATURAL PRODUCTS LIMITED	-	24	527	177	276	103
ECOYA GROUP	**1,526**	**100**	**11,536**	**177**	**276**	**103**

The following significant exchange rates applied during the year:

Exchange rates applied

	AVERAGE RATE 2012	AVERAGE RATE 2011	CLOSING RATE 2012	CLOSING RATE 2011
NZD/AUD	0.774	0.778	0.787	0.739
NZD/USD	0.811	0.733	0.814	0.764
NZD/GBP	0.507	0.471	0.511	0.476
NZD/EUR	0.587	0.555	0.613	0.540
NZD/JPY	63.982	62.791	67.022	63.213

Sensitivity analysis – underlying exposures
A 10% weakening of the NZ dollar against the Australian dollar at 31 March 2012 would have increased/(decreased) equity and the net result for the period by the amounts shown below. Based on historical movements a 10% increase or decrease in the NZ dollar is considered to be a reasonable estimate. This analysis assumes that all other variables remain constant.

Australian dollar
The Group's net result and equity for the period would have been $1,000 lower and $1,761,000 higher respectively (2011: $169,000 and $1,129,000 higher respectively). The Parent's net result and equity for the period would have been $904,000 higher (2011: $961,000 higher).

A 10% strengthening of the NZ dollar against the Australian dollar at 31 March 2012 and 31 March 2011 would have an equal and opposite effect on the above currencies to the amounts set out above on the basis that all other variables remain constant.

The Group's exposure to other foreign exchange movements, excluding forward foreign exchange contracts, is not material.

Sensitivity analysis
– forward foreign exchange contracts

The Group is exposed to currency risk on derivative financial instruments denominated in foreign currencies.

A 10% weakening of the NZ dollar at 31 March 2012 in relation to these forward foreign exchange contracts would have decreased the Group's equity and the net result for the period by $275,000 (2011: $322,000). The parent had no derivative financial instruments at 31 March 2012 or 31 March 2011.

A 10% strengthening of the NZ dollar at 31 March 2012 and 31 March 2011 would have an equal and opposite effect on the basis that all other variables remain constant.

(ii) Interest rate risk
The Group's fair value interest rate risk at 31 March 2012 arises from bank borrowings where the interest rate is set using the committed cash advance facility rate (CCAF rate) plus a margin of 2% per annum. A detailed summary of the Group's interest rate risk is given in note 18.

Sensitivity analysis

If interest rates on borrowings had been 100 basis points higher during the year, the Group's net result and equity for the period would have been $59,000 lower (2011:$19,000 lower). Based on historical movements, a 100 basis points movement is considered to be a reasonable estimate.

A 100 basis points decrease in interest rates would have an equal and opposite effect.

(iii) Price risk
The Group does not enter into commodity contracts other than to meet the Group's expected usage and sale requirements; such contracts are not settled net.

(b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as from the Group's receivables due from customers. Only major banks are accepted for cash and deposit balances.

The Group has a large number of customers with only one individual customer accounting for more than 10% of the Group's revenue. Credit risk is concentrated predominantly within Australia and New Zealand and the market for consumer products. The Group has established credit policies under which each new customer is analysed for creditworthiness before payment and delivery terms and conditions are agreed. The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets as summarised in note 11.

(c) Liquidity risk

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

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Maturities of financial liabilities
The tables on the following page analyse the Group's and the parent entity's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows, including interest payments in respect of financial liabilities. Balances due within 12 months equal their carrying value as the impact of discounting is not significant. The maturity analysis of the $8,100,000 interest-bearing liabilities at 31 March 2012 assumes that no principal repayments will be required before 1 April 2014. As described in more detail in Note 18, the repayment schedule under the bank facility after 1 April 2013 has not yet been determined.

Maturities of financial liabilities

Consolidated At 31 March 2012	NOTES	LESS THAN 3 MONTHS $'000	3 – 12 MONTHS $'000	BETWEEN 1 AND 2 YEARS $'000	BETWEEN 2 AND 5 YEARS $'000	OVER 5 YEARS $'000	TOTAL CONTRACTUAL CASH FLOWS $'000	CARRYING AMOUNTS LIABILITIES $'000
NON-DERIVATIVE FINANCIAL LIABILITIES								
TRADE AND OTHER PAYABLES	17	3,272	-	-	-	-	3,272	3,272
INTEREST BEARING LIABILITIES	18	141	372	496	8,596	-	9,605	8,117
TOTAL		**3,413**	**372**	**496**	**8,596**	**-**	**12,877**	**11,389**

Consolidated At 31 March 2011	NOTES	LESS THAN 3 MONTHS $'000	3 – 12 MONTHS $'000	BETWEEN 1 AND 2 YEARS $'000	BETWEEN 2 AND 5 YEARS $'000	OVER 5 YEARS $'000	TOTAL CONTRACTUAL CASH FLOWS $'000	CARRYING AMOUNTS LIABILITIES $'000
NON-DERIVATIVE FINANCIAL LIABILITIES								
TRADE AND OTHER PAYABLES	17	3,455	183	96	-	-	3,734	3,734
INTEREST BEARING LIABILITIES	18	2,069	736	2,144	956	-	5,905	5,447
CONTINGENT CONSIDERATION PAYABLE – CASH ELEMENT	19	-	4,663	-	-	-	4,663	4,663
TOTAL		**5,524**	**5,582**	**2,240**	**956**	**-**	**14,302**	**13,844**
Parent At 31 March 2012								
NON-DERIVATIVE FINANCIAL LIABILITIES								
TRADE AND OTHER PAYABLES	17	399	-	-	-	-	399	399
INTEREST BEARING LIABILITIES	18	141	372	496	8,596	-	9,605	8,117
TOTAL		**540**	**372**	**496**	**8,596**	**-**	**10,004**	**8,516**
Parent At 31 March 2011								
NON-DERIVATIVE FINANCIAL LIABILITIES								
TRADE AND OTHER PAYABLES	17	393	-	-	-	-	393	393
INTEREST BEARING LIABILITIES	18	2,069	736	2,144	956	-	5,905	5,447
TOTAL		**2,462**	**736**	**2,144**	**956**	**-**	**6,298**	**5,840**

The table below analyses the Group's and the parent entity's derivative financial instruments that will be settled on a gross basis into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date.

The amounts disclosed in the table are the contractual undisclosed cash flows. They are expected to occur and affect profit or loss at various dates between statement of financial position date and the following 12 months.

Maturities of derivative financial instruments

Consolidated *At 31 March 2012*	LESS THAN 3 MONTHS $'000	3-12 MONTHS $'000
FORWARD FOREIGN EXCHANGE CONTRACTS – CASH FLOW HEDGES		
INFLOW	1,154	1,591
OUTFLOW	(1,125)	(1,593)

The Parent did not have any derivative financial liabilities at 31 March 2012 or 31 March 2011.

Consolidated *At 31 March 2011*	LESS THAN 3 MONTHS $'000	3-12 MONTHS $'000
FORWARD FOREIGN EXCHANGE CONTRACTS – CASH FLOW HEDGES		
INFLOW	1,038	1,971
OUTFLOW	(1,107)	(2,055)

(d) Financial instruments by category

Financial instruments by category

ASSETS AS PER BALANCE SHEET	NOTES	CONSOLIDATED LOANS AND RECEIVABLES AT 31 MARCH 2012 $'000	CONSOLIDATED LOANS AND RECEIVABLES AT 31 MARCH 2011 $'000	PARENT LOANS AND RECEIVABLES AT 31 MARCH 2012 $'000	PARENT LOANS AND RECEIVABLES AT 31 MARCH 2011 $'000
TRADE AND OTHER RECEIVABLES (NET)	11	3,674	3,064	1	3
RECEIVABLES FROM SUBSIDIARIES	25	-	-	32,427	23,796
DERIVATIVE FINANCIAL EQUIVALENTS	20	27	-	-	-
CASH AND CASH EQUIVALENTS	10	1,921	1,878	99	-
		5,622	**4,942**	**32,527**	**23,799**

Prepayments and GST receivable do not meet the definition of a financial asset and have been excluded from the tables above.

Financial instruments by category

LIABILITIES AS PER BALANCE SHEET	NOTES	CONSOLIDATED MEASURED AT AMORTISED COST AT 31 MARCH 2012 $'000	CONSOLIDATED MEASURED AT FAIR VALUE THROUGH THE PROFIT AND LOSS AT 31 MARCH 2012 $'000	PARENT MEASURED AT AMORTISED COST AT 31 MARCH 2012 $'000	PARENT MEASURED AT FAIR VALUE THROUGH THE PROFIT AND LOSS AT 31 MARCH 2012 $'000
TRADE PAYABLES AND ACCRUED EXPENSES	17	2,853	-	360	-
PAYABLES FROM SUBSIDIARIES	25	-	-	-	-
INTEREST BEARING LIABILITIES	18	8,117	-	8,117	-
		10,970	**-**	**8,477**	**-**

LIABILITIES AS PER BALANCE SHEET	NOTES	CONSOLIDATED MEASURED AT AMORTISED COST AT 31 MARCH 2011 $'000	CONSOLIDATED MEASURED AT FAIR VALUE THROUGH THE PROFIT AND LOSS AT 31 MARCH 2011 $'000	PARENT MEASURED AT AMORTISED COST AT 31 MARCH 2011 $'000	PARENT MEASURED AT FAIR VALUE THROUGH THE PROFIT AND LOSS AT 31 MARCH 2011 $'000
TRADE PAYABLES AND ACCRUED EXPENSES	17	3,168	-	393	-
PAYABLES FROM SUBSIDIARIES	25	-	-	563	-
INTEREST BEARING LIABILITIES	18	5,447	-	5,447	-
CONTINGENT CONSIDERATION PAYABLE	19	8,663	-	-	-
DERIVATIVE FINANCIAL INSTRUMENTS	20	-	153	-	-
		17,278	**153**	**6,403**	**-**

Employee entitlements, GST payable and the deferred lease incentive do not meet the definition of a financial liability and have been excluded from the table above.

(e) Fair value estimation

The following table represents the Group's and Parent's liabilities that are measured at fair value:

Fair value estimation

	NOTES	LEVEL 2 GROUP 2012 $'000	LEVEL 2 GROUP 2011 $'000
DERIVATIVE FINANCIAL INSTRUMENTS - ASSETS	20	27	-
DERIVATIVE FINANCIAL INSTRUMENTS - LIABILITIES	20	-	(153)
		27	**(153)**

The Parent did not have any derivative financial instruments at 31 March 2012 or 31 March 2011.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. These instruments are included in level 1. The Group did not have any level 1 financial instruments at 31 March 2012 (31 March 2011:none).

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. The Group's forward foreign exchange contracts are level 2 financial instruments at 31 March 2012 and 31 March 2011.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The Group does not currently have any level 3 financial instruments (31 March 2011: none).

Specific valuation techniques used to fair value instruments include:
The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to present value.

(f) Capital adequacy

The Board's aim is to maintain a strong capital base to sustain future development of the business and to maintain investor and creditor confidence. During the financial year the Group raised $1,150,000 through share allotments, and $1,510,000 from the execution of Series 1 warrants (see note 21). The combination of these and the funding provided from the Bank of New Zealand gives the Group sufficient capital base to continue to grow the business.

The Group and Parent have been subject to externally imposed capital requirements regarding interest cover since 10 September 2010 in relation to the facility with Bank of New Zealand as described in Note 18. The Group and Parent have complied with these requirements for the entire period reported.

4. 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 are believed to be reasonable under the circumstances.

The Group 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 and the judgements applied are discussed below.

(i) Estimated impairment of goodwill and brands
The Group tests annually whether goodwill and brands have suffered any impairment, in accordance with the accounting policy stated in note 2q(i) and 2q(iv). The recoverable amounts of cash generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions. Refer to note 16 for details of these assumptions.

(ii) Income taxes
Judgement is exercised in determining the timing and extent of recognition of the benefit of tax losses. The benefit of tax losses can be recognised as an asset if its recovery is 'probable' (more likely than not). In the absence of any track record of profitability, convincing evidence is needed of how the losses will be recovered in the future, before any deferred tax asset is recognised.

The Group has not recognised any benefit at 31 March 2012 in respect of the tax losses generated by Ecoya Pty Limited to date, given the history of losses and the expectation that it will be at least two years before taxable profits are available against which these tax losses will be utilised.

The Group has also decided not to recognise losses of the parent Ecoya Limited incurred in the period 1 April to 31 August 2010. Excess losses incurred by the New Zealand companies in the Group since the acquisition of Trilogy have been recognised as a deferred tax asset because of the ability to apply these losses against the profits in Trilogy.

5. Segment information

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

Although certain geographies do not currently meet the NZ IFRS 8 quantitative thresholds, management has concluded that these segments should be reported as they are closely monitored by the chief operating decision maker as potential growth segments and are expected to materially contribute to Group revenue in the future.

The chief operating decision maker assesses the performance of the operating segments based on a measure of EBITDA. This measurement basis excludes fair value gains and losses on derivative financial instruments and the effects of non-recurring expenditure from operating segments. Interest income and costs are not allocated to segments as this type of activity is driven by the Group's head office function which manages the cash position of the Group. Head office costs are allocated to segments in line with their sales.

The segment information provided to the chief operating decision maker for the reportable segments is as follows:

Ecoya at Auckland Airport

Segment information

HOME FRAGRANCE, BODYCARE	YEAR ENDED 31 MARCH 2012 AUSTRALIA $'000	NEW ZEALAND $'000	US $'000	UK AND IRELAND $'000	REST OF WORLD $'000	TOTAL $'000
SEGMENT REVENUE	7,342	1,245	406	45	463	9,501
REVENUE FROM EXTERNAL CUSTOMERS	7,342	1,245	406	45	463	9,501
EBITDA	(1,408)	(407)	(943)	(24)	(272)	(3,054)
DEPRECIATION AND AMORTISATION	(252)	(60)	-	-	-	(312)
INCOME TAX EXPENSE	-	(110)	-	-	-	(110)
CAPITAL EXPENDITURE	268	56	-	-	-	324

NATURAL SKINCARE	YEAR ENDED 31 MARCH 2012 AUSTRALIA $'000	NEW ZEALAND $'000	US $'000	UK AND IRELAND $'000	REST OF WORLD $'000	TOTAL $'000
SEGMENT REVENUE	4,384	5,137	179	1,620	1,817	13,137
REVENUE FROM EXTERNAL CUSTOMERS	4,384	5,137	179	1,620	1,817	13,137
EBITDA	869	2,131	94	186	837	4,117
DEPRECIATION AND AMORTISATION	-	(84)	-	-	-	(84)
CAPITAL EXPENDITURE	-	121	-	-	-	121
TOTAL REVENUE BY GEOGRAPHY	11,726	6,382	585	1,665	2,280	22,638

Segment information

YEAR ENDED 31 MARCH 2011

HOME FRAGRANCE, BODYCARE	AUSTRALIA $'000	NEW ZEALAND $'000	US $'000	UK AND IRELAND $'000	REST OF WORLD $'000	TOTAL $'000
SEGMENT REVENUE	6,468	536	307	-	179	7,490
REVENUE FROM EXTERNAL CUSTOMERS	6,468	536	307	-	179	7,490
EBITDA	(3,335)	(587)	(893)	-	(281)	(5,096)
DEPRECIATION AND AMORTISATION	(185)	(18)	-	-	-	(203)
INCOME TAX EXPENSE/ (CREDIT)	-	274	-	-	-	274
CAPITAL EXPENDITURE	1,275	135	-	-	-	1,410

YEAR ENDED 31 MARCH 2011

NATURAL SKINCARE	AUSTRALIA $'000	NEW ZEALAND $'000	US $'000	UK AND IRELAND $'000	REST OF WORLD $'000	TOTAL $'000
SEGMENT REVENUE	2,646	2,567	183	1,118	275	6,789
REVENUE FROM EXTERNAL CUSTOMERS	2,646	2,567	183	1,118	275	6,789
EBITDA	661	892	87	409	136	2,185
DEPRECIATION AND AMORTISATION	-	(54)	-	-	-	(54)
CAPITAL EXPENDITURE	-	167	-	-	-	167
TOTAL SEGMENT REVENUE	9,114	3,103	490	1,118	454	14,279

A reconciliation of EBITDA to the Group's loss before tax for the period is provided as follows:

Reconciliation of EBITDA to Group's loss before tax

	YEAR ENDED 31 MARCH 2012 $'000	YEAR ENDED 31 MARCH 2011 $'000
EBITDA FOR REPORTABLE SEGMENTS	1,063	(2,911)
LISTING AND ACQUISITION COSTS	-	(673)
GAINS (LOSSES) ON DERIVATIVE FINANCIAL INSTRUMENTS	180	(241)
DEPRECIATION AND AMORTISATION	(396)	(257)
FINANCE INCOME, NET	(643)	(6)
CONTINGENT CONSIDERATION FINANCE COST AND UNWIND ADJUSTMENT	(312)	(197)
LOSS BEFORE TAX	**(108)**	**(4,285)**

Revenues from external customers are derived from sale of goods in the home fragrance, bodycare and natural skincare categories.

Revenues of approximately $4,834,000 (2011: $2,287,000) are derived from a single external customer. These revenues are attributable to the natural skincare segment in Australia and New Zealand.

The total of non-current assets other than deferred tax assets located in New Zealand is $16,854,000 (2011: $16,884,000), including the intangibles arising on the Trilogy acquisition in September 2010 (see note 26), and the total of non-current assets located in other countries is $2,599,000 (2011; $2,841,000).

Segment assets and liabilities are not included within the reporting to the chief operating decision maker and hence have not been included within the segment information tables above.

6. Other income

Other income

	CONSOLIDATED 2012 $'000	CONSOLIDATED 2011 $'000	PARENT 2012 $'000	PARENT 2011 $'000
GOVERNMENT GRANTS	68	128	-	-
TRANSFERRABLE TAX LOSSES (SEE NOTE 25)	-	-	791	-
	68	**128**	**791**	**-**

Other gains (losses)

	CONSOLIDATED 2012 $'000	CONSOLIDATED 2011 $'000	PARENT 2012 $'000	PARENT 2011 $'000
FOREIGN EXCHANGE GAINS/(LOSSES) – NET	128	(27)	(1)	-
GAINS/(LOSSES) ON DERIVATIVE FINANCIAL INSTRUMENTS	180	(241)	-	(88)
	308	**(268)**	**(1)**	**(88)**

7. Expenses

Expenses

LOSS BEFORE INCOME TAX INCLUDES THE FOLLOWING SPECIFIC EXPENSES:	CONSOLIDATED 2012 $'000	CONSOLIDATED 2011 $'000	PARENT 2012 $'000	PARENT 2011 $'000
DEPRECIATION				
PLANT AND EQUIPMENT	123	63	-	-
FURNITURE AND OFFICE EQUIPMENT	145	83	-	-
DISPLAY EQUIPMENT	24	46	-	-
MOTOR VEHICLES	7	7	-	-
TOTAL DEPRECIATION	299	199	-	-
AMORTISATION				
TRADEMARKS	4	12	-	-
SOFTWARE AND WEBSITE DEVELOPMENT	93	46	-	-
TOTAL AMORTISATION	97	58	-	-
TOTAL DEPRECIATION AND AMORTISATION	396	257	-	-
RENTAL EXPENSE RELATING TO OPERATING LEASES				
MINIMUM LEASE PAYMENTS	426	362	-	-
TOTAL RENTAL EXPENSE RELATING TO OPERATING LEASES	426	362	-	-
SUNDRY EXPENSES				
DONATIONS	39	20	-	-
LOSS ON DISPOSAL OF PROPERTY, PLANT & EQUIPMENT	73	-	-	-
	112	20	-	-
EMPLOYEE BENEFIT EXPENSE				
SALARIES AND WAGES	3,955	3,284	-	-
PENSION COSTS – DEFINED CONTRIBUTION SUPERANNUATION SCHEME	199	191	-	-
TOTAL EMPLOYEE BENEFIT EXPENSE	4,154	3,475	-	-

The employee benefit expense disclosed above does not include the consultancy fees payable to key management (refer note 25).

Expenses: Auditors' Fees

ASSURANCE SERVICES	CONSOLIDATED 2012 $'000	CONSOLIDATED 2011 $'000	PARENT 2012 $'000	PARENT 2011 $'000
AUDIT AND REVIEW OF FINANCIAL REPORTS AND OTHER AUDIT WORK	146	116	146	116
ASSURANCE SERVICES – DUE DILIGENCE ON TRILOGY ACQUISITION	-	38	-	38
TOTAL REMUNERATION FOR AUDIT AND OTHER SERVICES	146	154	146	154

During the year the above fees were paid or payable for services provided by the auditor of the parent entity.

8. Finance income and expenses

Finance income and expenses

	CONSOLIDATED 2012 $'000	CONSOLIDATED 2011 $'000	PARENT 2012 $'000	PARENT 2011 $'000
FINANCE COSTS				
FOREIGN EXCHANGE GAINS/(LOSSES) ON RELATED PARTY LOAN	(206)	-	(530)	-
BORROWINGS	(448)	(170)	(445)	(167)
TOTAL FINANCE COSTS	(654)	(170)	(975)	(167)
FINANCE INCOME				
INTEREST RECEIVED ON BANK BALANCES	11	107	7	102
FOREIGN EXCHANGE GAINS/(LOSSES) ON RELATED PARTY LOAN	-	57	-	440
TOTAL FINANCE INCOME	11	164	7	542
NET FINANCE (COST)/ INCOME	**(643)**	**(6)**	**(968)**	**375**

9. Income tax (expense)/credit

Income tax (expense)/credit

(A) INCOME TAX (EXPENSE)/CREDIT	CONSOLIDATED 2012 $'000	CONSOLIDATED 2011 $'000	PARENT 2012 $'000	PARENT 2011 $'000
CURRENT TAX	(16)	-	-	-
DEFERRED TAX (NOTE 15)	(94)	274	27	138
INCOME TAX (EXPENSE)/ CREDIT	**(110)**	**274**	**27**	**138**
(B) NUMERICAL RECONCILIATION OF INCOME TAX EXPENSE TO PRIMA FACIE TAX PAYABLE				
LOSS FROM CONTINUING OPERATIONS BEFORE INCOME TAX EXPENSE	(108)	(4,285)	(651)	(1,056)
TAX CREDIT CALCULATED AT APPLICABLE DOMESTIC TAX RATES	30	1,285	182	316
TAX EFFECT OF AMOUNTS WHICH ARE NOT DEDUCTIBLE (TAXABLE) IN CALCULATING TAXABLE INCOME:				
NON-TAXABLE INCOME	-	-	-	133
NON-DEDUCTIBLE EXPENSES	(128)	(264)	(156)	(199)
TEMPORARY DIFFERENCES NOT RECOGNISED	-	10	-	-
TAX LOSSES NOT RECOGNISED	2	(738)	-	(102)
ADJUSTMENTS IN RESPECT OF PRIOR YEARS	(14)	-	1	-
REMEASUREMENT OF DEFERRED TAX - CHANGE IN THE NZ TAX RATE	-	(19)	-	(10)
INCOME TAX (EXPENSE)/ INCOME	**(110)**	**274**	**27**	**138**
THE WEIGHTED AVERAGE APPLICABLE TAX RATE WAS 28% (2011: 30%)				
(C) IMPUTATION CREDITS AVAILABLE DIRECTLY AND INDIRECTLY TO SHARE HOLDERS OF THE PARENT COMPANY, THROUGH:				
PARENT COMPANY	2	29	2	29
SUBSIDIARIES	272	265	-	-
	274	**294**	**2**	**29**

10. Cash and cash equivalents

Cash and cash equivalents

	CONSOLIDATED 2012 $'000	CONSOLIDATED 2011 $'000	PARENT 2012 $'000	PARENT 2011 $'000
CASH AT BANK AND IN HAND	1,921	1,878	99	-
	1,921	**1,878**	**99**	**-**

As at 31 March 2012 cash at bank includes a bank guarantee of $76,000 required under the terms of the premises' lease agreement. The deposit will be held for the period of the lease agreement, see note 24.

11. Trade and other receivables

Trade and other receivables

	CONSOLIDATED 2012 $'000	CONSOLIDATED 2011 $'000	PARENT 2012 $'000	PARENT 2011 $'000
TRADE RECEIVABLES	3,820	3,137	1	3
PROVISION FOR DOUBTFUL RECEIVABLES	(146)	(73)	-	-
	3,674	3,064	1	3
AMOUNT DUE FROM RELATED PARTIES (SEE NOTE 25)	-	-	448	-
PREPAYMENTS	433	221	11	15
GST RECEIVABLE	188	301	-	101
	4,295	**3,586**	**460**	**119**

As at 31 March 2012, trade receivables of the Group of $2,615,000 (2011: $2,299,000) were fully performing. The Parent's trade receivables of $1,000 (2011:$3,000) were fully performing.

Impaired receivables

	CONSOLIDATED 2012 $'000	CONSOLIDATED 2011 $'000	PARENT 2012 $'000	PARENT 2011 $'000
31 – 60 DAYS OVERDUE	-	-	-	-
90+ DAYS OVERDUE	146	73	-	-
	146	**73**	**-**	**-**

(a) Impaired receivables

As at 31 March 2012 current trade receivables of the Group with a nominal value of $146,000 (2011: $73,000) were impaired and provided for. The amount of the provision was $146,000 (2011: $73,000) the individually impaired receivables mainly relate to customers who are in financial difficulty or dispute. There were no impaired trade receivables for the parent in 2012 (2011: nil).

The ageing of these receivables is as above:

(b) Past due but not impaired receivables

As at 31 March 2012, trade receivables of $1,059,000 (2011: $765,000) were past due but not impaired. These relate to a number of customers for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

Past due but not impaired receivables

	CONSOLIDATED 2012 $'000	CONSOLIDATED 2011 $'000	PARENT 2012 $'000	PARENT 2011 $'000
1 – 30 DAYS OVERDUE	485	394	-	-
31 – 60 DAYS OVERDUE	254	221	-	-
61+ DAYS OVERDUE	320	150	-	-
	1,059	**765**	**-**	**-**

(c) Provision for impairment of receivables

Movements in the provision for impairment of receivables are as follows:

Provision for impairment of receivables

	CONSOLIDATED 2012 $'000	CONSOLIDATED 2011 $'000	PARENT 2012 $'000	PARENT 2011 $'000
OPENING BALANCE	73	34	-	-
EXCHANGE DIFFERENCES	(4)	2	-	-
PROVISION FOR IMPAIRMENT RECOGNISED DURING THE YEAR	201	185	-	-
RECEIVABLES WRITTEN OFF DURING THE YEAR AS UNCOLLECTABLE	(124)	(148)	-	-
AS AT 31 MARCH	**146**	**73**	**-**	**-**

The creation and release of the provision for impaired receivables has been included in 'administration expenses' in the statement of comprehensive income. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

The other balances within total trade and other receivables do not contain impaired assets and are not past due. Based on the credit history of these other classes, it is expected that these amounts will be received when due.

(d) Foreign exchange and interest rate risk

Refer to note 3(a)(i) for an analysis of Group's exposure to foreign currency risk in relation to trade and other receivables.

(e) Fair value and credit risk

Due to the short-term nature of these receivables, their carrying value is assumed to approximate their fair value.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivables mentioned above.

The Group does not hold any collateral as security. Refer to note 3 for more information on the risk management policy of the Group.

12. Inventories

Inventories

	CONSOLIDATED 2012 $'000	CONSOLIDATED 2011 $'000	PARENT 2012 $'000	PARENT 2011 $'000
RAW MATERIALS	2,478	3,305	-	-
FINISHED GOODS	2,558	2,258	-	-
	5,036	**5,563**	**-**	**-**

a) Inventory expense

There was a write-down of inventories due to obsolescence during the year of $82,000 charged to 'cost of goods sold' in the statement of comprehensive income (2011: $100,000, write down of inventory used as promotional items to net realisable value charged to 'sales & marketing' in the statement of comprehensive income).

13. Shares in subsidiaries

Shares in subsidiaries

	PARENT 2012 $'000	PARENT 2011 $'000
SHARES IN SUBSIDIARIES AT COST	3,490	3,490

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2 (b):

Investments in subsidiaries

NAME OF ENTITY	BUSINESS	COUNTRY OF INCORPORATION	CLASS OF SHARES	EQUITY HOLDING 2012 %	EQUITY HOLDING 2011 %
ECOYA PTY LIMITED	TRADING	AUSTRALIA	ORDINARY	100	100
ECOYA HOLDING TRUST LIMITED	NON-TRADING	AUSTRALIA	ORDINARY	70	70
ECOYA UNIT TRUST	NON-TRADING	AUSTRALIA	ORDINARY	70	70
ECOYA USA INCORPORATED	AGENCY	USA	ORDINARY	100	100
KANARA HOLDINGS LIMITED	INVESTMENT	NZ	ORDINARY	100	100
TRILOGY NATURAL PRODUCTS LIMITED	TRADING	NZ	ORDINARY	100	100
TRILOGY NATURAL PRODUCTS (AUST) PTY LIMITED	TRADING	AUSTRALIA	ORDINARY	100	100
TRILOGY NATURAL PRODUCTS (UK) LIMITED	TRADING	UK	ORDINARY	100	100
ECOYA NZ LIMITED	TRADING	NZ	ORDINARY	100	100

14. Plant and equipment

Plant and equipment

Consolidated	PLANT AND EQUIPMENT $'000	FURNITURE AND OFFICE EQUIPMENT $'000	DISPLAY EQUIPMENT $'000	MOTOR VEHICLES $'000	TOTAL $'000
PERIOD ENDED 31 MARCH 2011					
OPENING NET BOOK AMOUNT	341	150	139	35	665
ACQUISITION OF SUBSIDIARY (NOTE 26)	-	145	-	-	145
EXCHANGE DIFFERENCES	15	7	6	2	30
ADDITIONS	775	521	137	-	1,433
DISPOSALS	(37)	(112)	(31)	-	(180)
DEPRECIATION CHARGE	(63)	(83)	(46)	(7)	(199)
CLOSING NET BOOK AMOUNT	**1,031**	**628**	**205**	**30**	**1,894**
AT 31 MARCH 2011					
COST	1,225	774	260	69	2,328
ACCUMULATED DEPRECIATION	(194)	(146)	(55)	(39)	(434)
NET BOOK AMOUNT	**1,031**	**628**	**205**	**30**	**1,894**
YEAR ENDED 31 MARCH 2012					
OPENING NET BOOK AMOUNT	1,031	628	205	30	1,894
EXCHANGE DIFFERENCES	(66)	(29)	(5)	(2)	(102)
ADDITIONS	181	145	52	-	378
DISPOSALS	-	(29)	(75)	-	(104)
DEPRECIATION CHARGE	(123)	(145)	(24)	(7)	(299)
CLOSING NET BOOK AMOUNT	**1,023**	**570**	**153**	**21**	**1,767**
AT 31 MARCH 2012					
COST	1,340	861	232	67	2,500
ACCUMULATED DEPRECIATION	(317)	(291)	(79)	(46)	(733)
NET BOOK AMOUNT	**1,023**	**570**	**153**	**21**	**1,767**

The parent has no plant and equipment.

15. Deferred tax

Deferred income tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable.

(a) The Group

The Group has not recognised deferred income tax assets of $1,802,000 (2011: $1,815,000) in respect of losses in the Australian subsidiary amounting to $6,005,000 (2011: $6,050,000) that can be carried forward against future taxable income. These losses have no expiry date. It has also not recognised deferred income tax assets in respect of Ecoya Limited for the period from 1 April 2010 to 31 August 2010 as set out in note (b) below.

(b) The Parent

The Parent has not recognised deferred income tax assets of $137,000 (2011: $137,000) in respect of losses amounting to $489,000 (2011: $489,000) that can be carried forward against future taxable income. These losses have no expiry date.

The Group and Parent have recognised deferred tax assets and liabilities as set out in the corresponding tables.

Trilogy Glasshouse in Wellington

Deferred tax

	CONSOLIDATED PROVISIONS	CONSOLIDATED TAX LOSSES	CONSOLIDATED TOTAL	PARENT PROVISIONS	PARENT TAX LOSSES	PARENT TOTAL
DEFERRED TAX ASSETS						
AT 31 MARCH 2010	-	-	-	-	-	-
CREDITED/(CHARGED) TO THE INCOME STATEMENT	18	256	274	-	138	138
AT 31 MARCH 2011	**18**	**256**	**274**	**-**	**138**	**138**
DEFERRED TAX ASSETS						
AT 31 MARCH 2011	18	256	274	-	138	138
CREDITED/(CHARGED) TO THE INCOME STATEMENT	-	(89)	(89)	(2)	29	27
AT 31 MARCH 2012	**18**	**167**	**185**	**(2)**	**167**	**165**
DEFERRED TAX LIABILITIES						
AT 31 MARCH 2010	-	-	-	-	-	-
CREDITED/(CHARGED) TO THE INCOME STATEMENT	-	-	-	-	-	-
AT 31 MARCH 2011	**-**	**-**	**-**	**-**	**-**	**-**
DEFERRED TAX LIABILITIES						
AT 31 MARCH 2011	-	-	-	-	-	-
CREDITED/(CHARGED) TO THE INCOME STATEMENT	(5)	-	(5)	-	-	-
AT 31 MARCH 2012	**(5)**	**-**	**(5)**	**-**	**-**	**-**

As at 31 March 2012 the deferred tax assets and liabilities are considered recoverable within the next 12 months.

16. Intangible assets

Intangible assets

Consolidated	GOODWILL $'000	BRAND $'000	TRADEMARKS $'000	SOFTWARE AND WEBSITE DEVELOPMENT $'000	TOTAL $'000
YEAR ENDED 31 MARCH 2011					
OPENING NET BOOK AMOUNT	1,072	-	33	35	1,140
ACQUISITION OF SUBSIDIARY (NOTE 26)	13,656	2,830	30	47	16,563
EXCHANGE DIFFERENCES	50	-	1	1	52
ADDITIONS	-	-	9	125	134
AMORTISATION CHARGE	-	-	(12)	(46)	(58)
CLOSING NET BOOK AMOUNT	**14,778**	**2,830**	**61**	**162**	**17,831**
AT 31 MARCH 2011					
COST	14,778	2,830	83	219	17,910
ACCUMULATED AMORTISATION	-	-	(22)	(57)	(79)
NET BOOK AMOUNT	**14,778**	**2,830**	**61**	**162**	**17,831**
YEAR ENDED 31 MARCH 2012					
OPENING NET BOOK AMOUNT	14,778	2,830	61	162	17,831
EXCHANGE DIFFERENCES	(110)	-	(2)	(2)	(114)
ADDITIONS	-	-	33	33	66
AMORTISATION CHARGE	-	-	(4)	(93)	(97)
CLOSING NET BOOK AMOUNT	**14,668**	**2,830**	**88**	**100**	**17,686**
AT 31 MARCH 2012					
COST	14,668	2,830	114	250	17,862
ACCUMULATED AMORTISATION	-	-	(26)	(150)	(176)
NET BOOK AMOUNT	**14,668**	**2,830**	**88**	**100**	**17,686**

The parent has no intangible assets.

There are no internally generated assets included within intangibles.

Impairment tests for indefinite life intangible assets

Indefinite life intangible assets (goodwill and brand) are allocated to the Group's cash generating units by operating segment as set out below.

Allocation of indefinite life intangible assets

	2012 $'000	2011 $'000
HOME FRAGRANCE, BODYCARE	1,012	1,122
NATURAL SKINCARE	13,656	13,656
	14,668	**14,778**

Home fragrance and bodycare
Goodwill arose on the acquisition of a controlling interest in Ecoya Pty Limited in March 2008 and is allocated to the Group's cash-generating unit (CGU) of Ecoya Pty Limited's trading in the Australian domestic market in the Home Fragrance and Bodycare Category.

Natural skincare
Goodwill and brand value arose on the acquisition of 100% of Trilogy Natural Products Limited in September 2010 and is allocated to the CGU natural skincare.

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on forecast performance for the year ending 31 March 2013 and financial budgets and models approved by management covering a further 4 year period.

The key assumptions for the value-in-use calculation are those regarding growth rates, discount rate and gross margins. In preparing the forecasts, management have assumed revenue growth as follows.

Home fragrance and bodycare – Ecoya Pty
Starting at 12% in the first year and reducing over time, down to 5% in the fifth year. The growth rates through the 5 year model reflect the investment the business has made, and will make, in sales and marketing, product packaging, branding and retail outlets.

Natural skincare
Starting at 10% in the first year and reducing over time, down to 5% in the fifth year. The growth rates through the 5 year model reflect the investment the business will make in sales and marketing and growth in new markets.

For both CGUs, cash flows beyond the 5 year period are extrapolated using a 2.5% long term revenue growth rate (2011 Home fragrance and bodycare: 4.5%) which is based on a combination of historic and forecast compound annual growth rates for the home fragrance, bodycare and skincare categories.

Management estimates discount rates using rates that reflect current market assessments of the time value of money and the risks specific to the business. A pre-tax discount rate of 14% has been adopted (2011: 17%).

17. Trade and other payables

Trade and other payables

	CONSOLIDATED 2012 $'000	CONSOLIDATED 2011 $'000	PARENT 2012 $'000	PARENT 2011 $'000
TRADE PAYABLES	2,021	2,191	49	43
AMOUNT DUE TO RELATED PARTIES (SEE NOTE 25)	263	211	133	211
ACCRUED EXPENSES	569	766	177	139
GST PAYABLE	-	-	39	-
EMPLOYEE ENTITLEMENT	389	508	-	-
DEFERRED LEASE INCENTIVE	30	58	-	-
	3,272	**3,734**	**398**	**393**

(a) Foreign currency risk

Foreign currency risk

	CONSOLIDATED 2012 $'000	CONSOLIDATED 2011 $'000	PARENT 2012 $'000	PARENT 2011 $'000
AU DOLLARS	551	1,112	25	122
US DOLLARS	190	161	-	-
NZ DOLLARS	1,500	1,104	157	132
EUROS	33	-	-	-
GREAT BRITISH POUNDS	10	25	-	-
	2,284	**2,402**	**182**	**254**

For an analysis of the sensitivity of trade and other payables to foreign currency risk refer to note 3(a)(i).

18. Interest bearing liabilities

Interest bearing liabilities

	CONSOLIDATED 2012 $'000	CONSOLIDATED 2011 $'000	PARENT 2012 $'000	PARENT 2011 $'000
INTEREST BEARING LIABILITY - OVERDRAFT	17	1,947	17	1,947
INTEREST BEARING LIABILITY - TERM LOAN	-	625	-	625
TOTAL CURRENT INTEREST BEARING LIABILITIES	17	2,572	17	2,572
INTEREST BEARING LIABILITY - TERM LOAN	8,100	2,875	8,100	2,875
TOTAL NON-CURRENT INTEREST BEARING LIABILITIES	8,100	2,875	8,100	2,875
TOTAL INTEREST BEARING LIABILITIES	**8,117**	**5,447**	**8,117**	**5,447**

On 10 September 2010 the Group entered into a multi-option facility with the Bank of New Zealand, comprising a revolving committed cash advance facility ('CCAF') and an overdraft facility. The facility expiry date was 17 September 2013, with monthly principal repayments of $62,500 from 30 June 2011 onwards, increasing to $162,500 from 30 April 2012.

On 29 March 2012 the Group agreed an updated facility with the Bank of New Zealand, refinancing the previous multi-option facility referred to above. The new facility has the same overall limit of $9,500,000 and comprises a revolving committed cash advance facility ('CCAF') of $2,000,000, a customised average rate loan facility ('CARL') of $7,000,000 and an overdraft facility of $500,000 and has an expiry date of 30 April 2015. There are no repayments due on the CCAF prior to the facility expiry date. No repayments on the CARL are due on or before 1 April 2013. The amortisation schedule for the CARL after this date has yet to be determined. The facility is secured by a first ranking registered and unrestricted general security agreement over the assets and undertakings of the Ecoya Limited and Trilogy Natural Products Limited. As the updated facility was in place prior to 31 March 2012 and is a refinancing of the existing facility, amounts drawn down at 31 March 2012 have been classified as current or non-current liabilities in accordance with the updated facility's repayment terms.

At 31 March 2012 the CCAF facility of $9,000,000 was drawn down to $8,100,000 (2011: $3,500,000), with the amounts due subsequently split between the CCAF and the CARL when new tranches were drawn down on 30 April 2012. Interest is payable at a 2% margin above the bank bill rate for that interest period plus the term funding premium applicable to the period of the draw down (31 March 2012: weighted average interest rate of 6.12%). At 31 March 2012 the overdraft facility of $500,000 was drawn down to $17,000 (2011: $1,947,000), repayable on demand. Interest is payable on the overdraft facility at a 2% margin above the BNZ overdraft base rate.

The 31 March 2011 comparatives have been restated for consistency with presentation in the current period to reclassify $2,875,000 of the CCAF at that date as a non-current liability, according to scheduled repayments of principal under the facility in place at that date as a whole. Previously the full amount of $3,500,000 was shown as a current liability on the basis of the maturity period of the individual tranches drawn down at that date.

(a) Fair value

The fair value of current borrowings equals their carrying amount as the impact of discounting is not significant.

(b) Risk exposures

The exposure of the Group's and parent entity's borrowings to interest rate changes and the contractual repricing dates at the balance dates are as follows:

Risk exposures

	CONSOLIDATED 2012 $'000	CONSOLIDATED 2011 $'000	PARENT 2012 $'000	PARENT 2011 $'000
INTEREST BEARING LIABILITIES				
3 MONTHS OR LESS	17	2,010	17	2,010
3 – 12 MONTHS	-	562	-	562
1 – 2 YEARS	-	1,950	-	1,950
2 – 5 YEARS	8,100	925	8,100	925
	8,117	**5,447**	**8,117**	**5,447**

The carrying amounts of the Group's borrowings expressed in NZ dollars are denominated in the following currencies:

The Groups' borrowings expressed in NZ dollars

	CONSOLIDATED 2012 $'000	CONSOLIDATED 2011 $'000	PARENT 2012 $'000	PARENT 2011 $'000
NZ DOLLARS	8,117	5,447	8,117	5,447
	8,117	**5,447**	**8,117**	**5,447**

19. Contingent consideration payable

Contingent consideration payable

	CONSOLIDATED 2012 $'000	CONSOLIDATED 2011 $'000	PARENT 2012 $'000	PARENT 2011 $'000
OPENING BALANCE	8,663	-	-	-
TRILOGY CONTINGENT CONSIDERATION (NOTE 26)	-	9,000	-	-
FAIR VALUE DISCOUNT	-	(534)	-	-
UNWIND OF DISCOUNT	337	197	-	-
FAIR VALUE ADJUSTMENT	(25)	-	-	-
CONSIDERATION SETTLEMENT - CASH	(4,603)	-	-	-
CONSIDERATION SETTLEMENT - SHARES (SEE NOTE 21)	(4,372)	-	-	-
CLOSING BALANCE	**-**	**8,663**	**-**	**-**

The Trilogy earn out consideration payable was settled fully on 30 March 2012.

20. Derivative financial instruments

Derivative financial instruments

	CONSOLIDATED 2012 ASSETS $'000	CONSOLIDATED 2012 LIABILITIES $'000	PARENT 2012 ASSETS $'000	PARENT 2012 LIABILITIES $'000
FORWARD FOREIGN EXCHANGE CONTRACTS-				
HELD FOR TRADING	27	-	-	-
	27	**-**	**-**	**-**

	CONSOLIDATED 2011 ASSETS $'000	CONSOLIDATED 2011 LIABILITIES $'000	PARENT 2011 ASSETS $'000	PARENT 2011 LIABILITIES $'000
FORWARD FOREIGN EXCHANGE CONTRACTS-				
HELD FOR TRADING	-	153	-	-
	-	**153**	**-**	**-**

Trading derivatives are classified as a current asset or liability. The full fair value of a hedging derivative is classified as a non-current asset or liability if the remaining maturity of the hedged item is more than 12 months and, as a current asset or liability, if the maturity of the hedged item is less than 12 months.

(a) Forward foreign exchange contracts

The notional principal amounts of the outstanding forward foreign exchange contracts at 31 March 2012 were $2,745,000 (2011:$3,009,000).

The hedged highly probable forecast transactions denominated in foreign currency are expected to occur at various dates during the next 12 months.

The maximum exposure to credit risk at the reporting date is the value of the derivative assets' receivable portion for the Group of $2,745,000 (2011: $3,009,000).

21. Contributed equity

Share capital

Consolidated and Parent	2012 SHARES	2012 $'000	2011 SHARES	2011 $'000
SHARE CAPITAL				
ORDINARY SHARES	58,690,568	29,195	51,175,576	22,060
AUTHORISED AND ISSUED (NO PAR VALUE)	**58,690,568**	**29,195**	**51,175,576**	**22,060**

The total authorised number of ordinary shares is 58,690,568 shares (2011: 51,175,576 shares). All issued shares are fully paid.

Ecoya at Auckland Airport

Share capital

	NUMBER OF ORDINARY SHARES	$'000
AT 31 MARCH 2010	**33,000,000**	**6,727**
PROCEEDS FROM SHARES ISSUED AT IPO	10,102,574	10,103
PROCEEDS FROM SHARES ISSUED AT 17 SEPTEMBER 2010	6,733,334	5,050
IPO SHARE ISSUE COSTS	-	(653)
TRANSACTION COSTS RELATED TO 17 SEPTEMBER 2010 SHARE ISSUE	-	(178)
SHARE PURCHASE PLAN ALLOTMENT AT 15 OCTOBER 2010	1,270,406	953
SHARES IN LIEU OF DIRECTORS' FEES	69,262	58
AT 31 MARCH 2011	**51,175,576**	**22,060**
PROCEEDS FROM SHARES ALLOTTED NOVEMBER 2011	1,277,778	1,150
PROCEEDS FROM SERIES 1 WARRANT ALLOTMENT DECEMBER 2011	1,510,086	1,510
SHARES ISSUED IN SETTLEMENT OF TRILOGY PURCHASE	4,602,322	4,372
SHARES IN LIEU OF DIRECTORS' FEES	124,806	103
AT 31 MARCH 2012	**58,690,568**	**29,195**

Shares under placement

On 10 November 2011 the company issued 1,277,778 ordinary shares for $0.90 per share to existing shareholders. The total issue price of $1,150,000 was settled in cash.

Warrants

The series 1 warrants expired on 15 December 2011 at which point 1,510,086 of the 2,525,643 warrants were exercised at $1 per share, the total consideration amounting to $1,510,000, settled in cash.

As part of the series 1 warrant exercise the following shares were issued to related parties at $1 per share:

The Business Bakery exercised 720,653 warrants for 720,653 ordinary shares.

Interests associated with Richard Frank exercised 56,250 warrants for 56,250 ordinary shares.

Interests associated with Stephen Sinclair exercised 2,250 warrants for 2,250 ordinary shares.

Interests associated with Geoff Ross exercised 24,250 warrants for 24,250 ordinary shares.

Interests associated with Rob Fyfe exercised 81,250 warrants for 81,250 ordinary shares.

At 31 March 2012 there were 2,525,643 series 2 warrants on issue.

Each Ecoya warrant entitles the holder to subscribe for an ordinary share at an exercise price of $1.

The series 2 warrants are exercisable on 15 June 2013. Any warrants not exercised by this date will expire. The fair value of the series 2 warrants based on the last trading price at 31 March 2012 was $0.16 each.

Trilogy purchase

The series 1 On 30 March 2012 the Trilogy Natural Products Ltd purchase consideration was finalised. In part satisfaction of the earn out consideration the company issued 4,602,322 fully paid ordinary shares at a fair value of $0.95 per share. See note 19 for more detail. As part of the above settlement 2,301,161 shares were issued to interests associated with Sarah Gibbs.

Directors' remuneration

Under the terms of the Company's constitution directors can elect to take director fees in shares at average market prices for the period instead of cash. Both Richard Frank and Rob Fyfe have elected to take director fees in shares.

On 11 April 2011, 21,840 shares were issued to Rob Fyfe and 31,200 shares were issued to Richard Frank in satisfaction of director fees for the quarters ended 31 December 2010 and 31 March 2011 net of applicable withholding taxes.

On 10 November 2011 19,653 shares were issued to Rob Fyfe and 29,331 shares were issued to Richard Frank in satisfaction of director fees for the quarters ended 30 June 2011 and 30 September 2011 net of applicable withholding taxes.

On 20 January 2012 9,140 shares were issued to Rob Fyfe and 13,642 shares were issued to Richard Frank in satisfaction of director fees for the quarter ended 31 December 2011 net of applicable withholding taxes.

On 16 April 2012, 8,969 shares were issued to Rob Fyfe and 13,387 shares were issued to Richard Frank in satisfaction of director fees for the quarter 31 March 2012 net of applicable withholding taxes.

22. Reserves and accumulated losses

(a) Reserves

	CONSOLIDATED 2012 $'000	CONSOLIDATED 2011 $'000	PARENT 2012 $'000	PARENT 2011 $'000
RESERVES				
FOREIGN CURRENCY TRANSLATION RESERVE	(2)	306	-	-
	(2)	**306**	**-**	**-**
FOREIGN CURRENCY TRANSLATION RESERVE				
OPENING BALANCE	306	25	-	-
CURRENCY TRANSLATION GAINS/(LOSSES)	(308)	281	-	-
BALANCE 31 MARCH	**(2)**	**306**	**-**	**-**

There was no tax impact of the movement in the foreign currency translation reserve.

The foreign currency translation reserve comprises foreign exchange differences arising from the translation of the financial statements of foreign operations into New Zealand dollars and foreign exchange differences arising on the re-translation of qualifying net investment hedges (note 2(c)).

(b) Accumulated losses

	CONSOLIDATED 2012 $'000	CONSOLIDATED 2011 $'000	PARENT 2012 $'000	PARENT 2011 $'000
OPENING BALANCE	(9,436)	(5,425)	(891)	27
NET LOSS FOR THE PERIOD ATTRIBUTABLE TO EQUITY HOLDERS OF ECOYA LIMITED	(218)	(4,011)	(624)	(918)
BALANCE 31 MARCH	**(9,654)**	**(9,436)**	**(1,515)**	**(891)**

23. Contingencies

On 23 March 2012 the Company has received a request for information from the Commerce Commission in respect of the Fair Trading Act. The Company has made a preliminary response to the Commission. At the time of preparing these financial statements the Commerce Commission have not initiated any action against the Company and the Directors have no knowledge which would indicate the need to make any provision in these financial statements for any liabilities which may arise in the event that any action was taken (2011: nil).

24. Commitments

As at 31 March 2012 the parent entity and Group had no capital commitments (2011: nil).

(i) *Operating leases*
The Group leases various premises and machinery under non-cancellable operating lease agreements. The lease terms are between one and three years, and the majority of lease agreements are renewable at the end of the lease period at market rate.

The Group also leases machinery under cancellable operating lease agreements. The Group is required to give one month's notice for termination.

The Group signed a lease for retail space within the period for a term of one year. This lease will commence after 31 March 2012.

There are no sub-leases from the above.

Commitments: Operating leases

	CONSOLIDATED 2012 $'000	CONSOLIDATED 2011 $'000	PARENT 2012 $'000	PARENT 2011 $'000
COMMITMENTS FOR MINIMUM LEASE PAYMENTS IN RELATION TO NON-CANCELLABLE OPERATING LEASES ARE PAYABLE AS FOLLOWS:				
WITHIN ONE YEAR	597	469	-	-
LATER THAN ONE BUT NOT LATER THAN FIVE YEARS	212	682	-	-
LATER THAN FIVE YEARS	-	-	-	-
	809	**1,151**	**-**	**-**

25. Related party transactions

(a) Parent entity

The Group is controlled by The Business Bakery LP ("The Business Bakery"), a Limited Partnership registered in New Zealand. The Business Bakery held 51.2% of the shares at 31 March 2012 (31 March 2011: 59.8%).

(b) Directors

The Directors during the period were:

		DATE OF APPOINTMENT
STEPHEN SINCLAIR	CHIEF OPERATING OFFICER	31 JANUARY 2008
GRANT BAKER	EXECUTIVE DIRECTOR	31 JANUARY 2008
GEOFF ROSS	CHARIMAN & CHIEF EXECUTIVE OFFICER	23 NOVEMBER 2009
CRAIG SCHWEIGHOFFER	MANAGING DIRECTOR - AUSTRALIA	08 FEBRUARY 2010
RICHARD FRANK	INDEPENDENT DIRECTOR	08 FEBRUARY 2010
ROB FYFE	INDEPENDENT DIRECTOR	01 MARCH 2010
COLLETTE DINNIGAN	INDEPENDENT DIRECTOR	01 MARCH 2010
DEETA COLVIN	INDEPENDENT DIRECTOR	03 MAY 2010
SARAH GIBBS	NON-EXECUTIVE DIRECTOR	07 OCTOBER 2011

(c) Key management and personnel compensation

The Managing Director of the subsidiary Ecoya Pty Limited, Craig Schweighoffer, provides consulting services to the Group through an associated company, Paunui Holdings Pty Limited ("Paunui"). Sarah Gibbs provided consulting services to the Group through an associated company, Bill & George's Investments Limited. Independent Director Fees for the period were payable to Deeta Colvin, Collette Dinnigan, Richard Frank, Rob Fyfe and Sarah Gibbs. Under the agreement between Ecoya Limited and The Business Bakery dated 25 March 2010 Grant Baker, Stephen Sinclair and Geoff Ross provided directors and management services to the Company during the period.

Key management and personnel compensation

	CONSOLIDATED 2012 $'000	CONSOLIDATED 2011 $'000	PARENT 2012 $'000	PARENT 2011 $'000
SHORT TERM BENEFITS:				
CONSULTING FEES	345	266	-	-
DIRECTORS' FEES (NOTE 21)	408	390	408	390
MANAGEMENT SERVICES	339	329	339	329
	1,092	**985**	**747**	**719**

(d) Other transactions

(i) with other related parties

During the year The Business Bakery received $105,000 in repayment of the amount owing to it by Ecoya Limited at 31 March 2011. The Business Bakery incurred travel and accommodation expenses on behalf of Ecoya Limited of $1,000 for the period (31 March 2011: $2,000). During the year The Business Bakery provided rental and operational services to the Group totalling $115,000 (2011: $nil).

Craig Schweighoffer made purchases on behalf of the Group during the year of $37,000 (31 March 2011: $61,000). No monies were owed to Mr Schweighoffer at 31 March 2012 (31 March 2011: $nil).

During the year ended 31 March 2012 Deeta Colvin incurred travel and accommodation expenses on behalf of the company totalling $2,000. No balance was due at 31 March 2012.

On 30 March 2012, interests associated with Sarah Gibbs received proceeds from the contingent consideration payable. This totalled $2,301,161 in cash and 2,301,161 shares. See note 19 and note 21.

Other transactions

	CONSOLIDATED 2012 $'000	CONSOLIDATED 2011 $'000	PARENT 2012 $'000	PARENT 2011 $'000
PAYABLES TO RELATED PARTIES:				
THE BUSINESS BAKERY LP	(165)	(105)	(68)	(105)
EXECUTIVE DIRECTORS	(33)	-	-	-
INDEPENDENT DIRECTORS	(65)	(106)	(65)	(106)
	(263)	**(211)**	**(133)**	**(211)**

(ii) with subsidiaries

The Company provided funding to its subsidiary in Australia during the year by way of an Australian denominated loan. The loan is interest free and repayable on demand.

The Company provided funding to its subsidiaries Kanara Holdings Limited and Ecoya NZ Limited during the year. These loans are interest free and repayable on demand.

Since acquisition of Trilogy in September 2010, the Company received advances from Trilogy. The balance is interest free and repayable on demand.

Other transactions

	2012 $'000	2011 $'000
INTERCOMPANY CHARGES RECEIVED:		
MANAGEMENT FEES	905	470
TAX LOSSES TRANSFERABLE TO SUBSIDIARY FOR VALUE	791	-
	1,696	**470**

Other transactions

	PARENT 2012 $'000	PARENT 2011 $'000
RECEIVABLES FROM SUBSIDIARIES – LOAN BALANCES:		
ECOYA PTY LIMITED	8,583	8,904
KANARA HOLDINGS LIMITED	14,404	10,554
TRILOGY NATURAL PRODUCTS LIMITED	1,177	-
ECOYA NZ LIMITED	7,815	4,338
	31,979	**23,796**
PAYABLES TO SUBSIDIARIES - ADVANCES:		
TRILOGY NATURAL PRODUCTS LIMITED	-	(563)
	-	**(563)**
PAYABLES TO SUBSIDIARIES - TRADING BALANCES:		
TRILOGY NATURAL PRODUCTS LIMITED	448	-
	448	**-**

26. Business Combinations

Previous period

On 1 September 2010 the Group acquired 100% of the issued share capital of Trilogy Natural Products Limited ("Trilogy") at a cost of an initial cash payment of $10,000,000 and contingent consideration recognised at fair value of $8,466,000 at acquisition (see note (iv) below). At acquisition date, the fair value of the identifiable net assets and liabilities in Trilogy equaled $5,399,000 and goodwill arising from the acquisition was $13,656,000.

Trilogy is involved in manufacturing and wholesale selling of products in the natural skincare category. This category is in growth globally and the Trilogy business fits well with the growth opportunity of the Ecoya business. Over time synergies will be realised through distribution, sales and marketing and procurement.

The goodwill is attributable to Trilogy's strong position and profitability trading in the natural skincare category in New Zealand and internationally. Synergies are expected to arise predominantly after the earn out period is complete.

At the date of acquisition, the acquired entity is involved in manufacturing and wholesale selling of products in the natural skincare category. This category is in growth globally and the Trilogy business fits well with the growth opportunity of the Ecoya business. Over time synergies will be realised through distribution, sales and marketing and procurement.

The goodwill is attributable to Trilogy's strong position and profitability trading in the natural skincare category in New Zealand and internationally. Synergies are expected to arise predominantly after the earn out period is complete.

(i) Purchase consideration

Details of the fair value of the assets and liabilities acquired and goodwill arising are as follows:

Purchase Consideration

	FINAL FAIR VALUES 31 MARCH 2011 $'000
PURCHASE CONSIDERATION	
CASH PAID	10,000
CONTINGENT CONSIDERATION	8,466
WORKING CAPITAL ADJUSTMENT	589
TOTAL PURCHASE CONSIDERATION	19,055
SHARE OF FAIR VALUE OF NET IDENTIFIABLE ASSETS ACQUIRED	(5,399)
GOODWILL	**13,656**

(ii) Assets and liabilities acquired

The assets and liabilities recognised as a result of the acquisition are as follows:

Assets and liabilities acquired

	FINAL FAIR VALUES MARCH 2011 $'000
CASH	480
TRADE AND OTHER RECEIVABLES	2,168
INVENTORIES	1,366
PLANT AND EQUIPMENT	145
TRADE AND OTHER PAYABLES	(1,667)
BRAND VALUE	2,830
OTHER INTANGIBLE ASSETS	77
NET ASSETS	**5,399**

(iii) Acquisition-related costs

The acquisition costs incurred by the Group were $155,000 in completing the transaction. These costs have been expensed to the Statement of Comprehensive Income.

(iv) Contingent consideration

The contingent consideration arrangement requires the Company to pay the former owners of Trilogy a further earn out payment, half in cash and half in shares, of up to $5,000,000 cash and a variable number of $1 shares of Ecoya, capped at a maximum of 5,000,000 shares, dependent on Trilogy reaching certain earnings target for the year ending 31 December 2011.

The potential undiscounted amount of all future payments that the Group could be required to make under this arrangement is between $nil to $5,000,000 cash and nil to 5,000,000 shares. The undiscounted fair value of the contingent consideration arrangement of $9,000,000 was estimated based on both historical earnings and forecast earnings for the year ending 31 December 2011.

The discounted fair value cash element of the contingent consideration has been calculated using a discount rate of 7.39% based on borrowing rates available to the Group and has assumed a payment date of 31 March 2012. The initial fair value of the contingent consideration payable in shares had been determined as the market price of the shares on 1 September 2010 of $0.80. On 30 March 2012 the earnout calculation was finalised and paid. This resulted in a cash payment of $4,602,322 and the issue of 4,602,322 shares. This is detailed in note 19.

(v) Acquired receivables

The fair value of trade and other receivables is $2,168,000 and includes trade receivables with gross contractual cash flows and a fair value of $2,122,000, none of which is expected to be uncollectable.

(vi) Revenue and profit contribution

The acquired business contributed revenues of $6,789,000 and net profit of $2,134,000 to the Group from 1 September 2010 to 31 March 2011. If the acquisition had occurred on 1 April 2010, consolidated revenue and consolidated profit for the half-year ended 30 September 2010 would have been $5,167,000 and $1,611,000 higher respectively.

Trilogy at Auckland Airport

27. Reconciliation of loss after income tax to net cash flow inflow from operating activities

Reconciliation of loss after income tax to net cash flow inflow from operating activities

	CONSOLIDATED 2012 $'000	CONSOLIDATED 2011 $'000	PARENT 2012 $'000	PARENT 2011 $'000
LOSS FOR THE PERIOD	(218)	(4,011)	(624)	(918)
DEPRECIATION AND AMORTISATION	396	257	-	-
LOSS ON DISPOSAL OF ASSETS	73	-	-	-
LOSSES ON DERIVATIVE FINANCIAL INSTRUMENTS	(180)	268	-	88
FOREIGN EXCHANGE (GAINS)/LOSSES	(19)	(57)	530	(440)
FAIR VALUE UNWIND	337	197	-	-
CONTINGENT CONSIDERATION ADJUSTMENT	(25)	-	-	-
SHARES IN LIEU OF DIRECTORS' FEES	103	58	103	58
DEFERRED TAX	94	(274)	(27)	(138)
MOVEMENTS IN WORKING CAPITAL:				
INCREASE IN INVENTORIES	527	(3,460)	-	-
(INCREASE)/DECREASE IN TRADE AND OTHER RECEIVABLES	(1,230)	(264)	(1,420)	327
INCREASE IN TAX PROVISIONS	(5)	(265)	22	-
(INCREASE)/DECREASE IN TRADE AND OTHER PAYABLES	(173)	889	(29)	(320)
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	**(320)**	**(6,662)**	**(1,445)**	**(1,343)**

28. Earnings per share

Earnings per share

	2012	2011
LOSS AFTER TAX ($000)	218	4,011
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES ON ISSUE	52,205,941	46,514,642
BASIC LOSSES PER SHARE (DOLLARS)	0.00	0.09

Weighted average number of ordinary shares

	2012	2011
ISSUED ORDINARY SHARES AT THE BEGINNING OF THE PERIOD	51,175,575	33,000,000
ISSUED ORDINARY SHARES AT END OF PERIOD	58,690,568	51,175,575
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES	52,205,941	46,514,642

Basic earnings per share

Basic earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to equity holders of the Company by the weighted average number of ordinary shares on issue during the period.

Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. At 31 March 2012, the Company's series 2 warrants are dilutive potential ordinary shares (see note 21). As at 31 March 2011 and 31 March 2012 the warrants were not included in the calculation of dilutive shares for the year as the effect would have been anti-dilutive.

29. Events occurring after the balance date

Directors' remuneration

On 16 April 2012, 8,969 shares were issued to Rob Fyfe and 13,387 shares were issued to Richard Frank in satisfaction of director fees for the quarter 31 March 2012 net of applicable withholding taxes.

Share allotment

On 11 April 2012, Ecoya allotted 2,222,223 shares at a cost of $0.90 per share to two investment funds.


trilogy
AGE PROOF
CoQ10
eye recovery
concentrate
trilogy
AGE PROOF
nutrient plus
firming serum
30ml 1.01flozUS
trilogy
AGE PROOF
CoQ10

ECOYA:

Shareholder and Statutory Information

SHAREHOLDER AND STATUTORY INFORMATION

Twenty Largest Shareholders

NAME	ORDINARY SHARES	%
THE BUSINESS BAKERY LP	30,063,841	49.34
TEA CUSTODIANS LIMITED - NZCSD	4,650,946	7.63
PAUNUI HOLDINGS PTY LIMITED	3,913,047	6.42
CATHERINE ANNE DE GROOT AND INDEPENDENT TRUST COMPANY (2007) LIMITED	2,301,161	3.78
SARAH JANE GIBBS AND INDEPENDENT TRUST COMPANY (2006) LIMITED	2,301,161	3.78
ASB NOMINEES LIMITED	1,527,778	2.51
RICHARD FRANK	1,509,082	2.48
JBWERE(NZ) NOMINEES LIMITED	1,333,333	2.19
ROBERT IAN FYFE AND DONNA LEIGH FYFE AND PETER DENIS BROWN	1,219,547	2.00
JUSTIN MATTHEW BADE	1,183,980	1.94
ACCIDENT COMPENSATION CORPORATION- NZCSD	1,111,083	1.82
STRATTON SCLAVOS	625,000	1.03
DARRYL FRANK	445,388	0.73
PAUL FRANK	445,388	0.73
JBWERE(NZ) NOMINEES LIMITED	444,444	0.73
DAVID POOLE	390,000	0.64
ANDREW JOHNSTON	360,000	0.59
CUSTODIAL SERVICES LIMITED	335,375	0.55
TODD NORMAN GRAYDON	209,256	0.34
FAR EAST ASSOCIATED TRADERS LIMITED	200,000	0.33
TOTALS: TOP 20 HOLDERS OF ORDINARY SHARES	**54,569,810**	**89.55**
TOTAL REMAINING HOLDERS BALANCE	**6,365,337**	**10.45**
TOTAL	**60,935,147**	**100**

Stock Exchange Listing

The Company's shares and warrants are listed on the main board of the equity security market operated by NZX Limited.

Twenty Largest Shareholders

The above table shows the names and holdings of the 20 largest registered holdings of quoted ordinary shares of the Company as at 4 June 2012.

Shareholder Range of Units

Shareholder Range of Units: Analysis of Shareholding

As at 4 June 2012

SIZE OF HOLDING	HOLDER COUNT	HOLDER COUNT %	HOLDING QUANTITY	HOLDING QUANTITY %
1 - 999	47	6.93	26,268	0.04
1,000 – 1,999	122	17.99	152,393	0.25
2,000 – 4,999	170	25.07	489,799	0.8
5,000 – 9,999	135	19.91	834,102	1.37
10,000 – 49,999	161	23.75	2,611,517	4.29
50,000 – 99,999	14	2.06	1,020,559	1.67
100,000 – 499,999	17	2.51	4,057,473	6.66
500,000 – 999,999	3	0.44	2,134,082	3.5
1,000,000–999,999,999	9	1.34	49,608,954	81.42
TOTAL	**678**	**100**	**60,935,147**	**100**

Twenty Largest Registered Holdings of Series 2 Warrants

NAME	SERIES 2 WARRANTS	%
THE BUSINESS BAKERY LP	720,653	28.53
TEA CUSTODIANS LIMITED - NZCSD	272,000	10.77
STRATTON SCLAVOS	125,000	4.95
DAVID POOLE	100,000	3.96
FIRST NZ CAPITAL SECURITIES LIMITED	85,000	3.37
ANDREW STUART NEEDS	70,000	2.77
JUSTIN MATTHEW BADE	62,500	2.47
RICHARD FRANK	56,250	2.23
ROBERT IAN FYFE AND DONNA LEIGH FYFE AND PETER DENIS BROWN	56,250	2.23
FNZ CUSTODIANS LIMITED	43,750	1.73
CUSTODIAL SERVICES LIMITED	42,000	1.66
CRAIG ANDREW SCHWEIGHOFFER AND LISA GAYE SCHWEIGHOFFER	35,000	1.39
DARRYL FRANK	25,000	0.99
PAUL FRANK	25,000	0.99
SELWYN BRUCE ROBINSON AND ACCUMULUS TRUSTEE LIMITED	25,000	0.99
JBWERE (NZ) NOMINEES LIMITED	23,750	0.94
KARL TROTTER AND PENELOPE CHILDS AND COLIN HUGHES	22,500	0.89
CUSTODIAL SERVICES LIMITED	22,000	0.87
CUSTODIAL SERVICES LIMITED	21,000	0.83
SAMUEL REGINALD CARL CUNNINGHAM	19,125	0.76
TOTALS: TOP 20 HOLDERS OF ECOYA SERIES 2 WARRANTS	**1,851,778**	**73.32**
TOTAL REMAINING HOLDERS BALANCE	**673,865**	**26.68**
TOTAL	**2,525,643**	**100**

The above table shows the names and holdings of the 20 largest registered holdings of quoted series 2 warrants of the Company as at 4 June 2012.

Warrants By Range

Warrants By Range: Analysis of Shareholding

As at 4 June 2012

SIZE OF HOLDING	HOLDER COUNT	HOLDER COUNT %	HOLDING QUANTITY	HOLDING QUANTITY %
1 - 999	160	43.01	72,840	2.88
1,000 – 1,999	98	26.34	123,625	4.89
2,000 – 4,999	63	16.94	171,560	6.79
5,000 – 9,999	18	4.84	117,340	4.65
10,000 – 49,999	24	6.45	492,125	19.49
50,000 – 99,999	5	1.34	330,000	13.07
100,000 – 499,999	3	0.81	497,500	19.7
500,000 – 999,999	1	0.27	720,653	28.53
TOTAL	**372**	**100**	**2,525,643**	**100**

Substantial Security Holders

Substantial Security Holders

	NUMBER OF ORDINARY SHARES	%
THE BUSINESS BAKERY LP	30,063,841	49.34
PAUNUI HOLDINGS PTY LIMITED*	3,913,047	6.42
CRAIG SCHWEIGHOFFER AND LISA SCHWEIGHOFFER*	195,000	0.32

* NOTE: IN ADDITION TO THE 195,000 SHARES HELD BY CRAIG SCHWEIGHOFFER AND LISA SCHWEIGHOFFER JOINTLY IN THEIR OWN NAMES THEY ARE DEEMED TO HAVE A RELEVANT INTEREST IN THE 3,913,047 SHARES HELD BY PAUNUI HOLDINGS PTY LIMITED.

The following information is given pursuant to section 35F of the Securities Market Act 1988.

The following are registered by the Company as at 4 June 2012 as Substantial Security Holders in the Company.

The total number of listed voting securities of the Company on issue at 4 June 2012 was 60,935,147 fully paid ordinary shares.

Statement of Directors’ Relevant Interests

Statement of Directors’ Relevant Interests

	ORDINARY SHARES	SERIES 2 WARRANTS
GEOFF ROSS (1)	30,245,091	744,903
GRANT BAKER (2)	30,063,841	720,653
STEPHEN SINCLAIR (3)	30,083,092	722,903
CRAIG SCHWEIGHOFFER (4)*	4,108,047	35,000
SARAH GIBBS	2,301,161	Nil
RICH FRANK (5)	1,509,082	56,250
ROB FYFE (6)	1,499,334	81,250
DEETA COLVIN*	38,619	9,654
COLLETTE DINNIGAN*	Nil	Nil

* DEETA COLVIN, COLLETTE DINNIGAN AND CRAIG SCHWEIGHOFFER HAVE RESIGNED FROM THE BOARD OF ECOYA LIMITED AS ADVISED TO THE NZX ON THE 26TH OF JUNE 2012..

Directors held the above relevant interests in equity securities in the Company as at 31 March 2012:

(1) Relevant interest in shares and warrants held by The Business Bakery LP as a result of a limited partnership interest and shares and warrants held as registered holder and trustee for associated family trust and shares and warrants held by sons Finnley Ross and Gabriel Ross.

(2) Relevant interest in shares and warrants held by The Business Bakery LP as a result of a limited partnership interest.

(3) Relevant interest in shares and warrants held by The Business Bakery LP as a result of a limited partnership interest and shares and warrants held by sons George Sinclair, Harry Sinclair and Oliver Sinclair.

(4) Relevant interest in shares and warrants held as registered holder and beneficial owner jointly with Lisa Schweighoffer and shares held by Paunui Holdings Pty Limited as corporate trustee for the Schweighoffer Family Trust.

(5) Relevant interest in shares and warrants held as registered holder and beneficial owner and registered holder and bare trustee for family trust.

(6) Relevant interest in shares and warrants held as registered holder and beneficial owner, registered holder and trustee for associated family trust and in shares and warrants held by daughter, Christine Fyfe and son, Nichol Fyfe.

Directors' Remuneration and Other Benefits

	$	NATURE OF REMUNERATION
GEOFF ROSS, GRANT BAKER AND STEPHEN SINCLAIR	NZ$517,737	MANAGEMENT AND DIRECTORS' FEES
CRAIG SCHWEIGHOFFER	NZ$286,311	CONSULTING FEES
RICH FRANK	NZ$51,433	DIRECTORS' FEES
ROB FYFE	NZ$51,433	DIRECTORS' FEES
COLLETTE DINNIGAN	NZ$50,780	DIRECTORS' FEES
DEETA COLVIN	NZ$50,796	DIRECTORS' FEES
SARAH GIBBS	NZ$83,211	CONSULTING AND DIRECTORS' FEES

Directors' Remuneration and Other Benefits

The names of the directors of the Company at 31 March 2012 and the details of their remuneration and value of other benefits received for services to Ecoya Limited for the year ended on 31 March 2012 are as shown in the table above.

Rich Frank, Rob Fyfe, Collette Dinnigan and Deeta Colvin were considered to be independent directors and Geoff Ross, Grant Baker, Stephen Sinclair, Sarah Gibbs and Craig Schweighoffer were not considered to be independent directors as at 31 March 2012.

Director Share Dealings

DIRECTOR	NUMBER OF SHARES ACQUIRED/(DISPOSED)	NATURE OF RELEVANT INTEREST	CASH CONSIDERATION PAID/(RECEIVED) $	DATE OF ACQUISITION OR DISPOSAL	NOTES
RICHARD FRANK	11,906	REGISTERED HOLDER/ BENEFICIAL OWNER	8,783	11 APRIL 2011	A
RICHARD FRANK	19,294	REGISTERED HOLDER/ BENEFICIAL OWNER	13,532	11 APRIL 2011	B
ROB FYFE	8,334	REGISTERED HOLDER/ BENEFICIAL OWNER	6,148	11 APRIL 2011	C
ROB FYFE	13,506	REGISTERED HOLDER/ BENEFICIAL OWNER	9,473	11 APRIL 2011	D
CRAIG SCHWEIGHOFFER	(200,000)	REGISTERED HOLDER/ BENEFICIAL OWNER	(150,000)	30 MAY 2011	E
CRAIG SCHWEIGHOFFER	(200,000)	REGISTERED HOLDER/ BENEFICIAL OWNER	(150,000)	30 MAY 2011	F
GEOFF ROSS, GRANT BAKER AND STEPHEN SINCLAIR	1,250,000	REGISTERED HOLDER/ BENEFICIAL OWNER	1,000,000	23 JUNE 2011	G
RICHARD FRANK	15,554	REGISTERED HOLDER/ BENEFICIAL OWNER	12,964	11 NOVEMBER 2011	H
RICHARD FRANK	13,777	REGISTERED HOLDER/ BENEFICIAL OWNER	12,618	11 NOVEMBER 2011	I
ROB FYFE	10,422	REGISTERED HOLDER/ BENEFICIAL OWNER	8,686	11 NOVEMBER 2011	J
ROB FYFE	9,231	REGISTERED HOLDER/ BENEFICIAL OWNER	8,454	11 NOVEMBER 2011	K
CRAIG SCHWEIGHOFFER	(277,778)	REGISTERED HOLDER/ BENEFICIAL OWNER	(250,000)	14 NOVEMBER 2011	L
ROB FYFE	277,778	REGISTERED HOLDER/ BENEFICIAL OWNER	250,000	14 NOVEMBER 2011	L
ROB FYFE	81,250	REGISTERED HOLDER/ BENEFICIAL OWNER	81,250	01 DECEMBER 2011	M
STEPHEN SINCLAIR	2,250	REGISTERED HOLDER/ BENEFICIAL OWNER	2,250	01 DECEMBER 2011	N
GEOFF ROSS, GRANT BAKER AND STEPHEN SINCLAIR	720,653	REGISTERED HOLDER/ BENEFICIAL OWNER	720,653	01 DECEMBER 2011	O
GEOFF ROSS	24,250	REGISTERED HOLDER/ BENEFICIAL OWNER	24,250	09 DECEMBER 2011	P
RICHARD FRANK	56,250	REGISTERED HOLDER/ BENEFICIAL OWNER	56,250	09 DECEMBER 2011	Q
RICHARD FRANK	13,642	REGISTERED HOLDER/ BENEFICIAL OWNER	13,144	20 JANUARY 2012	R
ROB FYFE	9,140	REGISTERED HOLDER/ BENEFICIAL OWNER	8,806	20 JANUARY 2012	S
SARAH GIBBS	2,301,161	REGISTERED HOLDER/ BENEFICIAL OWNER	0	30 MARCH 2012	T

Entries Recorded in the Interests Register

The following entries were recorded in the Interests Register of the Company during the year to 31 March 2012.

Director Share Dealings

During the year the following directors disclosed under section 148 of the Companies Act 1993 that they acquired or disposed of relevant interests in ordinary shares issued by the Company.

(A) Issue of 11,906 shares held as registered holder and beneficial owner for $8,782.99 directors fees for the period from 1 October to 31 December 2010 on 11 April 2011.

(B) Issue of 19,294 shares held as registered holder and beneficial owner for $13,532.15 directors fees for the period from 1 January 2011 to 31 March 2011 on 11 April 2011.

(C) Issue of 8,334 shares held as registered holder and beneficial owner for $6,148.09 directors fees for the period from 1 October 2010 to 31 December 2010 on 11 April 2011.

(D) Issue of 13,506 shares held as registered holder and beneficial owner for $9,472.50 directors fees for the period from 1 January 2011 to 31 March 2011 on 11 April 2011.

(E) Off-Market Sale of 200,000 ordinary shares by Paunui Holdings Pty Limited to Todd Norman Graydon at NZ$0.75 per share on 30 May 2011. In addition, Paunui Holdings Pty Limited granted Todd Norman Graydon 200,000 options to acquire ordinary shares at NZ$1.00 with a final exercise date of 31 May 2013.

(F) Off-Market Sale of 200,000 ordinary shares by Paunui Holdings Pty Limited to Andrew Johnston at NZ$0.75 per share on 30 May 2011. In addition, Paunui Holdings Pty Limited granted Andrew Johnston 360,000 options to acquire ordinary shares at NZ$1.00 with a final exercise date of 31 May 2013.

(G) Off-Market Sale of 1,250,000 ordinary shares by The Business Bakery LP to Jasmin Investment Trust at NZ$0.80 per share on 23 June 2011.

(H) Issue of 15,554 shares held as registered holder and beneficial owner for $12,964 directors fees for the period from 1 April 2011 to 30 June 2011 on 11 November 2011.

(I) Issue of 13,777 shares held as registered holder and beneficial owner for $12,618 directors fees for the period from 1 July 2011 to 30 September 2011 on 11 November 2011.

(J) Issue of 10,422 shares held as registered holder and beneficial owner for $8,686 directors fees for the period from 1 April 2011 to 30 June 2011 on 11 November 2011.

(K) Issue of 9231 shares held as registered holder and beneficial owner for $8,454 directors fees for the period from 1 July 2011 to 30 September 2011 on 11 November 2011.

(L) Off-Market Sale of 277,778 ordinary shares by Paunui Holdings Pty Limited to Robert Ian Fyfe, Donna Leigh Fyfe and Peter Denis Brown as trustee for Rob Fyfe Family Trust at NZ$0.90 per share on 14 November 2011.

(M) Acquisition of 81,250 ordinary shares (ECO) through exercise of 56,250 Series 1 Warrants (ECOWA) (by associated family trust), 12,500 further Series 1 Warrants (by daughter) and 12,500 further Series 1 Warrants (by son) for $1 per warrant.

(N) Acquisition of 2,250 ordinary shares (ECO) through exercise of 750 Series 1 Warrants (by son), 750 further Series 1 Warrants (by son) and 750 further Series 1 Warrants (by son) for $1 per warrant.

(O) Acquisition of 720,653 ordinary shares (ECO) through exercise of 720,653 Series 1 Warrants (ECOWA) (by the Business Bakery LP) for $1 per warrant.

(P) Acquisition of 24,250 ordinary shares (ECO) through the exercise of 23,750 Series 1 Warrants (ECOWA) (by the trustees for the Ross Venture Trust), 250 further Series 1 Warrants (by son), and 250 further Series 1 Warrants (by son) for $1 per warrant.

(Q) Acquisition of 56,250 ordinary shares (ECO) through the exercise of 56,250 Series 1 Warrants (ECOWA) for $1 per warrant.

(R) Issue of 13,642 shares held as registered holder and beneficial owner for $13,144 directors fees for the period from 1 October 2011 to 31 December 2011 on 20 January 2012.

(S) Issue of 9,140 shares held as registered holder and beneficial owner for $8,806 directors fees for the period from 1 October 2011 to 31 December 2011 on 20 January 2012.

(T) 2,301,161 ordinary shares were issued to the Sarah Jane Gibbs Family Trust in part satisfaction of the earn out consideration for the Ecoya group's acquisition of Trilogy Natural Products Limited.

Other Directorships

The following represents the interests of Directors in other companies as disclosed to the Company and entered in the Interests Register:

Rob Fyfe
Air New Zealand, CEO
Icebreaker Limited, Director from 1 July 2012

Geoff Ross
The Business Bakery LP, Director of general partner and limited partner through associated family trust

Grant Baker
The Business Bakery LP, Director of general partner and limited partner through associated family trust

Stephen Sinclair
The Business Bakery LP, Director of general partner and limited partner through associated family trust

Deeta Colvin
Michael Hill International, Director

Directors' Remuneration

The remuneration of Independent Directors is recorded in the interests register. All Independent Directors receive an annual fee of A$40,000. Actual fees received in the year 31 March 2012 are stated above under the heading "Directors' Remuneration and Other Benefits."

The Business Bakery LP (associated with Executive Directors Grant Baker, Geoff Ross and Stephen Sinclair) is paid fees in connection with the Executive Director services provided on its behalf by Grant Baker, Geoff Ross and Stephen

Sinclair pursuant to a consultancy agreement dated 25 March 2010. The annual service fee under that consulting agreement is A$400,000 plus GST. Total payments made under this agreement during the year ended 31 March 2012 were NZ$517,737.

Paunui Holdings Pty Limited (associated with Managing Director Craig Schweighoffer) is paid pursuant to a consulting agreement dated 30 October 2009 for Managing Director services provided on its behalf by Craig Schweighoffer. Total payments made under this agreement during the year ended 31 March 2012 were NZ$286,311.

Bill & George's Investments Ltd (associated with Non-Executive Director Sarah Gibbs) is paid fees pursuant to a Management agreement dated 13 October 2010 (which expired on 31 December 2011) and pursuant to a Consulting agreement dated 9 January 2012 (which commenced 1 January 2012). Bill and George's Investments Ltd also receives Director's Fee on behalf of Sarah Gibbs based on an annual fee of A$40,000. Sarah Gibbs was appointed as a Non-Executive Director of Ecoya Limited on 7 October 2011. Total payments made under these agreements during the year were $83,211.

Indemnity and Insurance

The company entered into an indemnity in favour of its directors under a deed dated 25 March 2010. The deed was subsequently amended on 27 April 2010.

Employees' Remuneration

REMUNERATION RANGE $NZ	NUMBER OF EMPLOYEES
100,000 – 110,000	2
110,000 – 120,000	5
120,000 – 130,000	2
130,000 – 140,000	1
140,000 – 150,000	1
150,000 – 160,000	1
160,000 – 170,000	0
170,000 – 180,000	1
180,000 – 190,000	0
190,000 – 200,000	0
200,000+	1
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Employees' Remuneration

During the year, the number of employees, not being Directors of the Company, who received remuneration and the value of other benefits exceeding NZ$100,000 was as shown above.

NZX waivers obtained during the year to 31 March 2012

None were obtained.

Audit Fees

The amounts payable to PricewaterhouseCoopers as auditor of the Company are as set out in the notes to the financial statements.

"Emotion is intrinsically tied to the scents surrounding each part of our life. There's no photograph, no words, no music as powerful as the caught fragrance of a past lover"
Isaac Sinclair
Perfumer for Ecoya

ECOYA:

Corporate Directory

Corporate Directory

DIRECTORS		
MR GRANT BAKER	EXECUTIVE DIRECTOR	APPOINTED 31 JANUARY 2008
MR STEPHEN SINCLAIR	CHIEF OPERATING OFFICER	APPOINTED 31 JANUARY 2008
MR GEOFF ROSS	CHAIRMAN / CHIEF EXECUTIVE OFFICER	APPOINTED 23 NOVEMBER 2009
MR CRAIG SCHWEIGHOFFER	EXECUTIVE DIRECTOR	APPOINTED 08 FEBRUARY 2010 RESIGNED 26 JUNE 2012
MR RICH FRANK	INDEPENDENT DIRECTOR	APPOINTED 08 FEBRUARY 2010
MR ROB FYFE	INDEPENDENT DIRECTOR	APPOINTED 01 MARCH 2010
MS COLLETTE DINNIGAN	INDEPENDENT DIRECTOR	APPOINTED 01 MARCH 2010 RESIGNED 26 JUNE 2012
MS DEETA COLVIN	INDEPENDENT DIRECTOR	APPOINTED 03 MAY 2010 RESIGNED 26 JUNE 2012
MS SARAH GIBBS	NON- EXECUTIVE DIRECTOR	APPOINTED 07 OCTOBER 2011

Registered Office and Address for Service

Level 1, Union Fish Building
116-118 Quay Street, Auckland 1010

Telephone: +64 9 367 9464
Facsimile: +64 9 367 9473
Website: www.ecoya.co.nz

Auditor

PricewaterhouseCoopers

Banker

Bank of New Zealand

Solicitors

Chapman Tripp

SHAREHOLDER INFORMATION

Company Publications

The Company informs investors of the Company's business and operations by issuing an Annual Report and an Interim Report.

Financial Calendar

Half year results announced .... November
Half year report .... December
End of financial year .... 31 March
Annual results announced .... May
Annual report .... June

Enquiries

Shareholders with enquiries about transactions or change of address should contact Computershare Investor Services on +64 9 488 8777.
Other questions should be directed to the Company at the registered address.

Share Register

Computershare Investor Services Limited
Level 2, 159 Hurstmere Road
Takapuna, North Shore City 0622
Private Bag 92 119, Auckland 1142, New Zealand
Telephone: +64 9 488 8777
Facsimile: +64 9 488 8787

Stock Exchange

The Company's shares and warrants trade on the NZSX market operated by NZX Limited under the codes ECO and ECOWB.

ECOYA