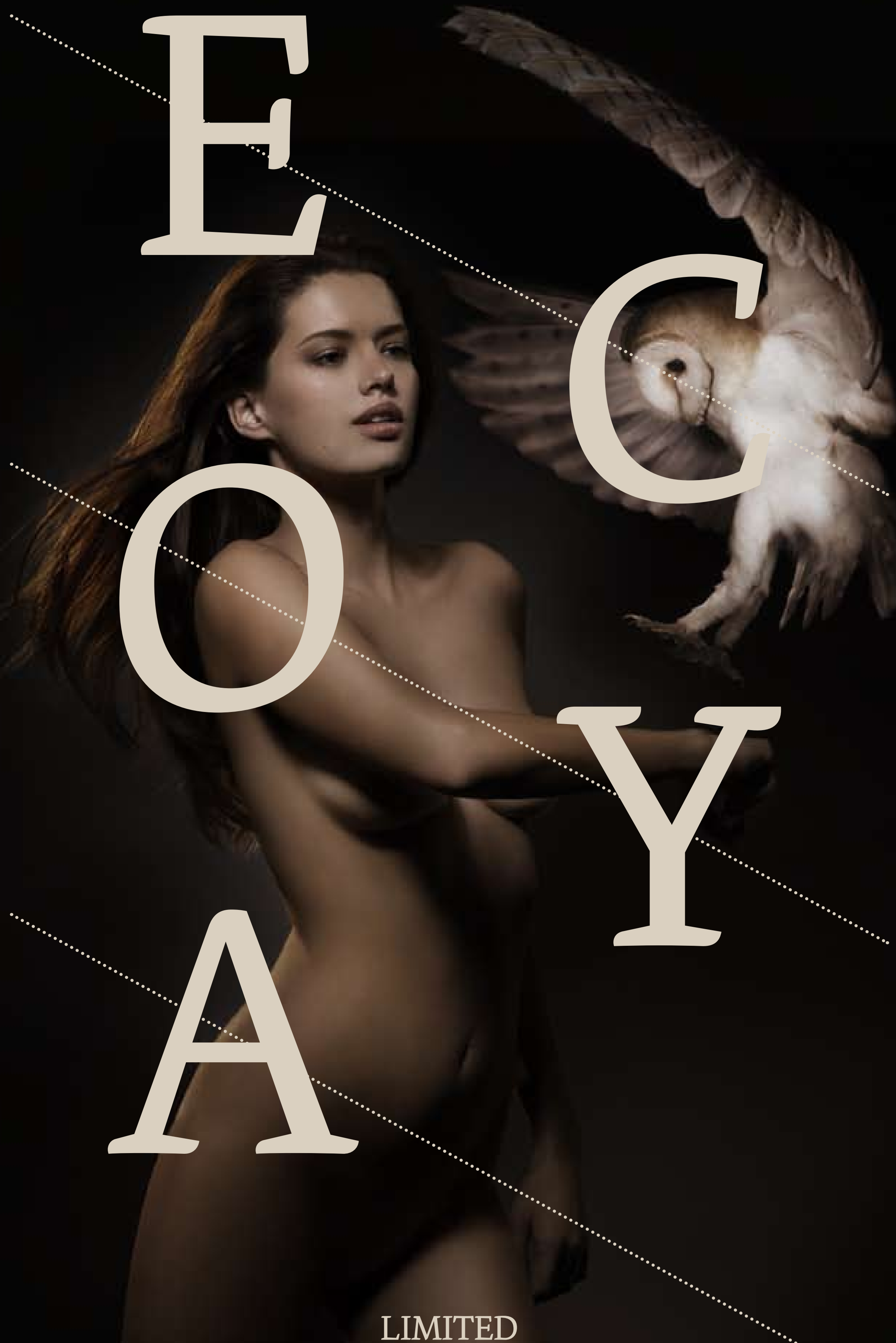

ECOYA

LIMITED

Annual Report

For the year ended 31 March 2011

ECOYA:

Natural Wax and Botanical Bodycare

TRILOGY:

Natural Skincare

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ECOYA:

Chairman's Report

Dear Ecoya Shareholder,

Welcome to our first full year as a listed company in which there have been many highlights.

With this report we aim to summarise the result of the 10/11 year and provide you with greater 'colour' on our growth plans for 11/12.

At a glance

In the prospectus issued a little over a year ago, we outlined our plans to invest in growth, showing projections of $7.9m in revenue and a loss of $5.2m. As a result of the Trilogy acquisition, the actual result was $14.3m in revenue and a $4.0m loss.

This was achieved by Ecoya delivering to expectation and the acquisition of Trilogy, which we believe represents a major step change to the growth potential of the total Ecoya Group. Trilogy became part of Ecoya in September last year. Trilogy is a business that is also in growth in a complementary category, and a business in profit. This report reflects 7 months of Trilogy performance.

For the year ahead, both businesses will continue to grow. Total revenue will be greater than $20m and we expect to be in profit.

Our arrangement with Trilogy is based on an earn out which will be completed at the end of December this year. In the New Year we aim to create synergies for both businesses, looking for opportunities for our people and off shore outposts in which to sell both brands.

Whilst there is a small area of overlap, Ecoya provides bodycare products from the neck down and to fragrance the home. Trilogy skincare provides products for full face, body and hair care. Thus we now have two brands that can provide a stronger offer to retailers.

The year ahead for Ecoya

Ecoya is now a full Bodycare and Home Fragrance company. We launched body exfoliator, nourisher, hand cream and lip balm recently to add to the wash, lotion and soap products we already had. This gives us a full range of Bodycare to sit along side our Home Fragrance products such as fragrant candles and diffusers. We have two new ranges of candles due for release late this year, with new fragrances.

Ecoya's core market is Australia. We have been in growth in this market and we see greater growth opportunities here, both in same store sales and in new stores. Whilst New Zealand is a smaller market it remains an important market for trial of merchandising and marketing concepts, before wider roll out. The US is in growth and a beach head for us. We are putting in place our distribution and building relationships with prestige accounts as a platform for greater growth in the medium term. Our strategy for key Asian cities is similar. In growth we are 'opening up the pipe' and creating placements that initiate the right impression for our brand, as we position ourselves for global growth.

Our factory move last year in Botany Bay was a key step in creating adequate capacity for our Home Fragrance products. We have included more automated machinery and are building stronger relationships with suppliers of raw materials. We see improvements in gross margin being realised as volume grows. Our existing plant can meet the demands we forecast in the near future. Our Bodycare products are made under contract here in Auckland.

The year ahead for Trilogy

Australia is also the largest market for Trilogy. Whilst being established there for several years, we believe there is still opportunity in both new stores and greater sales from our existing relationships. The UK and particularly Ireland is a real success story for Trilogy. Greater growth is planned there. Trilogy is well established in New Zealand and we anticipate further growth as the consumer trend towards making more natural choices in skincare continues. Trilogy also exports to Japan, Korea and Malaysia and these markets hold exciting opportunities for Trilogy's growth in the coming year.

The Australian, New Zealand, UK and Irish markets are supported by in market Sales Teams. The Asian markets are currently run from New Zealand without deploying our own people into the market.

Trilogy products are all made in New Zealand, where a very established relationship exists with a contract producer. There is ample opportunity for growth with our partner.

The year ahead will continue to deliver high levels of growth as we deliver a larger offering to a larger numbers of markets.

We are particularly looking forward to building a closer working relationship with the Trilogy Team. We have immense respect for their operation and believe we can build one organisation that utilises our joint skills effectively.

Being in such a high growth business is a very exciting ride. And we receive huge gratification to see the brands we create earn permanent positions is some of the most respected stores worldwide.

Thanks for being part of this ride and a supporter of both Ecoya and Trilogy.

We look forward to providing our half year report in November.

Cheers and Best Regards,

Geoff Ross
Executive Chairman

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 2011.

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 2011 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 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 94 for issue on 26 May 2011.

For and on behalf of the Board.

Geoff Ross
Director

C. Schweighoffer.

Craig Schweighoffer
Director

ECOYA:

Directors' Profiles

DIRECTORS' PROFILES

Geoff Ross
Executive Chairman

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 also a Trustee of the Melanoma Foundation and an advisor to Air New Zealand's "Grab a Seat" initiative.

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

Craig Schweighoffer
Managing Director

Craig was head of 42 Below Limited, Australia and has been successful in growing 42 Below Limited in Australia.

Before that, he gained a strong growth business background at Redback Tools Pty Limited, his own start-up patented hand tools business. Craig also spent three years as Managing Director at Pyrotek NZ Limited, a high technology manufacturing business in New Zealand, where he succeeded in more than doubling sales in three years to 2001. Prior to this, Craig was responsible for growing Pyroteck's Asian business and successfully set up sales, manufacturing and warehousing operations in several Asian countries.

Stephen Sinclair
CFO and Executive Director

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 also a Director on the board of Dorchester Pacific Limited.

Collette Dinnigan
Independent Director

Collette is one of Australia's best known fashion designers. She brings aesthetic and design skills to the board of Ecoya.

Collette completed a degree in fashion design at Wellington Polytechnic before moving to Sydney to take a role in the costume department of the Australian Broadcasting Commission. She stepped out on her own in 1990 and created the Collette Dinnigan label from which she has received a long list of achievements.

In 2001 and 2003, Collette was voted one of Australia's 50 Most Beautiful Exports. In Paris, in 2002, she was honoured with the Leading Women Entrepreneurs of the World Award, and in 2004 she was presented with the CLEO and Maybelline Celebrity Designer of the Year Award. Then in 2005 she received further awards from Marie Claire and Instyle.

Collette's clients have included Qantas, Dom Perignon and Marks and Spencer. During 2010, Collette plans to launch her new Collette Dinnigan lingerie range into Marks and Spencer in London.

Rich Frank
Independent Director

Rich is a former Chairman of Walt Disney Television and President of Paramount TV Group.

He is currently a board director of Napastyle, a chain of Californian stores 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. He is also Vice Chairman of the American Film Institute.

Rich was a former Director of 42 Below Limited.

Rob Fyfe
Independent Director

Rob is currently Chief Executive Officer of Air New Zealand Limited.

Rob joined Air New Zealand at the start of 2003 as Chief Information Officer and led the Business Transformation team. Rob then held the position of Group General Manager Airlines from October 2003 until his appointment as Chief Executive Officer in October 2005.

Prior to joining Air New Zealand, Rob held a range of Senior Management positions both within New Zealand and overseas, including roles with the National Australia Bank, Bank of New Zealand, Telecom NZ and ITV Group in the UK.

Deeta Colvin
Independent Director

Deeta Colvin (B.A.) has wide communications and retail skills founded in fashion, perfumes and cosmetics, travel and the media.

She is a former owner of high profile marketing and PR consultancy Colvin Communications which specialised in lifestyle, consumer products and corporate issues and management.

She has been a director of corporate relations for PBL Media and has consulted to some of the world's biggest fashion and cosmetic brands including Louis Vuitton, Dior, Fendi and Versace.

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.

Board Meeting and Committee Attendance

	BOARD MEETING	AUDIT AND RISK MANAGEMENT COMMITTEE
GEOFF ROSS	11	N/A
GRANT BAKER	11	N/A
CRAIG SCHWEIGHOFFER	11	2
STEPHEN SINCLAIR	11	2
COLLETTE DINNIGAN	8	N/A
RICH FRANK	6	2
ROB FYFE	10	2
DEETA COLVIN	9	N/A

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 four independent directors, and four 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.

As at 31 March 2011 the Board consisted of:

Geoff Ross	Executive Chairman
Grant Baker	Executive Director
Craig Schweighoffer	Managing Director
Stephen Sinclair	Chief Financial Officer
Collette Dinnigan	Independent Director
Rich Frank	Independent Director
Rob Fyfe	Independent Director
Deeta Colvin	Independent Director

Profiles of current board members are shown on pages 11 to 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, Rob Fyfe, Collette Dinnigan and Deeta Colvin are independent directors.

Geoff Ross, Grant Baker, Craig Schweighoffer and Stephen Sinclair were not independent directors.

No director ceased to hold office in the accounting period ended 31 March 2011.

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 103.

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, Craig Schweighoffer, Rob Fyfe and Rich Frank.

The Audit and Risk Committee met on 17 November 2010 and 20 May 2011.

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 102.

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. The Executive Directors are not entitled to be paid Directors' fees.

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 management and executive services. Under the consultancy agreement, Ecoya paid a consultancy fee of NZ$518,000 plus GST to The Bakery in respect of services provided for the year ended 31 March 2011.

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 of Ecoya. Under the consultancy agreement, Ecoya paid a consultancy fee of NZ$266,540 plus GST to Paunui in respect of such services for the year ended 31 March 2011.

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

In it's prospectus Ecoya advised that it intended 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. At the date of this report loans had not been made to Directors. The Company still plans to make the loans on terms similar to those set out below.

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. 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.

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 2011 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 58.

ECOYA:

Auditors' Report to the shareholders of Ecoya Limited

pwc

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 94, which comprise the balance sheets as at 31 March 2011, the statements of comprehensive income, statements of changes 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 2011 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 94:

(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 2011, 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 2011:

(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
26 May 2011


trilogy
FACE CARE
vital moisturising cream
Pure nourishment and hydration
60g
trilogy
advanced natural skincare
FACE CARE
cream cleanser
Soft, smooth,
completely clean skin
certified organic rosehip oil,
evening primrose, jojoba
and carrot
200ml
trilogy
✓ scars
✓ stretch marks
✓ wrinkles

ECOYA:

Financial Statements

Statements of Comprehensive Income

For the year ended 31 March 2011

	NOTES	CONSOLIDATED 2011 $'000	CONSOLIDATED 2010 $'000	PARENT 2011 $'000	PARENT 2010 $'000
REVENUE	5	14,279	3,906	470	-
COST OF SALES		(5,939)	(2,830)	-	-
GROSS PROFIT		**8,340**	**1,076**	**470**	**-**
OTHER INCOME		128	-	-	-
OTHER GAINS (LOSSES) – NET	6	(268)	(3)	(88)	(23)
EXPENSES	7				
DISTRIBUTION		(888)	(306)	-	-
SALES AND MARKETING		(5,622)	(1,566)	-	(1)
ADMINISTRATION		(5,270)	(1,668)	(1,311)	(110)
LISTING EXPENSES		(502)	-	(502)	-
FINANCE INCOME	8	164	135	542	134
FINANCE COSTS	8	(170)	(19)	(167)	(17)
FINANCE COST ON CONTINGENT CONSIDERATION	19	(197)	-	-	-
LOSS BEFORE INCOME TAX		**(4,285)**	**(2,351)**	**(1,056)**	**(17)**
INCOME TAX CREDIT	9	274	-	138	-
LOSS FOR THE YEAR		**(4,011)**	**(2,351)**	**(918)**	**(17)**
OTHER COMPREHENSIVE INCOME					
FOREIGN CURRENCY TRANSLATION, NET OF TAX		281	(43)	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**(3,730)**	**(2,394)**	**(918)**	**(17)**
LOSS FOR THE YEAR ATTRIBUTABLE TO:					
EQUITY HOLDERS OF ECOYA LIMITED		(4,011)	(1,918)	(918)	(17)
NON-CONTROLLING INTEREST		-	(433)	-	-
		(4,011)	**(2,351)**	**(918)**	**(17)**
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:					
EQUITY HOLDERS OF ECOYA LIMITED		(3,730)	(1,964)	(918)	(17)
NON-CONTROLLING INTEREST		-	(430)	-	-
		(3,730)	**(2,394)**	**(918)**	**(17)**

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

Statements of Comprehensive Income

For the year ended March 2011

LOSSES PER SHARE FOR LOSS ATTRIBUTABLE TO THE ORDINARY EQUITY HOLDERS OF THE COMPANY DURING THE YEAR:	NOTES	DOLLARS	DOLLARS
BASIC LOSSES PER SHARE	29	0.09	0.24
DILUTED LOSSES PER SHARE	29	0.09	0.24

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

Statements of Financial Position

As at 31 March 2011

	NOTES	CONSOLIDATED 2011 $'000	CONSOLIDATED 2010 $'000	PARENT 2011 $'000	PARENT 2010 $'000
ASSETS					
CURRENT ASSETS					
CASH AND CASH EQUIVALENTS	10	1,878	310	-	230
TRADE AND OTHER RECEIVABLES	11	3,586	1,359	119	529
PROVISION FOR TAX		-	-	29	-
RECEIVABLES FROM SUBSIDIARIES	25	-	-	23,796	4,183
INVENTORIES	12	5,563	740	-	-
TOTAL CURRENT ASSETS		11,027	2,409	23,944	4,942
NON-CURRENT ASSETS					
PLANT AND EQUIPMENT	14	1,894	665	-	-
INTANGIBLE ASSETS	16	17,831	1,140	-	-
SHARES IN SUBSIDIARIES	13	-	-	3,490	3,490
DEFERRED TAX	15	274	-	138	-
TOTAL NON-CURRENT ASSETS		19,999	1,805	3,628	3,490
TOTAL ASSETS		**31,026**	**4,214**	**27,572**	**8,432**
CURRENT LIABILITIES					
TRADE AND OTHER PAYABLES	17	3,734	1,834	393	655
PROVISION FOR TAX		99	-	-	-
INTEREST BEARING LIABILITIES	18	5,447	1,030	5,447	1,000
CONTINGENT CONSIDERATION PAYABLE	19	8,663	-	-	-
DERIVATIVE FINANCIAL INSTRUMENTS	20	153	23	-	23
PAYABLES TO SUBSIDIARIES	25	-	-	563	-
TOTAL CURRENT LIABILITIES		18,096	2,887	6,403	1,678
TOTAL LIABILITIES		**18,096**	**2,887**	**6,403**	**1,678**
NET ASSETS		**12,930**	**1,327**	**21,169**	**6,754**
EQUITY					
CONTRIBUTED EQUITY	21	22,060	6,727	22,060	6,727
RESERVES	22	306	25	-	-
(ACCUMULATED LOSSES)/ RETAINED EARNINGS	22	(9,436)	(5,425)	(891)	27
		12,930	**1,327**	**21,169**	**6,754**
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF ECOYA LIMITED		12,930	1,327	21,169	6,754

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 2011

Consolidated	Note	Share Capital $'000	Accumulated Losses $'000	Reserves $'000	Non-Controlling Interest $'000	Total Equity $'000
		Attributable to equity holders of Ecoya Limited				
Balance as at 1 April 2009		-	(645)	71	(174)	(748)
(Loss) for the year	22(b)	-	(1,918)	-	(433)	(2,351)
Foreign currency translation	22(a)	-	-	(46)	3	(43)
Total comprehensive income		-	(1,918)	(46)	(430)	(2,394)
Issue of ordinary shares	21					
For cash		1,475	-	-	-	1,475
Acquisition of further investment in subsidiary		2,258	(2,258)	-	-	-
Capitalisation of related party loan		2,999	-	-	-	2,999
Share issue cost		(5)	-	-	-	(5)
Acquisition of non-controlling interest	26	-	(604)	-	604	-
Balance as at 31 March 2010		**6,727**	**(5,425)**	**25**	**-**	**1,327**
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
Balance as at 31 March 2011		**22,060**	**(9,436)**	**306**	**-**	**12,930**

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 2011

Parent	NOTE	SHARE CAPITAL $'000	ACCUMULATED LOSSES $'000	RESERVES $'000	TOTAL EQUITY $'000
BALANCE AS AT 1 APRIL 2009		-	44	-	44
(LOSS) FOR THE YEAR	22(b)	-	(17)	-	(17)
ISSUE OF ORDINARY SHARES	21				
FOR CASH		1,475	-	-	1,475
ACQUISITION OF FURTHER INVESTMENT IN SUBSIDIARY		2,258	-	-	2,258
CAPITALISATION OF RELATED PARTY LOAN		2,999	-	-	2,999
SHARE ISSUE COST		(5)	-	-	(5)
BALANCE AS AT 31 MARCH 2010		**6,727**	**27**	**-**	**6,754**
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
BALANCE AS AT 31 MARCH 2011		**22,060**	**(891)**	**-**	**21,169**

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 2011

	NOTES	CONSOLIDATED YEAR ENDED 2011 $'000	CONSOLIDATED YEAR ENDED 2010 $'000	PARENT YEAR ENDED 2011 $'000	PARENT YEAR ENDED 2010 $'000
CASH FLOWS FROM OPERATING ACTIVITIES					
RECEIPTS FROM CUSTOMERS (INCLUSIVE OF GOODS AND SERVICES TAX)		13,624	3,558	467	-
PAYMENTS TO SUPPLIERS AND EMPLOYEES (INCLUSIVE OF GOODS AND SERVICES TAX)		(20,063)	(5,939)	(1,656)	(151)
GOVERNMENT GRANTS RECEIVED		128	-	-	-
INTEREST RECEIVED		107	1	102	1
INTEREST PAID		(164)	(17)	(155)	(15)
TAXATION PAID		(294)	-	(101)	-
NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	28	**(6,662)**	**(2,397)**	**(1,343)**	**(165)**
CASH FLOWS FROM INVESTING ACTIVITIES					
ACQUISITION OF SUBSIDIARY, NET OF CASH ACQUIRED	27	(10,109)	-	-	-
PAYMENTS FOR PLANT AND EQUIPMENT		(1,433)	(314)	-	-
PROCEEDS FROM SALE OF PLANT AND EQUIPMENT		207	20	-	-
PAYMENTS FOR INTANGIBLE ASSETS		(134)	(45)	-	-
LOAN ADVANCED TO SUBSIDIARY		-	-	(18,609)	(2,708)
NET CASH INFLOW / (OUTFLOW) FROM INVESTING ACTIVITIES		**(11,469)**	**(339)**	**(18,609)**	**(2,708)**
CASH FLOWS FROM FINANCING ACTIVITIES					
LOAN RECEIVED FROM PARENT		-	2,706	-	2,706
REPAYMENT OF LOAN FROM PARENT		-	(2,073)	-	(2,073)
REPAYMENTS ON FINANCE LEASE		(29)	(14)	-	-
PROCEEDS FROM BORROWINGS	18	3,500	1,000	3,500	1,000
REPAYMENT OF BORROWINGS		(1,000)	-	(1,000)	-
LOAN RECEIVED FROM RELATED PARTY		-	117	-	-
REPAYMENT OF LOAN FROM RELATED PARTY		-	(178)	-	-
NET PROCEEDS FROM ISSUE OF SHARES	21	15,275	1,470	15,275	1,470
NET CASH INFLOW / (OUTFLOW) FROM FINANCING ACTIVITIES		**17,746**	**3,028**	**17,775**	**3,103**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(385)	292	(2,177)	230
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		310	18	230	-
EXCHANGE GAINS ON CASH AND CASH EQUIVALENTS		6	-	-	-
CASH AND CASH EQUIVALENTS AT END OF PERIOD		**(69)**	**310**	**(1,947)**	**230**
COMPOSITION OF CASH AND CASH EQUIVALENTS:					
CASH AND CASH EQUIVALENTS	10	1,878	310	-	230
BANK OVERDRAFT	18	(1,947)	-	(1,947)	-
		(69)	**310**	**(1,947)**	**230**

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

Notes to the Financial Statements

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. During the year the Parent acquired a 100% stake in natural skincare company Trilogy.

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.

Ecoya Limited listed on the NZX on 4 May 2010.

These financial statements have been approved for issue by the Board of Directors on 26 May 2011.

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 period 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 IFRSs as of 1 April 2010:

NZ IFRS 3 (revised) : Business combinations

The revised standard continues to apply the acquisition method to business combinations, with some significant changes. For example, all payments to purchase a business are recorded at fair value at acquisition date, with contingent payments classified as debt subsequently re-measured through the statement of comprehensive income. All acquisition related costs are now expensed.

NZ IAS 27 (revised) : Consolidated and Separate Financial Statements

The revised standard requires the effect of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting treatment when control is lost. Any remaining interest in the entity is re-measured to fair value, and a gain or loss is recognised in profit or loss. NZ IAS 27 (revised) has had no impact on the current period.

NZ IAS 38 (amendment) : Intangible assets

The amendment is part of the Accounting Standards Review Board's ('ASRB') annual improvements project and has been applied by the Group from 1 April 2010. The amendment clarifies guidance in measuring the fair value of an intangible asset acquired in a business combination and it permits the grouping of intangible assets as a single asset if each asset has similar useful economic lives.

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 2011 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 purchase 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.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income and balance sheet respectively.

(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 balance sheet item presented are translated at the closing rate at the date of that balance sheet;

- 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 balance sheet 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 balance sheet 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 balance sheet.

(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 balance sheet 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 balance sheet.

(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 balance sheet 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 balance sheet 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 2011, 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	5-33%
- Furniture and office equipment	15-67%
- Display equipment	13-33%
- Motor vehicles	19%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet 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 balance sheet 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 balance sheet 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 are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares for the acquisition of a business are included in the cost of the acquisition as part of the purchase consideration.

(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

New accounting standards and IFRIC interpretations
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 2010 or later periods.

(i) *Standard and Interpretations early adopted by the Group*
The Group has not early adopted any new accounting standards or IFRIC interpretations.

(ii) *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*

NZ IFRIC 13 (revised): Customer Loyalty Programmes (effective from 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 from 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 IAS 1(amendment): Presentation of financial statements (effective from 1 January 2011)

The amendments clarify that disaggregation of changes in each component of equity arising from transactions recognised in other comprehensive income also is required to be presented, but may be presented either in the statement of changes in equity or in the notes.

NZ IFRS 7 (amendment): Financial Instruments disclosures (effective from 1 July 2011)

The amendments add an explicit statement that qualitative disclosure should be made in the contents 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.

The amendments also require additional disclosures about transfer of financial assets to enable users of financial statements

- to understand the relationship between transferred financial assets that are not derecognised in their entirety and the associated liabilities; and
- to evaluate the nature of, and risks associated with, the entity's continuing involvement in derecognised financial assets.

NZ IFRS 9: Financial Instruments (effective from 1 January 2013)

NZ IFRS 9 on classification and measurement of financial assets has two measurement categories: amortised cost and fair value. 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.

NZ IAS 24 Related Party Disclosures (Revised 2009) (effective from 1 January 2011)

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

The directors anticipate that the adoption of those standards, amendments and interpretations will have no material impact on the Group's and Company's financial statements, other than disclosures. Other interpretations and amendments are unlikely to have an impact on the Group's accounts and have therefore not been analysed in detail.

(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 Executive Chairman, Managing Director, Executive Director, and Chief Financial 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 table on the following page 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 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**

31 MARCH 2010	NZD $'000	USD $'000	AUD $'000	GBP $'000	EUR $'000	JPY $'000
ECOYA LIMITED	-	(14)	4,019	-	-	-
ECOYA PTY LIMITED	(80)	(122)	-	-	-	-
ECOYA GROUP	**(80)**	**(136)**	**4,019**	**-**	**-**	**-**

The following significant exchange rates applied during the year:

Exchange rates applied

	AVERAGE RATE 2011	AVERAGE RATE 2010	CLOSING RATE 2011	CLOSING RATE 2010
NZD/AUD	0.778	0.797	0.739	0.772
NZD/USD	0.733	0.686	0.764	0.710
NZD/GBP	0.471	-	0.476	-
NZD/EUR	0.555	-	0.540	-
NZD/JPY	62.791	-	63.213	-

Sensitivity analysis – underlying exposures

A 10% weakening of the NZ dollar against the Australian dollar at 31 March 2011 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 $169,000 and $1,129,000 higher respectively (2010:$447,000 net result and equity higher). The Parent's net result and equity for the period would have been $961,000 higher (2010: $447,000 higher).

A 10% strengthening of the NZ dollar against the Australian dollar at 31 March 2011 and 31 March 2010 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 2011 in relation to these forward foreign exchange contracts would have decreased the Group's equity and the net result for the period by $322,000. The Parent had no derivative financial instruments at 31 March 2011 (2010 Group and Parent: $33,000 lower). A 10% strengthening of the NZ dollar at 31 March 2011 and 31 March 2010 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 2011 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. Other borrowings, from related parties, are non-interest bearing. 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 $19,000 lower (2010: no effect). 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 opposite 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, other than for the cash element of contingent consideration payable.

Maturities of financial liabilities

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	5,447	-	-	-	-	5,447	5,447
CONTINGENT CONSIDERATION PAYABLE – CASH ELEMENT	19	-	4,663	-	-	-	5,000	4,663
TOTAL		**8,902**	**4,846**	**96**	**-**	**-**	**14,181**	**13,844**
Consolidated *At 31 March 2010*								
NON-DERIVATIVE FINANCIAL LIABILITIES								
TRADE AND OTHER PAYABLES	17	1,834	-	-	-	-	1,834	1,834
INTEREST BEARING LIABILITIES	18	1,035	-	-	-	-	1,035	1,030
TOTAL		**2,869**	**-**	**-**	**-**	**-**	**2,869**	**2,864**
Parent *At 31 March 2011*								
NON-DERIVATIVE FINANCIAL LIABILITIES								
TRADE AND OTHER PAYABLES	17	393	-	-	-	-	393	393
INTEREST BEARING LIABILITIES	18	5,447	-	-	-	-	5,447	5,447
TOTAL		**5,840**	**-**	**-**	**-**	**-**	**5,840**	**5,840**
Parent *At 31 March 2010*								
NON-DERIVATIVE FINANCIAL LIABILITIES								
TRADE AND OTHER PAYABLES	17	655	-	-	-	-	655	655
INTEREST BEARING LIABILITIES	18	1,005	-	-	-	-	1,005	1,000
TOTAL		1,660	-	-	-	-	1,660	1,655

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 balance sheet 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 balance sheet date and the following 12 months.

Maturities of derivative financial instruments

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)

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

Consolidated and Parent *At 31 March 2010*	LESS THAN 3 MONTHS $'000	3-12 MONTHS $'000
FORWARD FOREIGN EXCHANGE CONTRACTS – CASH FLOW HEDGES		
INFLOW	704	-
OUTFLOW	(727)	-

(d) Financial instruments by category

Financial instruments by category

ASSETS AS PER BALANCE SHEET	NOTES	CONSOLIDATED LOANS AND RECEIVABLES AT 31 MARCH 2011 $'000	CONSOLIDATED LOANS AND RECEIVABLES AT 31 MARCH 2010 $'000	PARENT LOANS AND RECEIVABLES AT 31 MARCH 2011 $'000	PARENT LOANS AND RECEIVABLES AT 31 MARCH 2010 $'000
TRADE AND OTHER RECEIVABLES	11	3,064	647	3	-
RECEIVABLES FROM SUBSIDIARIES	25	-	-	23,796	4,183
CASH AND CASH EQUIVALENTS	10	1,878	310	-	230
		4,942	**957**	**23,799**	**4,413**

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 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 AND OTHER PAYABLES	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	-	-
		17,841	**153**	**5,840**	**-**

	NOTES	CONSOLIDATED MEASURED AT AMORTISED COST AT 31 MARCH 2010 $'000	CONSOLIDATED MEASURED AT FAIR VALUE THROUGH THE PROFIT AND LOSS AT 31 MARCH 2010 $'000	PARENT MEASURED AT AMORTISED COST AT 31 MARCH 2010 $'000	PARENT MEASURED AT FAIR VALUE THROUGH THE PROFIT AND LOSS AT 31 MARCH 2010 $'000
INTEREST BEARING LIABILITIES	18	1,030	-	1,000	-
DERIVATIVE FINANCIAL INSTRUMENTS	20	-	23	-	23
TRADE AND OTHER PAYABLES	17	1,369	-	655	-
		2,399	**23**	**1,655**	**23**

Employee entitlements 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 2011 $'000	LEVEL 2 GROUP AND PARENT 2010 $'000
DERIVATIVE FINANCIAL INSTRUMENTS	20	153	23
		153	**23**

The Parent did not have any derivative financial instruments at 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 2011.

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 2011 and 31 March 2010.

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 2010: 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 $10,103,000 through the IPO offer, $5,050,000 for the acquisition of Trilogy, and $953,000 from the Share Purchase Plan allotment (see note 21). The combination of these and the funding received 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 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 (2010: not applicable).

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 and the potential impact of changes to the assumptions.

(ii) Contingent consideration payable
The Group has assessed the value of the contingent consideration taking into account both historical and forecast performance of the Trilogy business.

(iii) 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 2011 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 more than 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 executive directors of the Group made up of Executive Chairman, Managing Director, Executive Director and Chief Financial Officer.
At 31 March 2010 the chief operating decision maker was identified as the Board of Ecoya. The change during the current period reflects the development of the business and the Group's organisation structure following the IPO and listing on the New Zealand Stock Market at the beginning of May 2010.

The chief operating decision maker considers the business performance from both a geographic and product perspective. During the current period, EBITDA for reportable segments was extended to include allocated head office costs. The head office function is based in NZ and operating costs associated with it have been allocated to geographies in line with sales. The listing and acquisition costs incurred by the head office function do not constitute operating costs. Comparative periods have been restated to allocate head office costs to geographies.

Following the acquisition of Trilogy on 1 September 2010 (note 27) the Group's products are now within two operating and reportable segments (prior periods: one segment). One segment encompasses home fragrance and bodycare products, the other segment is the natural skincare category.

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.

The segment information provided to the chief operating decision maker for the reportable segments is shown in the table on the next page.

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 CREDIT	-	274	-	-	-	274
CAPITAL EXPENDITURE	1,276	135	-	-	-	1,410

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

YEAR ENDED 31 MARCH 2010

HOME FRAGRANCE, BODYCARE	AUSTRALIA $'000	NEW ZEALAND $'000	US $'000	UK AND IRELAND $'000	REST OF WORLD $'000	TOTAL $'000
SEGMENT REVENUE	3,675	231	-	-	-	3,906
REVENUE FROM EXTERNAL CUSTOMERS	3,675	231	-	-	-	3,906
EBITDA	(2,229)	(80)	-	-	-	(2,309)
DEPRECIATION AND AMORTISATION	(135)	-	-	-	-	(135)
INCOME TAX EXPENSE/ (CREDIT)	-	-	-	-	-	-
CAPITAL EXPENDITURE	460	-	-	-	-	460

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 2011 $'000	YEAR ENDED 31 MARCH 2010 $'000
EBITDA FOR REPORTABLE SEGMENTS	(2,911)	(2,309)
LISTING AND ACQUISITION COSTS	(673)	-
LOSSES ON DERIVATIVE FINANCIAL INSTRUMENTS	(241)	(23)
DEPRECIATION AND AMORTISATION	(257)	(135)
FINANCE INCOME, NET	(6)	116
CONTINGENT CONSIDERATION UNWIND ADJUSTMENT	(197)	-
LOSS BEFORE TAX	**(4,285)**	**(2,351)**

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

Revenues of approximately $2,287,000 (2010: not applicable) 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 $16,884,000 (2010: $nil), including the intangibles arising on the Trilogy acquisition in September 2010 (see note 27), and the total of non-current assets located in other countries is $2,841,000 (2010: $1,805,000).

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 gains (losses) – net

Other gains (losses) – net

	CONSOLIDATED 2011 $'000	CONSOLIDATED 2010 $'000	PARENT 2011 $'000	PARENT 2010 $'000
FOREIGN EXCHANGE GAINS/(LOSSES) – NET	(27)	20	-	-
GAINS/(LOSSES) ON DERIVATIVE FINANCIAL INSTRUMENTS	(241)	(23)	(88)	(23)
	(268)	**(3)**	**(88)**	**(23)**

7. Expenses

Expenses

LOSS/(PROFIT) BEFORE INCOME TAX INCLUDES THE FOLLOWING SPECIFIC EXPENSES:	CONSOLIDATED 2011 $'000	CONSOLIDATED 2010 $'000	PARENT 2011 $'000	PARENT 2010 $'000
DEPRECIATION				
PLANT AND EQUIPMENT	63	68	-	-
FURNITURE AND OFFICE EQUIPMENT	83	37	-	-
DISPLAY EQUIPMENT	46	8	-	-
MOTOR VEHICLES	7	8	-	-
TOTAL DEPRECIATION	199	121	-	-
AMORTISATION				
TRADEMARKS	12	4	-	-
SOFTWARE AND WEBSITE DEVELOPMENT	46	10	-	-
TOTAL AMORTISATION	58	14	-	-
TOTAL DEPRECIATION AND AMORTISATION	257	135	-	-
RENTAL EXPENSE RELATING TO OPERATING LEASES				
MINIMUM LEASE PAYMENTS	362	134	-	-
TOTAL RENTAL EXPENSE RELATING TO OPERATING LEASES	362	134	-	-
SUNDRY EXPENSES				
DONATIONS	20	14	-	-
EMPLOYEE BENEFIT EXPENSE				
SALARIES AND WAGES	3,284	1,751	-	-
PENSION COSTS – DEFINED CONTRIBUTION SUPERANNUATION SCHEME	191	139	-	-
TOTAL EMPLOYEE BENEFIT EXPENSE	3,475	1,890	-	-

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 2011 $'000	CONSOLIDATED 2010 $'000	PARENT 2011 $'000	PARENT 2010 $'000
AUDIT AND REVIEW OF FINANCIAL REPORTS AND OTHER AUDIT WORK	116	74	116	74
ASSURANCE SERVICES – DUE DILIGENCE ON TRILOGY ACQUISITION	38	-	38	-
TAXATION SERVICES	-	8	-	8
TOTAL REMUNERATION FOR AUDIT AND OTHER SERVICES	154	82	154	82

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 2011 $'000	CONSOLIDATED 2010 $'000	PARENT 2011 $'000	PARENT 2010 $'000
FINANCE COSTS				
FINANCE LEASE LIABILITIES	-	(2)	-	-
BORROWINGS	(170)	(17)	(167)	(17)
TOTAL FINANCE COSTS	(170)	(19)	(167)	(17)
FINANCE INCOME				
INTEREST RECEIVED ON BANK BALANCES	107	2	102	1
FOREIGN EXCHANGE GAINS/(LOSSES) ON RELATED PARTY LOAN	57	133	440	133
TOTAL FINANCE INCOME	164	135	542	134
NET FINANCE (COST)/ INCOME	**(6)**	**116**	**375**	**117**

9. Income tax expense

Income tax expense

(A) INCOME TAX EXPENSE	CONSOLIDATED 2011 $'000	CONSOLIDATED 2010 $'000	PARENT 2011 $'000	PARENT 2010 $'000
CURRENT TAX	-	-	-	-
DEFERRED TAX (NOTE 15)	274	-	138	-
INCOME TAX CREDIT	**274**	**-**	**138**	**-**
(B) NUMERICAL RECONCILIATION OF INCOME TAX EXPENSE TO PRIMA FACIE TAX PAYABLE				
LOSS FROM CONTINUING OPERATIONS BEFORE INCOME TAX EXPENSE	(4,285)	(2,351)	(1,056)	(17)
TAX CREDIT CALCULATED AT APPLICABLE DOMESTIC TAX RATES	1,285	705	316	5
TAX EFFECT OF AMOUNTS WHICH ARE NOT DEDUCTIBLE (TAXABLE) IN CALCULATING TAXABLE INCOME:				
NON-TAXABLE INCOME	-	40	133	40
NON-DEDUCTIBLE EXPENSES	(264)	(12)	(199)	-
TEMPORARY DIFFERENCES NOT RECOGNISED	10	(35)	-	-
TAX LOSSES NOT RECOGNISED	(738)	(698)	(102)	(45)
REMEASUREMENT OF DEFERRED TAX – CHANGE IN THE NZ TAX RATE	(19)	-	(10)	-
INCOME TAX CREDIT	**274**	**-**	**138**	**-**
THE WEIGHTED AVERAGE APPLICABLE TAX RATE WAS 30%				
(C) IMPUTATION CREDITS AVAILABLE DIRECTLY AND INDIRECTLY TO SHARE HOLDERS OF THE PARENT COMPANY, THROUGH:				
PARENT COMPANY	29	-	29	-
SUBSIDIARIES	265	-	-	-
	294	**-**	**29**	**-**

10. Cash and cash equivalents

Cash and cash equivalents

	CONSOLIDATED 2011 $'000	CONSOLIDATED 2010 $'000	PARENT 2011 $'000	PARENT 2010 $'000
CASH AT BANK AND IN HAND	1,878	310	-	230
	1,878	**310**	**-**	**230**

As at 31 March 2011 cash at bank includes a bank guarantee of $81,000 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 2011 $'000	CONSOLIDATED 2010 $'000	PARENT 2011 $'000	PARENT 2010 $'000
TRADE RECEIVABLES	3,137	681	3	-
PROVISION FOR DOUBTFUL RECEIVABLES	(73)	(34)	-	-
	3,064	647	3	-
PREPAYMENTS:				
RENT DEPOSIT	-	35	-	-
PREPAID LISTING EXPENSES	-	500	-	500
OTHER	221	174	15	-
GST RECEIVABLE	301	3	101	29
	3,586	**1,359**	**119**	**529**

As at 31 March 2011, the rent deposit is by way of a bank guarantee classified as cash, see note 10.

As at 31 March 2011, trade receivables of the Group of $2,299,000 (2010: $314,000) were fully performing. The Parent's trade receivables of $3,000 (2010: $nil) were fully performing.

Impaired receivables

	CONSOLIDATED 2011 $'000	CONSOLIDATED 2010 $'000	PARENT 2011 $'000	PARENT 2010 $'000
31 – 60 DAYS OVERDUE	-	3	-	-
90+ DAYS OVERDUE	73	31	-	-
	73	**34**	**-**	**-**

(a) Impaired receivables

As at 31 March 2011 current trade receivables of the Group with a nominal value of $73,000 (2010: $34,000) were impaired and provided for. The amount of the provision was $73,000 (2010: $34,000). 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 2011 (2010: nil).

The ageing of these receivables is as above.

(b) Past due but not impaired receivables

As at 31 March 2011, trade receivables of $765,000 (2010: $333,000) 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 2011 $'000	CONSOLIDATED 2010 $'000	PARENT 2011 $'000	PARENT 2010 $'000
1 – 30 DAYS OVERDUE	394	211	-	-
31 – 60 DAYS OVERDUE	221	33	-	-
61+ DAYS OVERDUE	150	89	-	-
	765	**333**	**-**	**-**

(c) Provision for impairment of receivables

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

Provision for impairment of receivables

	CONSOLIDATED 2011 $'000	CONSOLIDATED 2010 $'000	PARENT 2011 $'000	PARENT 2010 $'000
OPENING BALANCE	34	20	-	-
EXCHANGE DIFFERENCES	2	1	-	
PROVISION FOR IMPAIRMENT RECOGNISED DURING THE YEAR	185	22	-	-
RECEIVABLES WRITTEN OFF DURING THE YEAR AS UNCOLLECTABLE	(148)	(9)	-	-
AS AT 31 MARCH	**73**	**34**	**-**	**-**

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 2011 $'000	CONSOLIDATED 2010 $'000	PARENT 2011 $'000	PARENT 2010 $'000
RAW MATERIALS	3,305	420	-	-
FINISHED GOODS	2,258	320	-	-
	5,563	**740**	**-**	**-**

a) Inventory expense

There were write-downs of inventories used as promotional items to net realisable value during the year of $100,000 (2010: $83,000). This cost is recognisable as an expense and was included in 'sales and marketing' in the statement of comprehensive income.

13. Shares in subsidiaries

Shares in subsidiaries

	PARENT 2011 $'000	PARENT 2010 $'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 2011 %	EQUITY HOLDING 2010 %
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	-
TRILOGY NATURAL PRODUCTS (AUST) PTY LIMITED	TRADING	AUSTRALIA	ORDINARY	100	-
TRILOGY NATURAL PRODUCTS (UK) LIMITED	TRADING	UK	ORDINARY	100	-
ECOYA NZ LIMITED	TRADING	NZ	ORDINARY	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
YEAR ENDED 31 MARCH 2010					
OPENING NET BOOK AMOUNT	334	93	-	41	468
EXCHANGE DIFFERENCES	17	6	-	2	25
ADDITIONS	78	88	147	-	313
DISPOSALS	(20)	-	-	-	(20)
DEPRECIATION CHARGE	(68)	(37)	(8)	(8)	(121)
CLOSING NET BOOK AMOUNT	**341**	**150**	**139**	**35**	**665**
AT 31 MARCH 2010					
COST	470	209	147	53	879
ACCUMULATED DEPRECIATION	(129)	(59)	(8)	(18)	(214)
NET BOOK AMOUNT	**341**	**150**	**139**	**35**	**665**
YEAR ENDED 31 MARCH 2011					
OPENING NET BOOK AMOUNT	341	150	139	35	665
ACQUISITION OF SUBSIDIARY (NOTE 27)	-	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**

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 $1,815,000 (2010: $1,182,000) in respect of losses in the Australian subsidiary amounting to $6,050,000 (2010: $3,939,090) 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 (2010: $45,000) in respect of losses amounting to $489,000 (2010: $150,000) that can be carried forward against future taxable income. These losses have no expiry date.

The Group and Parent have recognised deferred tax assets as set out in the table below.

Deferred tax

	CONSOLIDATED PROVISIONS	CONSOLIDATED TAX LOSSES	CONSOLIDATED TOTAL	PARENT PROVISIONS	PARENT TAX LOSSES	PARENT TOTAL
DEFERRED TAX ASSETS						
AT 1 APRIL 2010	-	-	-	-	-	-
CREDITED/(CHARGED) TO THE INCOME STATEMENT	18	256	274	-	138	138
AT 31 MARCH 2011	**18**	**256**	**274**	**-**	**138**	**138**

16. Intangible assets

Intangible assets

Consolidated	GOODWILL $'000	BRAND $'000	TRADEMARKS $'000	SOFTWARE AND WEBSITE DEVELOPMENT $'000	TOTAL $'000
YEAR ENDED 31 MARCH 2010					
OPENING NET BOOK AMOUNT	1,021	-	36	-	1,057
EXCHANGE DIFFERENCES	51	-	1	-	52
ADDITIONS	-	-	-	45	45
AMORTISATION CHARGE	-	-	(4)	(10)	(14)
CLOSING NET BOOK AMOUNT	**1,072**	**-**	**33**	**35**	**1,140**
AT 31 MARCH 2010					
COST	1,072	-	43	45	1,160
ACCUMULATED AMORTISATION	-	-	(10)	(10)	(20)
NET BOOK AMOUNT	**1,072**	**-**	**33**	**35**	**1,140**
YEAR ENDED 31 MARCH 2011					
OPENING NET BOOK AMOUNT	1,072	-	33	35	1,140
ACQUISITION OF SUBSIDIARY (NOTE 27)	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**

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

	2011 $'000	2010 $'000
HOME FRAGRANCE, BODYCARE	1,122	1,072
NATURAL SKINCARE	13,656	-
	14,778	**1,072**

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 2012 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 25% 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 in sales and marketing, product packaging and branding.

Natural skincare
In preparing the forecasts, management have assumed 5% revenue growth per annum.

For both CGUs, cash flows beyond the 5 year period are extrapolated using a 4.5% long term revenue growth rate (2010 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 17% has been adopted (2010: 17%).

17. Trade and other payables

Trade and other payables

	CONSOLIDATED 2011 $'000	CONSOLIDATED 2010 $'000	PARENT 2011 $'000	PARENT 2010 $'000
TRADE PAYABLES	2,191	1,012	43	492
AMOUNT DUE TO RELATED PARTIES (SEE NOTE 25)	211	116	211	27
ACCRUED EXPENSES	766	241	139	136
EMPLOYEE ENTITLEMENT	508	452	-	-
DEFERRED LEASE INCENTIVE	58	13	-	-
	3,734	**1,834**	**393**	**655**

(a) Foreign currency risk

Trade payables and amounts due to related parties

	CONSOLIDATED 2011 $'000	CONSOLIDATED 2010 $'000	PARENT 2011 $'000	PARENT 2010 $'000
AU DOLLARS	1,112	318	122	-
US DOLLARS	161	159	-	14
NZ DOLLARS	1,104	651	132	505
GB POUNDS	25	-	-	-
	2,402	**1,128**	**254**	**519**

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 2011 $'000	CONSOLIDATED 2010 $'000	PARENT 2011 $'000	PARENT 2010 $'000
FINANCE LEASE LIABILITIES	-	30	-	-
BORROWINGS	5,447	1,000	5,447	1,000
TOTAL INTEREST BEARING BORROWINGS	**5,447**	**1,030**	**5,447**	**1,000**

On 10 September 2010 the Group entered into a multi-option facility with the Bank of New Zealand, comprising a committed cash advance and overdraft facility. The multi-option facility limit was originally $6,000,000 and reduced to $5,000,000 in January 2011. This facility was put in place to fund the Trilogy acquisition. On 21 March 2011 the Group entered into a further committed cash advance facility with the Bank of New Zealand of $4,500,000. The combined multi-option facility is $9,500,000 and the facility expires on 17 September 2013. At 31 March 2011 $3,500,000 was drawn against this facility under a rolling multi option facility for 30 days at an interest rate of 6.74% and $1,947,000 was drawn under the overdraft facility at an interest rate of 7.62%. The facility is secured by a first ranking registered and un-restricted general security agreement over the assets and undertakings of the Group.

(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 2011 $'000	CONSOLIDATED 2010 $'000	PARENT 2011 $'000	PARENT 2010 $'000
INTEREST BEARING LIABILITIES				
3 MONTHS OR LESS	5,447	1,030	5,447	1,000
3 – 12 MONTHS	-	-	-	-
1 – 2 YEARS	-	-	-	-
	5,447	**1,030**	**5,447**	**1,000**

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 2011 $'000	CONSOLIDATED 2010 $'000	PARENT 2011 $'000	PARENT 2010 $'000
NZ DOLLARS	5,447	1,000	5,447	1,000
AU DOLLARS	-	30	-	-
	5,447	**1,030**	**5,447**	**1,000**

19. Contingent consideration payable

Contingent consideration payable

	CONSOLIDATED 2011 $'000	CONSOLIDATED 2010 $'000	PARENT 2011 $'000	PARENT 2010 $'000
OPENING BALANCE	-	-	-	-
TRILOGY CONTINGENT CONSIDERATION (NOTE 27)	9,000	-	-	-
FAIR VALUE DISCOUNT	(534)	-	-	-
UNWIND OF DISCOUNT	197	-	-	-
CLOSING BALANCE	**8,663**	**-**	**-**	**-**

The liability to the previous owners of Trilogy relates to the earn out component under the acquisition described in note 27.

20. Derivative financial instruments

Derivative financial instruments

	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**	**-**	**-**

	CONSOLIDATED 2010 ASSETS $'000	CONSOLIDATED 2010 LIABILITIES $'000	PARENT 2010 ASSETS $'000	PARENT 2010 LIABILITIES $'000
FORWARD FOREIGN EXCHANGE CONTRACTS-				
HELD FOR TRADING	-	23	-	23
	-	**23**	**-**	**23**

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 2011 were $3,009,000 (2010:$727,000).

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 $3,009,000 (2010: $704,000).

21. Contributed equity

Share capital

Consolidated and Parent	2011 SHARES	2011 $'000	2010 SHARES	2010 $'000
SHARE CAPITAL				
ORDINARY SHARES	51,175,576	22,060	33,000,000	6,727
AUTHORISED AND ISSUED (NO PAR VALUE)	**51,175,576**	**22,060**	**33,000,000**	**6,727**

The total authorised number of ordinary shares is 51,175,576 shares (2010: 33,000,000 shares). All issued shares are fully paid.

Share capital

	NUMBER OF ORDINARY SHARES	$'000
AT 31 MARCH 2009	100	-
SHARES ISSUED IN SATISFACTION OF RELATED PARTY LOAN	27,358,490	2,999
SHARES ISSUED IN CONSIDERATION FOR THE ACQUISITION OF ALL THE SHARES		
THEN HELD BY PAUNUI HOLDINGS PTY LIMITED IN ECOYA PTY LIMITED	5,250,000	2,258
PROCEEDS FROM SHARES ISSUED	3,441,410	1,475
SHARE CONSOLIDATION	(3,050,000)	-
TRANSACTION COSTS RELATED TO THE ABOVE SHARE TRANSACTIONS	-	(5)
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**

On 30 April 2010 the Company allotted 10,100,000 shares, 2,525,000 series 1 warrants and 2,525,000 series 2 warrants. On 10 May 2010 the Company allotted an additional 2,574 shares, 643 series 1 warrants and 643 series 2 warrants. The total issue share price was $1. The shares and warrants were issued for cash.

The Company's shares and warrants commenced trading on the New Zealand Stock Market on 4 May 2010.

On 17 September 2010, the Company issued 6,733,334 ordinary shares for $0.75 per share to raise funds for the acquisition of Trilogy Natural Products Limited. The total issue price of $5,050,000 was settled in cash.

As part of the shares issued at the Initial Public Offering the following shares were issued to related parties:

The Business Bakery subscribed for 2,882,597 ordinary shares and 720,653 series 1 warrants and 720,653 series 2 warrants.

Interests associated with Richard Frank subscribed for 225,000 ordinary shares, 56,250 series 1 warrants and 56,250 series 2 warrants.

Interests associated with Stephen Sinclair subscribed for 9,000 ordinary shares, 2,250 series 1 warrants and 2,250 series 2 warrants.

Interests associated with Geoff Ross subscribed for 97,000 ordinary shares, 24,250 series 1 warrants and 24,250 series 2 warrants.

Interests associated with Rob Fyfe subscribed for 325,000 ordinary shares, 81,250 series 1 warrants and 81,250 series 2 warrants.

Interests associated with Craig Schweighoffer subscribed for 140,000 ordinary shares, 35,000 series 1 warrants and 35,000 series 2 warrants.

Interests associated with Deeta Colvin subscribed for 38,619 ordinary shares, 9,654 series 1 warrants and 9,654 series 2 warrants.

As part of the shares issued on 17 September 2010 the following shares were issued to related parties:

The Bakery subscribed for 2,666,667 ordinary shares at 75 cents per share.

Interests associated with Rich Frank subscribed for 266,667 ordinary shares at 75 cents per share.

Interests associated with Rob Fyfe subscribed for 300,000 ordinary shares at 75 cents per share.

Share Purchase Plan

On 14 September 2010 the company announced a share purchase plan whereby shareholders on the register at 23 September 2010 were entitled to apply for up to $15,000 of new shares at 75 cents per share.

On 15 October 2010 the Company allotted 1,270,406 shares under the share purchase plan at 75 cents per share.

The following related parties participated in the share purchase plan:

Interests associated with Geoff Ross subscribed for 60,000 shares at 75 cents per share.

Interests associated with Stephen Sinclair subscribed for 8,000 ordinary shares at 75 cents per share.

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 9 November 2010 28,519 shares were issued to Rob Fyfe and 40,743 shares were issued to Richard Frank in satisfaction of director fees for the quarters ended 30 June 2010 and 30 September 2010 net of applicable withholding taxes.

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.

Warrants

At 31 March 2011 there were 2,525,643 series 1 warrants and 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 1 warrants are exercisable on 15 December 2011 and the series 2 warrants are exercisable on 15 June 2013. Any warrants not exercised by these dates will expire. The fair value of warrants based on the last trading price at 31 March 2011 is $0.01 each for series 1 warrants and $0.06 each for series 2 warrants.

22. Reserves and accumulated losses

(a) Reserves

	CONSOLIDATED 2011 $'000	CONSOLIDATED 2010 $'000	PARENT 2011 $'000	PARENT 2010 $'000
RESERVES				
FOREIGN CURRENCY TRANSLATION RESERVE	306	25	-	-
	306	**25**	**-**	**-**
FOREIGN CURRENCY TRANSLATION RESERVE				
OPENING BALANCE	25	71	-	-
CURRENCY TRANSLATION GAINS/(LOSSES)	281	(46)	-	-
BALANCE 31 MARCH	**306**	**25**	**-**	**-**

(i) 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 2011 $'000	CONSOLIDATED 2010 $'000	PARENT 2011 $'000	PARENT 2010 $'000
OPENING BALANCE	(5,425)	(645)	27	44
NET (LOSS) FOR THE PERIOD ATTRIBUTABLE TO EQUITY HOLDERS OF ECOYA LIMITED	(4,011)	(1,918)	(918)	(17)
ISSUE OF ORDINARY SHARES (NOTE 21)	-	(2,258)	-	-
ACQUISITION OF NON-CONTROLLING INTEREST (NOTE 26)	-	(604)	-	-
BALANCE 31 MARCH	**(9,436)**	**(5,425)**	**(891)**	**27**

23. Contingencies

As at 31 March 2011 the parent entity and the Group had no contingent liabilities or assets (2010: nil).

24. Commitments

As at 31 March 2011 the parent entity and Group had no capital commitments (2010: nil).

(i) *Operating leases*
The Group leases various premises and machinery under non-cancellable operating lease agreements. The lease terms are between two and four 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 notice for termination.

There are no sub-leases from the above.

Commitments: Operating leases

	CONSOLIDATED 2011 $'000	CONSOLIDATED 2010 $'000	PARENT 2011 $'000	PARENT 2010 $'000
COMMITMENTS FOR MINIMUM LEASE PAYMENTS IN RELATION TO NON-CANCELLABLE OPERATING LEASES ARE PAYABLE AS FOLLOWS:				
WITHIN ONE YEAR	469	81	-	-
LATER THAN ONE BUT NOT LATER THAN FIVE YEARS	682	-	-	-
LATER THAN FIVE YEARS	-	-	-	-
	1,151	**81**	**-**	**-**

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 hold 59.8% of the shares at 31 March 2011 (31 March 2010: 75.9%).

(b) Directors

The Directors during the period were:

		DATE OF APPOINTMENT
STEPHEN SINCLAIR	CHIEF FINANCIAL OFFICER	31 JANUARY 2008
GRANT BAKER	EXECUTIVE DIRECTOR	31 JANUARY 2008
GEOFF ROSS	EXECUTIVE CHAIRMAN	23 NOVEMBER 2009
CRAIG SCHWEIGHOFFER	MANAGING DIRECTOR	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

(c) Key management and personnel compensation

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

Key management and personnel compensation

	CONSOLIDATED 2011 $'000	CONSOLIDATED 2010 $'000	PARENT 2011 $'000	PARENT 2010 $'000
SHORT TERM BENEFITS:				
CONSULTING FEES	266	238	-	-
DIRECTORS' FEES (NOTE 21)	201	13	201	13
MANAGEMENT SERVICES	518	-	518	-
	985	**251**	**719**	**13**

(d) Other transactions

(i) with other related parties

During the year The Business Bakery received $89,000 in repayment of the amount owing to it by Ecoya Pty Limited at 31 March 2010. The Business Bakery incurred travel and accommodation expenses on behalf of Ecoya Pty Limited and Ecoya Limited of $2,000 for the period (31 March 2010: $89,000).

No funding was provided by The Business Bakery during the year (2010: $633,000).

Craig Schweighoffer made purchases on behalf of the Group during the year of $61,000 (31 March 2010: $229,000). No monies were owed to Mr Schweighoffer at 31 March 2011 (31 March 2010: $nil).

During the year ended 31 March 2010 Richard Frank incurred travel and accommodation expenses on behalf of the company. The total amount owing to Richard Frank at 31 March 2010 was $14,000. No balance was due at 31 March 2011.

Other transactions

	CONSOLIDATED 2011 $'000	CONSOLIDATED 2010 $'000	PARENT 2011 $'000	PARENT 2010 $'000
PAYABLES TO RELATED PARTIES:				
THE BUSINESS BAKERY LP	(105)	(89)	(105)	-
INDEPENDENT DIRECTORS	(106)	(27)	(106)	(27)
	(211)	**(116)**	**(211)**	**(27)**

(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, the Company received advances from Trilogy. The balance is interest free and repayable on demand.

Other transactions

	PARENT 2011 $'000	PARENT 2010 $'000
RECEIVABLES FROM SUBSIDIARIES – LOAN BALANCES:		
ECOYA PTY LIMITED	8,904	4,183
KANARA HOLDINGS LIMITED	10,554	-
ECOYA NZ LIMITED	4,338	-
	23,796	**4,183**
PAYABLES TO SUBSIDIARIES - ADVANCES:		
TRILOGY NATURAL PRODUCTS LIMITED	(563)	-
	(563)	**-**

26. Non-controlling interest

On 31 December 2009 the Company acquired a further 30% of the shares in its subsidiary Ecoya Pty Limited by way of a share swap with Paunui Holdings Pty Limited ("Paunui"), a company associated with Craig Schweighoffer. Paunui was issued with share capital equal to 15% of Ecoya Limited in exchange for the 30% holding Paunui had in Ecoya Pty Limited.

As a result of this transaction, the Company has 100% ownership and there are no longer any minority shareholders in the subsidiary.

At 1 April 2009 the amount of equity attributed to the minority was a deficit of $174,000. The share of comprehensive income attributed to the minority for the period to 31 December 2009 was a loss of $433,000. To reflect the transaction with Paunui the balance attributable to the minority at 31 December 2009 of $604,000 was transferred to the equity holders of Ecoya Limited as reflected in the Statement of Movements in Equity.

27. Business Combinations

Current 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 equalled $5,399,000 and goodwill arising from the acquisition was $13,656,000.

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

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

The fair values of the assets and liabilities acquired and goodwill arising have been updated as follows from the amounts provisionally determined in the 30 September 2010 interim reporting:

- $2,830,000 fair value of brands recognised on completion of work to determine the fair value of intangibles;
- $467,000 reduction in the fair value of contingent consideration to allow for the cap on the maximum number of shares to be issued (see note (iv) below); and
- $302,000 reduction in fair value of working capital after resolving queries on information initially provided.

(ii) Assets and liabilities acquired

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

Assets and liabilities acquired

	FAIR VALUE $'000
CASH	480
TRADE AND OTHER RECEIVABLES	2,168
INVENTORIES	1,366
PLANT AND EQUIPMENT	145
TRADE AND OTHER PAYABLES	(1,667)
SOFTWARE AND WEBSITE DEVELOPMENT	47
TRADEMARKS	30
BRAND VALUE	2,830
NET ASSETS	**5,399**

The fair value of the brand of $2,830,000 was estimated by using a discounted cash flow method, applying the income approach and royalty relief method. A pre-tax discount rate of 17% was used for the valuation, reflecting the time value of money and risks specific to the asset.

Brand value is considered to have an indefinite useful life. Based on an analysis of all the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows.

(iii) Acquisition-related costs

The acquisition costs incurred by the Group were $155,000 in completing the transaction. These costs have been expensed to administrative expenses within the profit and loss component of 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 fair value of the contingent consideration payable in shares has been determined as the market price of the shares on 1 September 2010 of $0.80.

(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 year ended 31 March 2011 would have been $5,167,000 and $1,611,000 higher respectively.

28. 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 2011 $'000	CONSOLIDATED 2010 $'000	PARENT 2011 $'000	PARENT 2010 $'000
LOSS FOR THE PERIOD	(4,011)	(2,351)	(918)	(17)
DEPRECIATION AND AMORTISATION	257	135	-	-
LOSSES ON DERIVATIVE FINANCIAL INSTRUMENTS	268	23	88	23
FOREIGN EXCHANGE (GAINS)/LOSSES	(57)	(119)	(440)	(133)
FAIR VALUE UNWIND	197	-	-	-
SHARES IN LIEU OF DIRECTORS' FEES	58	-	58	-
DEFERRED TAX	(274)	-	(138)	-
MOVEMENTS IN WORKING CAPITAL:				
INCREASE IN INVENTORIES	(3,460)	(289)	-	-
(INCREASE)/DECREASE IN TRADE AND OTHER RECEIVABLES	(264)	(1,036)	327	(693)
INCREASE IN TAX PROVISIONS	(265)	-	-	-
(INCREASE)/DECREASE IN TRADE AND OTHER PAYABLES	889	1,240	(320)	655
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	**(6,662)**	**(2,397)**	**(1,343)**	**(165)**

29. Earnings per share

Earnings per share

	2011	2010
LOSS AFTER TAX ($000)	4,011	1,918
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES ON ISSUE	46,514,642	7,975,551
BASIC LOSSES PER SHARE (DOLLARS)	0.09	0.24

Weighted average number of ordinary shares

	2011	2010
ISSUED ORDINARY SHARES AT THE BEGINNING OF THE PERIOD/ON INCORPORATION	33,000,000	100
ISSUED ORDINARY SHARES AT END OF PERIOD	51,175,575	33,000,000
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES	46,514,642	7,975,551

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 2011, the Company's series 1 warrants and series 2 warrants are dilutive potential ordinary shares (see note 21) (31 March 2010: none). As at 31 March 2011 the warrants were not included in the calculation of dilutive shares for the year as the effect would have been anti-dilutive.

30. Prospective financial information

On 25 March 2010 Ecoya Limited issued an investment statement and prospectus in relation to a public offering of ordinary shares. This prospectus contained prospective financial statements for the Group for the year ending 31 March 2011. The Directors wish to report the Group's actual results for the year ended 31 March 2011 against the prospective financial information for the year ended 31 March 2011 contained in the prospective financial statements.

Prospective Income Statement

For the year ended 31 March 2011

	CONSOLIDATED 2011 ACTUAL $'000	CONSOLIDATED 2011 PROSPECTIVE $'000	VARIANCE $'000
REVENUE	14,279	7,961	6,318
COST OF SALES	(5,939)	(4,086)	(1,853)
GROSS PROFIT	**8,340**	**3,875**	**4,465**
OTHER INCOME	128	-	128
OTHER GAINS (LOSSES) – NET	(268)	-	(268)
EXPENSES			
DISTRIBUTION	(888)	(545)	(343)
SALES AND MARKETING	(5,622)	(3,935)	(1,687)
DEPRECIATION AND AMORTISATION	(269)	(88)	(181)
ADMINISTRATION	(5,001)	(4,164)	(837)
IPO EXPENSES	(502)	(416)	(86)
FINANCE INCOME – NET	(6)	47	(53)
FINANCE COST ON CONTINGENT CONSIDERATION	(197)	-	(197)
LOSS BEFORE INCOME TAX	**(4,285)**	**(5,226)**	**941**
INCOME TAX EXPENSE	274	-	274
LOSS FOR THE PERIOD	**(4,011)**	**(5,226)**	**1,215**
OTHER COMPREHENSIVE INCOME			
FOREIGN CURRENCY TRANSLATION	281	81	200
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**(3,730)**	**(5,145)**	**1,415**
LOSS FOR THE PERIOD ATTRIBUTABLE TO:			
EQUITY HOLDERS OF ECOYA LIMITED	(4,011)	(5,226)	1,215
	(4,011)	**(5,226)**	**1,215**
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
EQUITY HOLDERS OF ECOYA LIMITED	(3,730)	(5,145)	1,415
	(3,730)	**(5,145)**	**1,415**

Explanation of variances - Income Statement

On 1 September 2010 Ecoya purchased 100% of the shares of Trilogy Natural Products Limited. The financial statements of Ecoya include the results of Trilogy for the seven months ending 31 March 2011. The variances between the actual results and the prospective financial information relate predominantly to the Trilogy acquisition.

The variance in revenue is $6,318,000.The Trilogy revenue for the period was $6,789,000 which explains the majority of the revenue variance.

The variance in the net loss for the year can be explained as follows:

The Trilogy profit for the period after taking into account the acquisition expenses was $1,876,000. As part of the Trilogy acquisition the company is required to amortise the fair value of the Trilogy contingent consideration. This amortisation was $197,000 which reduces the Trilogy net contribution to $1,679,000. The Ecoya loss was higher than the prospective financial information by $510,000.

To fund the Trilogy acquisition the company raised capital and debt funding. This funding created a net interest charge for the year of $63,000 providing a negative variance to the prospective financial information of $228,000.

The combination of the above variances provides for a net gain before tax overall of $941,000.

Explanation of variances - Statement of Financial Position

The key variances in the actual balance sheet versus the prospective financial information relate to the acquisition of Trilogy as further described above.

As at 31 March 2011 Trilogy inventories were $1,705,000. The remaining variance of $2,253,000 is related to Ecoya holding more inventory than forecast in the prospective financial information. A decision was made to build Ecoya raw material inventory to ensure sales orders could be fulfilled more efficiently as the company grows.

Prospective Statement of Financial Position

As at 31 March 2011

	CONSOLIDATED 2011 ACTUAL $'000	CONSOLIDATED 2011 PROSPECTIVE $'000	VARIANCE $'000
ASSETS			
CURRENT ASSETS			
CASH AND CASH EQUIVALENTS	1,878	2,049	(171)
TRADE AND OTHER RECEIVABLES	3,586	1,578	2,008
PROVISION FOR TAX	-	-	-
INVENTORIES	5,563	1,605	3,958
TOTAL CURRENT ASSETS	11,027	5,232	5,795
NON-CURRENT ASSETS			
PLANT AND EQUIPMENT	1,894	1,231	663
INTANGIBLE ASSETS	17,831	1,073	16,758
DEFERRED TAX	274	-	274
TOTAL NON-CURRENT ASSETS	19,999	2,304	17,695
TOTAL ASSETS	**31,026**	**7,536**	**23,490**
CURRENT LIABILITIES			
TRADE AND OTHER PAYABLES	3,734	1,800	1,934
PROVISION FOR TAX	99	-	99
INTEREST BEARING LIABILITIES	5,447	31	5,416
CONTINGENT CONSIDERATION PAYABLE	8,663	-	8,663
DERIVATIVE FINANCIAL INSTRUMENTS	153	-	153
TOTAL CURRENT LIABILITIES	18,096	1,831	16,265
TOTAL LIABILITIES	**18,096**	**1,831**	**16,265**
NET ASSETS	**12,930**	**5,705**	**7,225**
EQUITY			
CONTRIBUTED EQUITY	22,060	15,917	6,143
RESERVES	306	345	(39)
(ACCUMULATED LOSSES)	(9,436)	(10,557)	1,121
	12,930	5,705	7,225
TOTAL EQUITY	**12,930**	**5,705**	**7,225**

Prospective Statements of Movements in Equity

For the year ended 31 March 2011

	CONSOLIDATED 2011 ACTUAL $'000	CONSOLIDATED 2011 PROSPECTIVE $'000	VARIANCE $'000
BALANCE AS AT 1 APRIL 2010	1,327	1,418	(91)
LOSS FOR THE PERIOD	(4,011)	(5,226)	1,215
FOREIGN CURRENCY TRANSLATION	281	81	200
TOTAL COMPREHENSIVE INCOME	(3,730)	(5,145)	1,415
SHARE ENTITLEMENT RESERVE	-	242	(242)
	(2,403)	(3,485)	1,082
ISSUE OF ORDINARY SHARES			
FOR CASH AT IPO	10,103	10,000	103
FOR CASH AT 17 SEPTEMBER	5,050	-	5,050
SHARE ISSUE COST AT IPO	(653)	(810)	157
SHARE ISSUE COST AT 17 SEPTEMBER	(178)	-	(178)
SHARE PURCHASE PLAN ALLOTMENT	953	-	953
SHARES IN LIEU OF DIRECTORS' FEES	58	-	58
BALANCE AS AT 31 MARCH 2011	**12,930**	**5,705**	**7,225**

Explanation of variances – Statement in Movements in Equity

The key variances in the statement of movements in equity versus the prospective financial information relate to the acquisition of Trilogy and the capital raise completed to fund the acquisition.

The prospective financial information anticipated the establishment of director and employee share purchase plans. The plans have not been established to date.

Explanation of variances - Statement of Cash Flows

The key variances in the actual cash flow versus the prospective financial information relate to the acquisition of Trilogy as further described above.

Prospective Statement of Cash Flows

For the year ended 31 March 2011

	CONSOLIDATED 2011 ACTUAL $'000	CONSOLIDATED 2011 PROSPECTIVE $'000	VARIANCE $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
RECEIPTS FROM CUSTOMERS (INCLUSIVE OF GOODS AND SERVICES TAX)	13,624	7,514	6,110
PAYMENTS TO SUPPLIERS AND EMPLOYEES (INCLUSIVE OF GOODS AND SERVICES TAX)	(20,063)	(12,610)	(7,453)
GOVERNMENT GRANTS RECEIVED	128	-	128
INTEREST RECEIVED	107	165	(58)
INTEREST PAID	(164)	-	(164)
TAXATION PAID	(294)	-	(294)
NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	**(6,662)**	**(4,931)**	**(1,731)**
CASH FLOWS FROM INVESTING ACTIVITIES			
ACQUISITION OF SUBSIDIARY, NET OF CASH ACQUIRED	(10,109)	-	(10,109)
PAYMENTS FOR PLANT AND EQUIPMENT	(1,433)	(921)	(512)
PROCEEDS FROM SALE OF PLANT AND EQUIPMENT	207	-	207
PAYMENTS FOR INTANGIBLE ASSETS	(134)	-	(134)
NET CASH INFLOW / (OUTFLOW) FROM INVESTING ACTIVITIES	**(11,469)**	**(921)**	**(10,548)**
CASH FLOWS FROM FINANCING ACTIVITIES			
LOAN RECEIVED FROM PARENT	-	(1,000)	1,000
REPAYMENTS ON FINANCE LEASE	(29)	-	(29)
PROCEEDS FROM BORROWINGS	3,500	-	3,500
REPAYMENT OF BORROWINGS	(1,000)	-	(1,000)
NET PROCEEDS FROM ISSUE OF SHARES	15,275	8,774	6,501
NET CASH INFLOW / (OUTFLOW) FROM FINANCING ACTIVITIES	**17,746**	**7,774**	**9,972**
NET INCREASE IN CASH AND CASH EQUIVALENTS	(385)	1,922	(2,307)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	310	130	180
EXCHANGE GAINS ON CASH AND CASH EQUIVALENTS	6	(3)	9
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**(69)**	**2,049**	**(2,118)**

31. Events occurring after the balance date

Directors' Remuneration

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.

ECOYA:

Shareholder and Statutory Information

SHAREHOLDER AND STATUTORY INFORMATION

Twenty Largest Shareholders

NAME	ORDINARY SHARES	%
THE BUSINESS BAKERY LP	30,593,188	59.72
PAUNUI HOLDINGS PTY LIMITED	4,245,825	8.29
TEA CUSTODIANS LIMITED - NZCSD	1,676,667	3.27
RICHARD FRANK	1,452,832	2.84
JBWERE(NZ) NOMINEES LIMITED	1,333,333	2.60
JUSTIN MATTHEW BADE	1,183,980	2.31
ACCIDENT COMPENSATION CORPORATION- NZCSD	1,116,039	2.18
ROBERT IAN FYFE AND DONNA LEIGH FYFE AND PETER DENIS BROWN	885,519	1.73
STRATTON SCLAVOS	500,000	0.98
FAR EAST ASSOCIATED TRADERS LIMITED	488,479	0.95
PAUL FRANK	420,388	0.82
DAVID POOLE	400,000	0.78
ANDREW JOHNSTON	360,000	0.70
DARRYL FRANK	320,388	0.63
CUSTODIAL SERVICES LIMITED	287,409	0.56
HUBBARD CHURCHER TRUST MANAGEMENT LIMITED	250,000	0.49
TODD NORMAN GRAYDON	221,000	0.43
CUSTODIAL SERVICES LIMITED	166,261	0.32
CRAIG ANDREW SCHWEIGHOFFER AND LISA GAYE SCHWEIGHOFFER	140,000	0.27
FIRST NZ CAPITAL SECURITIES LIMITED	127,762	0.25
	46,169,070	**90.12**

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 10 June 2011.

Twenty Largest Registered Holdings of Series 1 and Series 2 Warrants

NAME	SERIES 1 WARRANTS	%	SERIES 2 WARRANTS	%
THE BUSINESS BAKERY LP	720,653	28.53	720,653	28.53
TEA CUSTODIANS LIMITED - NZCSD	237,500	9.40	237,500	9.40
FIRST NZ CAPITAL SECURITIES LIMITED	-	-	150,000	5.94
STRATTON SCLAVOS	125,000	4.95	125,000	4.95
DAVID POOLE	100,000	3.96	100,000	3.96
JUSTIN MATTHEW BADE	62,500	2.47	62,500	2.47
HUBBARD CHURCHER TRUST MANAGEMENT LIMITED	62,500	2.47	-	-
FIRST NZ CAPITAL SECURITIES LIMITED	60,000	2.38	-	-
RICHARD FRANK	56,250	2.23	56,250	2.23
ROBERT IAN FYFE AND DONNA LEIGH FYFE AND PETER DENIS BROWN	56,250	2.23	56,250	2.23
CRAIG ALEXANDER PHILIP	50,000	1.98	-	-
CUSTODIAL SERVICES LIMITED	42,000	1.66	43,250	1.71
ANDREW STUART NEEDS	-	-	40,000	1.58
CRAIG ANDREW SCHWEIGHOFFER AND LISA GAYE SCHWEIGHOFFER	35,000	1.39	35,000	1.39
GEOFFREY BRUCE DAVID BROWN		-	32,000	1.27
MARK SHAW FORBES	30,000	1.19	-	-
CUSTODIAL SERVICES LIMITED	28,750	1.14	28,750	1.14
JANET TRAN YUEN AND FREDRICK KOK MING YUEN	27,000	1.07	27,000	1.07
DARRYL FRANK	25,000	0.99	25,000	0.99
PAUL FRANK	25,000	0.99	25,000	0.99
SELWYN BRUCE ROBINSON AND ACCUMULUS TRUSTEE LIMITED	25,000	0.99	25,000	0.99
JBWERE (NZ) NOMINEES LIMITED	23,750	0.94	23,750	0.94
CUSTODIAL SERVICES LIMITED	21,000	0.83	21,000	0.83
RAYMOND YOUNG	-	-	17,500	0.69
	1,813,153	**71.79**	**1,851,403**	**73.30**

The above table shows the names and holdings of the 20 largest registered holdings of quoted series 1 and series 2 warrants of the Company as at 10 June 2011.

Spread of Security Holders

As at 10 June 2011

SIZE OF HOLDING	HOLDER COUNT	%	ORDINARY SHARES HOLDING QUANTITY	%
1 - 999	21	4.09	12,097	0.02
1,000 – 1,999	87	16.96	101,728	0.20
2,000 – 4,999	124	24.18	340,006	0.66
5,000 – 9,999	108	21.05	624,079	1.22
10,000 – 49,999	128	24.96	2,100,449	4.10
50,000 – 99,999	21	4.09	1,465,048	2.86
100,000 – 499,999	15	2.92	3,597,826	7.02
500,000 – 999,999	2	0.39	1,385,519	2.70
1,000,000 +	7	1.36	41,601,864	81.22
TOTAL	**513**	**100.00**	**51,228,616**	**100.00**

SIZE OF HOLDING	HOLDER COUNT	%	SERIES 1 WARRANTS HOLDING QUANTITY	%	HOLDER COUNT	%	SERIES 2 WARRANTS HOLDING QUANTITY	%
1 - 499	75	18.94	20,768	0.82	75	19.23	20,768	0.82
500-999	93	23.48	57,322	2.27	93	23.84	57,197	2.26
1,000 – 1,999	103	26.01	130,125	5.15	100	25.63	125,875	4.98
2,000 – 4,999	72	18.18	194,810	7.71	71	18.21	191,560	7.58
5,000 – 9,999	21	5.30	136,215	5.39	20	5.13	129,340	5.12
10,000 – 49,999	22	5.56	455,750	18.04	23	5.90	492,750	19.51
50,000 – 99,999	6	1.52	347,500	13.76	3	0.77	175,000	6.93
100,000 – 499,999	3	0.76	462,500	18.32	4	1.03	612,500	24.26
500,000 – 999,999	1	0.25	720,653	28.54	1	0.26	720,653	28.54
TOTAL	**396**	**100.00**	**2,525,643**	**100.00**	**390**	**100.00**	**2,525,643**	**100.00**

Substantial Security Holders

	NUMBER OF ORDINARY SHARES	%
THE BUSINESS BAKERY LP	30,593,188	59.71
PAUNUI HOLDINGS PTY LIMITED*	4,245,825	8.28
CRAIG SCHWEIGHOFFER AND LISA SCHWEIGHOFFER*	140,000	0.27

* NOTE: IN ADDITION TO THE 140,000 SHARES HELD BY CRAIG SCHWEIGHOFFER AND LISA SCHWEIGHOFFER JOINTLY IN THEIR OWN NAMES THEY ARE DEEMED TO HAVE A RELEVANT INTEREST IN THE 4,245,825 SHARES HELD BY PAUNUI HOLDINGS PTY LIMITED.

Substantial Security Holders

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

The following are registered by the Company as at 10 June 2011 as Substantial Security Holders in the Company.

The total number of listed voting securities of the Company on issue at 10 June 2011 was 51,228,616 fully paid ordinary shares.

Statement of Directors' Relevant Interests

	ORDINARY SHARES	SERIES 1 WARRANTS	SERIES 2 WARRANTS
GEOFF ROSS (1)	30,750,188	744,903	744,903
GRANT BAKER (2)	30,593,188	720,653	720,653
STEPHEN SINCLAIR (3)	30,610,189	722,903	722,903
CRAIG SCHWEIGHOFFER (4)	4,945,825	35,000	35,000
RICH FRANK (5)	1,493,575	56,250	56,250
ROB FYFE (6)	1,080,704	81,250	81,250
DEETA COLVIN	38,619	9,654	9,654
COLLETTE DINNIGAN	Nil	Nil	Nil

Statement of Directors' Relevant Interests

Directors held the above relevant interests in equity securities in the company as at 31 March 2011:

(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, Christie Fyfe and son, Nichol Fyfe.

Directors' Remuneration and Other Benefits

	$	NATURE OF REMUNERATION
GEOFF ROSS, GRANT BAKER AND STEPHEN SINCLAIR	NZ$518,000	MANAGEMENT FEES
CRAIG SCHWEIGHOFFER	NZ$266,000	CONSULTING FEES
RICH FRANK	NZ$51,320	DIRECTORS' FEES
ROB FYFE	NZ$51,320	DIRECTORS' FEES
COLLETTE DINNIGAN	NZ$51,320	DIRECTORS' FEES
DEETA COLVIN	NZ$47,043	DIRECTORS' FEES

Directors' Remuneration and Other Benefits

The names of the directors of the company at 31 March 2011 and the details of their remuneration and value of other benefits received for services to Ecoya Limited for the year ended on 31 March 2011 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 and Craig Schweighoffer were not considered to be independent directors as at 31 March 2011.

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	225,000	POWER TO CONTROL SHARES/VOTING	225,000	30 APRIL 2010	(1)
STEPHEN SINCLAIR	9,000	POWER TO CONTROL SHARES/VOTING	9,000	30 APRIL 2010	(2)
GEOFF ROSS	97,000	POWER TO CONTROL SHARES/VOTING	97,000	30 APRIL 2010	(3)
ROB FYFE	325,000	POWER TO CONTROL SHARES/VOTING	325,000	30 APRIL 2010	(4)
CRAIG SCHWEIGHOFFER	140,000	POWER TO CONTROL SHARES/VOTING	140,000	30 APRIL 2010	(5)
GEOFF ROSS, GRANT BAKER AND STEPHEN SINCLAIR	2,882,597	POWER TO CONTROL SHARES/VOTING	2,882,597	30 APRIL 2010	(6)
DEETA COLVIN	38,619	POWER TO CONTROL SHARES/VOTING	38,619	30 APRIL 2010	(7)
GEOFF ROSS, GRANT BAKER AND STEPHEN SINCLAIR	2,666,667	POWER TO CONTROL SHARES/VOTING	2,000,000	17 SEPTEMBER 2010	(6)
ROB FYFE	300,000	POWER TO CONTROL SHARES/VOTING	225,000	17 SEPTEMBER 2010	(8)
RICHARD FRANK	266,667	POWER TO CONTROL SHARES/VOTING	200,000	17 SEPTEMBER 2010	(9)
STEPHEN SINCLAIR	8,001	POWER TO CONTROL SHARES/VOTING	6,000	15 OCTOBER 2010	(10)
GEOFF ROSS	60,000	POWER TO CONTROL SHARES/VOTING	45,000	15 OCTOBER 2010	(11)
ROB FYFE	28,519	REGISTERED HOLDER/BENEFICIAL OWNER	23,749	9 NOVEMBER 2010	(12)
RICHARD FRANK	40,743	REGISTERED HOLDER/BENEFICIAL OWNER	33,927	9 NOVEMBER 2010	(12)
GEOFF ROSS, GRANT BAKER AND STEPHEN SINCLAIR	1,250,000	POWER TO CONTROL SHARES/VOTING	1,000,000	23 JUNE 2011	(13)

Entries recorded in the interests register

The above entries were recorded in the Interests Register of the Company during the year to 31 March 2011.

Director Share Dealings

During the year the above 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.

(1) Interests associated with Richard Frank subscribed for 225,000 ordinary shares, 56,250 series 1 warrants and 56,250 series 2 warrants.

(2) Interests associated with Stephen Sinclair subscribed for 9,000 ordinary shares, 2,250 series 1 warrants and 2,250 series 2 warrants, being 3,000 shares, and 750 series 1 warrants and 750 series 2 warrants each held by his sons, Harry Sinclair, George Sinclair and Oliver Sinclair.

(3) Interests associated with Geoff Ross subscribed for 97,000 ordinary shares, 24,250 series 1 warrants and 24,250 series 2 warrants, being 1,000 shares, and 250 series 1 warrants and 250 series 2 warrants each held by his sons Finnley Ross and Gabriel Ross; and 95,000 shares, and 23,750 series 1 warrants and 23,750 series 2 warrants held by Geoff Ross, Justine Ross and Chris Hocquard as trustees for Ross Venture Trust.

(4) Interests associated with Rob Fyfe subscribed for 325,000 ordinary shares, 81,250 series 1 warrants and 81,250 series 2 warrants, being 225,000 shares, and 56,250 series 1 warrants and 56,250 series 2 warrants held by Robert Ian Fyfe, Donna Leigh Fyfe and Peter Denis Brown as trustees for Rob Fyfe Family Trust; and 50,000 shares, and 12,500 series 1 warrants and 12,500 series 2 warrants each held by his daughter Christie Fyfe and his son Nichol Fyfe.

(5) Interests associated with Craig Schweighoffer subscribed for 140,000 ordinary shares, 35,000 series 1 warrants and 35,000 series 2 warrants held by Craig Schweighoffer and Lisa Schweighoffer.

(6) The Business Bakery represents the interests of Geoff Ross, Grant Baker and Stephen Sinclair who subscribed for 2,882,597 ordinary shares and 720,653 series 1 warrants and 720,653 series 2 warrants as part of the Initial Public Offering and 2,666,667 shares as part of the 17 September 2010 issue to raise funds for the acquisition of Trilogy Natural Products Ltd.

(7) Interests associated with Deeta Colvin subscribed for 38,619 ordinary shares, 9,654 series 1 warrants and 9,654 series 2 warrants.

(8) Interests associated with Rob Fyfe subscribed for 300,000 ordinary shares, 233,334 held by Robert Ian Fyfe, Donna Leigh Fyfe and Peter Denis Brown as trustees for Rob Fyfe Family Trust; and 33,333 each held by his daughter Christie Fyfe and his son Nichol Fyfe.

(9) Interests associated with Richard Frank subscribed for 266,667 shares.

(10) Interests associated with Stephen Sinclair subscribed for 8,001 shares under the share purchase plan, being 2,667 shares each held by his sons, Harry Sinclair, George Sinclair and Oliver Sinclair.

(11) Interests associated with Geoff Ross subscribed for 60,000 shares under the share purchase plan, being 20,000 shares each held by his sons, Finnley Ross and Gabriel Ross, and Geoff Ross, Justine Ross and Chris Hocquard as trustees for Ross Venture Trust.

(12) On 9 November 2010 28,519 shares were issued to Rob Fyfe and 40,743 shares were issued to Richard Frank in satisfaction of director fees

for the quarters ended 30 June 2010 and 30 September 2010 net of applicable withholding taxes.

(13) On 23 June 2011 The Business Bakery sold 1,250,00 ordinary shares to Jasmine Investment Trust, a family trust associated with private investor Sam Morgan, for $1,000,000.

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

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

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 2011 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 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 2011 were NZ$518,000.

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 2011 were NZ$266,000.

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	4
120,000 – 130,000	2
140,000 – 150,000	1
230,000 – 240,000	1

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 2011

On 13 September 2010 the Company was granted a waiver from NZSX Listing Rule 9.1.1(b) by NZX Market Supervision. This waived the requirement in NZSX Listing Rule 9.1.1(b) to seek shareholder approval for the Company's acquisition of 100% of the shares in Trilogy Natural Products Limited that would have been required (but for the waiver) as the consideration payable for the acquisition would have likely exceeded 50% of the Company's Average Market Capitalisation at that time.

Audit Fees

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

ECOYA:

Corporate Directory

Corporate Directory

DIRECTORS

GRANT BAKER	EXECUTIVE DIRECTOR	APPOINTED 31 JANUARY 2008
STEPHEN SINCLAIR	CHIEF FINANCIAL OFFICER	APPOINTED 31 JANUARY 2008
GEOFF ROSS	EXECUTIVE CHAIRMAN	APPOINTED 23 NOVEMBER 2009
CRAIG SCHWEIGHOFFER	MANAGING DIRECTOR	APPOINTED 08 FEBRUARY 2010
RICH FRANK	INDEPENDENT DIRECTOR	APPOINTED 08 FEBRUARY 2010
ROB FYFE	INDEPENDENT DIRECTOR	APPOINTED 01 MARCH 2010
COLLETTE DINNIGAN	INDEPENDENT DIRECTOR	APPOINTED 01 MARCH 2010
DEETA COLVIN	INDEPENDENT DIRECTOR	APPOINTED 03 MAY 2010

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, ECOWA and ECOWB.

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