The net assets recognized in the January 3, 2015 statement of financial position were based on a provisional assessment of fair value as the results of the valuation had not been finalized at the date the financial statements for Fiscal 2014 were approved for issue by management. This was subsequently completed in 2015 and the Company has retroactively restated the statement of financial position as at January 3, 2015 to record the adjustments to the provisional assessment of fair value.

Note 5. Goodwill and intangible assets

(Amounts in $000s)	Brands	Customer relationships	Indefinite lived brands	Total intangible assets	Goodwill	Total goodwill and intangible assets
Cost						
December 28, 2013	$ 6,216	$ 100,632	$ 14,611	$ 121,459	$ 111,999	$ 233,458
Additions from acquisitions *(Note 4)*	850	6,636	—	7,486	8,295	15,781
Translation adjustment of Canadian based assets	(51)	(127)	(48)	(226)	(1,024)	(1,250)
January 3, 2015	$ 7,015	$ 107,141	$ 14,563	$ 128,719	$ 119,270	$ 247,989
Additions from acquisitions	—	—	—	—	178	178
Translation adjustment of Canadian based assets	(77)	(185)	(75)	(337)	(1,624)	(1,961)
January 2, 2016	**$ 6,938**	**$ 106,956**	**$ 14,488**	**$ 128,382**	**$ 117,824**	**$ 246,206**
Accumulated amortization						
December 28, 2013	$ (2,296)	$ (13,469)	$ (441)	$ (16,206)	$ —	$ (16,206)
Amortization	(999)	(3,924)	—	(4,923)	—	(4,923)
Translation adjustment of Canadian based assets	48	67	—	115	—	115
January 3, 2015	$ (3,247)	$ (17,326)	$ (441)	$ (21,014)	$ —	$ (21,014)
Amortization	(1,119)	(4,106)	—	(5,225)	—	(5,225)
Translation adjustment of Canadian based assets	74	98	—	172	—	172
January 2, 2016	**$ (4,292)**	**$ (21,334)**	**$ (441)**	**$ (26,067)**	**$ —**	**$ (26,067)**
Net carrying value						
January 3, 2015	$ 3,768	$ 89,815	$ 14,122	$ 107,705	$ 119,270	$ 226,975
January 2, 2016	**$ 2,646**	**$ 85,622**	**$ 14,047**	**$ 102,315**	**$ 117,824**	**$ 220,139**

Goodwill acquired through business combinations and brands with indefinite lives have been allocated to the Canadian and U.S. CGUs for impairment testing. The following table shows the carrying amount of goodwill and brands with indefinite lives allocated to each of the CGUs:

	Canada		U.S.	
(Amounts in $000s)	**January 2, 2016**	January 3, 2015	**January 2, 2016**	January 3, 2015
Goodwill	**$ 9,013**	$ 10,636	**$ 108,811**	$ 108,634
Indefinite lived brands	**$ 441**	$ 516	**$ 13,606**	$ 13,606

Impairment of Goodwill and Identifiable Intangible Assets

As described in *Note 1*, the carrying values of goodwill and intangible assets with indefinite lives are tested for impairment annually (as at the first day of the Company's fourth quarter). The Company's impairment test for goodwill and intangible assets with indefinite useful lives was based on FVLCS at October 4, 2015. The key assumptions used to determine the recoverable amount for the different CGUs for the most recently completed impairment calculations for Fiscal 2015 and Fiscal 2014 are discussed below. The Company has not identified any indicators of impairment at any other date and as such has not completed an additional impairment calculation.

The recoverable amount of the CGUs has been determined based on the FVLCS. Fair Value Measurement is defined in IFRS 13 as a market-based measurement rather than an entity-specific measurement. Therefore, the fair value of the CGU must be measured using the assumptions that market participants would use rather than those related specifically to the Company. In determining the FVLCS of the CGUs, an income approach using the discounted cash flow methodology was utilized. In addition, the market approach was employed in assessing the reasonableness of the conclusions reached.

Income Approach

The discounted cash flow ("DCF") technique provides the best assessment of what each CGU could be exchanged for in an arm's length transaction as fair value is represented by the present value of expected future cash flows of the business together with the residual value of the business at the end of the forecast period. The DCF was applied on an enterprise-value basis, where the after-tax cash flows prior to interest expense are discounted using a weighted-average cost of capital ("WACC"). This approach requires assumptions regarding revenue growth rates, gross margins, capital expenditures, tax rates and discount rates.

Market Approach

It is assumed under the market approach that the value of a company reflects the price at which comparable companies in the same industry are purchased under similar circumstances. A comparison of a CGU to similar companies in the same industry whose financial information is publicly available may provide a reasonable basis to estimate fair value. Fair value under this approach is calculated based on EBITDA multiples and revenue multiples compared to the average median multiples based on publicly available information for comparable companies and transaction prices.

Key assumptions used in determining the FVLCS

Cash Flow Projections

The cash flow projections, covering a five-year period ("projection period"), were based on financial projections approved by management using assumptions that reflect the Company's most likely planned course of action, given management's judgment of the most probable set of economic conditions, adjusted to reflect the perspective of the expectations of a market participant. Gross margins are based on actual and estimated values in the first year of the projection period, budgeted values in the second year of the projection period, and these are increased over the projection period using an approximate growth rate for anticipated efficiency improvements. The projected gross margins are updated to reflect anticipated future changes, such as currency fluctuations, in the cost of inputs (primarily raw materials and commodity products used in processing), which are obtained from forward-looking data. Forecast figures are used where data is publicly available, otherwise past actual raw material cost movements have been used combined with management's industry experience and analysis of the seafood and commodity markets.

Discount Rate

The discount rate (WACC) reflects the current market assessment of the risk specific to comparable companies. The discount rate was based on the weighted-average cost of equity and cost of debt for comparable companies within the industry. The cost of equity was calculated using the capital asset pricing model. The debt component of the WACC was determined by using an after-tax cost of debt. The post-tax WACC applied to the Canadian CGU and U.S. CGU cash flow projections was 11.6% and 10.3%, respectively, at October 3, 2015.

Growth Rate

Growth rates used to extrapolate the Company's projection were determined using published industry growth rates in combination with inflation assumptions and the input of each CGU's management group based on historical trend analysis and future expectations of growth. The growth rate applied to the cash flow projections of both the Canadian and U.S. CGU was 2.0% at October 3, 2015.

Costs to Sell

The costs to sell each CGU have been estimated at approximately 3.0% of the CGU's enterprise value. The costs to sell reflect the incremental costs, excluding finance costs and income taxes, that would be directly attributable to the disposal of the CGU, including legal costs, marketing costs, costs of removing assets and direct incremental costs incurred in preparing the CGU for sale.

Sensitivity to Changes in Assumptions

With regards to the assessment of the FVLCS for each of the CGUs, management believes that no reasonably possible change in any of the above key assumptions would cause the carrying value of either CGU to materially exceed its recoverable amount.