



BSX Listing Rules

Half yearly/Yearly Disclosure

References Version 1, Operative 23/8/2000

Chapter 3, BSX Listing Rules

Capilano Honey Limited

Name of entity

009 686 435

ABN, ACN or ARBN

Half yearly (tick)

Annual (tick)

31 December 2008

Half year/financial year ended ('Current period')

Summary

				\$A,000
Sales revenue or operating revenue	up/down	26.3%	to	39,125
Profit (loss) before abnormal items and after tax	up/down	126.3%	to	357
Abnormal items before tax		Gain (loss) of		
Profit (loss) after tax but before outside equity interests	up/down	126.3%	to	357
Extraordinary items after tax attributable to members		Gain (loss) of		
Profit (loss) for the period attributable to members	up/down	126.3%	to	357

Dividends (distributions)	Franking rate applicable	N/A
Current period	Final	¢
	Interim	¢
Previous corresponding period	Final	¢
	Interim	¢
Record date for determining entitlements to the dividend, (in the case of a trust distribution)		N/A

Annexure 3A
Half Yearly/Yearly Disclosure

Short details of any bonus or cash issue or other items(s) of importance not previously released to BSX:

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Consolidated profit and loss account

	Current period \$A'000	Previous corresponding period \$A'000
Sales revenue or operating revenue	39,125	30,977
Other income	881	513
Expenses from ordinary activities	(38,157)	(32,250)
Borrowing costs	(1,217)	(1,178)
Share of net profit (loss) of associates and joint venture entities	-	-
Profit (loss) from ordinary activities before tax	632	(1,938)
Income tax benefit / (expense) on ordinary activities	(275)	583
Profit (loss) from ordinary activities after tax	357	(1,355)
Outside equity interests	-	-
Profit (loss) from ordinary activities after tax attributable to members	357	(1,355)
Profit (loss) from extraordinary activities after tax attributable to members	-	-
Profit (loss) for the period attributable to members	357	(1,355)
Retained profits at the beginning of the financial period	12,534	19,982
Net transfers to and from reserves	-	-
Net effect of changes in accounting policies	-	-
Dividends paid or payable	-	-
Retained profits at end of financial period	12,891	18,627

Annexure 3A
Half Yearly/Yearly Disclosure

Profit restated to exclude amortisation of goodwill

	Current period \$A'000	Previous corresponding period \$A'000
(Loss) profit from ordinary activities after tax before outside equity interests and amortisation of goodwill	357	(1,355)
Less (plus) outside equity interests	-	-
(Loss) profit from ordinary activities after tax (before amortisation of goodwill) attributable to members	357	(1,355)

Revenue and expenses from operating activities

	Current period \$A'000	Previous corresponding period \$A'000
Revenue		
Sales Revenue	39,102	30,760
Net Foreign Exchange Gain	883	511
Interest Received	15	215
Other	6	4
	40,006	31,490
Expenses		
Raw Materials and Consumables	25,239	20,018
Employee Benefits	3,307	3,728
Depreciation of property, plant and equipment	699	1,042
Amortisation of intangibles	63	63
Marketing and promotion	4,148	3,534
Transport	1,710	944
Other	2,991	2,921
	38,157	32,250

Annexure 3A
Half Yearly/Yearly Disclosure

Intangible and extraordinary items

	Consolidated - current period		
	Before tax \$A'000	Related tax \$A'000	After tax \$A'000
Amortisation of goodwill	-	-	-
Amortisation of other intangibles	63	-	63
Total amortisation of intangibles	63	-	63
Extraordinary items (details)	-	-	-
Total extraordinary items	-	-	-

Comparison of half year profits

(Annual statement only)

	Current year - \$A'000	Previous year - \$A'000
Consolidated (loss) profit from ordinary activities after tax attributable to members reported for the 1st half year	357	(1,355)
Consolidated profit (loss) from ordinary activities after tax attributable to members for the 2nd half year	-	-

Consolidated balance sheet

Current assets	At end of current period \$A'000	As shown in last annual report \$A'000	As in last half yearly statement \$A'000
Cash	436	1,313	421
Receivables	12,315	11,459	12,126
Investments	-	-	-
Inventories	18,761	17,421	15,535
Other (provide details if material)	544	343	1,075
Total current assets	32,056	30,536	29,157

Annexure 3A
Half Yearly/Yearly Disclosure

Non-current assets			
Receivables	-	-	5,336
Investments	1,503	1,858	3,724
Inventories	-	-	-
Other property, plant and equipment (net)	19,246	19,592	20,013
Intangibles (net)	5,417	5,480	434
Deferred Tax Asset	3,665	3,758	2,165
Total non-current assets	29,831	30,688	31,672
Total assets	61,887	61,224	60,829
Current liabilities			
Accounts payable	10,072	7,582	5,388
Borrowings	1,941	2,129	3,233
Provisions	-	-	-
Other (provide details if material)	-	-	-
Total current liabilities	12,013	9,711	8,621
Non-current liabilities			
Accounts payable	-	-	-
Borrowings	28,133	28,929	26,663
Provisions	328	408	578
Other (provide details if material)	-	-	-
Total non-current liabilities	28,461	29,337	27,241
Total liabilities	40,474	39,048	35,862
Net assets	21,413	22,176	24,967
Equity			
Capital	5,366	5,366	5,366
Reserves	3,156	4,276	974
Retained profits (accumulated losses)	12,891	12,534	18,627
Equity attributable to members of the parent entity	-	-	-
Outside equity interests in controlled entities	-	-	-
Total equity	21,413	22,176	24,967
Preference capital and related premium included	-	-	-

Annexure 3A
Half Yearly/Yearly Disclosure

Consolidated statement of cash flows

Cash flows related to operating activities	Current period \$A'000	Previous corresponding period \$A'000
Receipts from customers	39,126	30,061
Payments to suppliers and employees	(38,486)	(28,190)
Interest and other items of similar nature received	15	215
Interest and other costs of finance paid	(1,062)	(1,020)
Other (provide details if material)	868	803
Net operating cash flows	461	1,869
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Cash flows related to investing activities		
Payments for purchases of property, plant and equipment	(356)	(511)
Proceeds from sale of property, plant and equipment	1	2
Proceeds on sale of subsidiary	-	6,000
Payment for purchases of equity investments	-	(5,500)
Loans to other entities	-	(2,232)
Loans repaid by other entities	-	86
Net investing cash flows	(355)	(2,155)
<hr/>		
Cash flows related to financing activities		
Proceeds from issues of securities (shares, options, etc.)	-	-
Proceeds from borrowings	-	411
Repayment of borrowings	(983)	-
Net financing cash flows	(983)	411

Annexure 3A
Half Yearly/Yearly Disclosure

Net increase (decrease) in cash held	(877)	125
Cash at beginning of period (see Reconciliation of cash)	1,313	296
Exchange rate adjustments	-	-
Cash at end of period (see Reconciliation of cash)	436	421

Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. If an amount is quantified, show comparative amount.

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Reconciliation of cash

Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current period \$A'000	Previous corresponding period \$A'000
Cash on hand and at bank	436	421
Deposits at call	-	-
Bank overdraft	-	-
Other (provide details)	-	-
Total cash at end of period	436	421

Ratios

	Current period	Previous corresponding period
Profit before tax/sales		
Consolidated profit (loss) from ordinary activities before tax as a percentage of sales revenue	1.6%	(6.3)%
Profit after tax/equity interests		
Consolidated profit (loss) from ordinary activities after tax attributable to members as a percentage of equity (similarly attributable) at the end of the period	1.7%	(5.4)%

Annexure 3A
Half Yearly/Yearly Disclosure

Earnings per security (EPS)

	Current period	Previous corresponding period
Calculation of basic, and fully diluted, EPS in accordance with AASB 1027: Earnings per Share		
(a) Basic EPS	6.93¢	(26.3)¢
(b) Diluted EPS (if materially different from (a))	6.93¢	(26.3)¢

NTA backing

	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	\$2.39	\$4.34

Details of specific receipts/outlays, revenues/expenses

	Current period A\$'000	Previous corresponding period \$A'000
Interest revenue included	15	215
Interest revenue included but not yet received (if material)	-	-
Interest costs excluded from borrowing costs capitalised in asset values	-	-
Outlays (excepts those arising from the acquisition of an existing business) capitalised in intangibles (if material)	-	-
Depreciation (excluding amortisation of intangibles)	699	1,042
Other specific relevant items	-	-

Control gained over entities having material effect

Name of entity

Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity since the date in the current period on which control was acquired

\$

Date from which such profit has been calculated

Profit (loss) from ordinary activities and extraordinary items after tax of the entity for the whole of the previous corresponding period

\$

Annexure 3A
Half Yearly/Yearly Disclosure

Loss of control of entities having material effect

Name of entity	
Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity for the current period to the date of loss of control	\$
Date from which the profit (loss) has been calculated	
Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity while controlled during the whole of the previous corresponding period	\$
Contribution to consolidated profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control	\$

Reports for industry and geographical segments

31 December 2008

Primary reporting – geographical segments	<i>Australia \$'000</i>	<i>Canada \$'000</i>	<i>Intersegment Elimination \$'000</i>	<i>Consolidated \$'000</i>
<i>Sales revenue</i>	37,118	7,847	(5,863)	39,102
<i>Other revenue</i>	17	6	-	23
Total segment revenue	37,135	7,853	(5,863)	39,125
Segment Result	1,146	(613)	99	632
<i>Unallocated revenue less unallocated expenses</i>				-
Profit before income tax expense				632

SEGMENT REPORTING -

31 December 2007

Primary reporting – geographical segments	<i>Australia \$</i>	<i>Canada \$</i>	<i>Intersegment Elimination \$</i>	<i>Consolidated \$</i>
<i>Sales revenue</i>	30,760	-	-	30,760
<i>Other revenue</i>	216	-	-	216
Total segment revenue	30,976	-	-	30,976
Segment Result	(1,939)	-	-	(1,939)
<i>Unallocated revenue less unallocated expenses</i>				-
Loss before income tax expense				(1,939)

Annexure 3A
Half Yearly/Yearly Disclosure

Secondary reporting – business segments

The consolidated entity operates predominantly in the one industry, being the processing and sale of honey.

Dividends

Date the dividend is payable

-

Record date to determine entitlements to the dividend (ie. on the basis of registrable transfers received up to 5.00 pm)

-

Amount per security

		<i>Franking rate applicable</i>	%	%	%
<i>(annual report only)</i>					
Final dividend:	Current year	- ¢	-	- ¢	-
	Previous year	- ¢	- ¢	- ¢	- ¢
<i>(Half yearly and annual statements)</i>					
Interim dividend:	Current year	- ¢	-	- ¢	-
	Previous year	- ¢	- ¢	- ¢	- ¢

Total annual dividend (distribution) per security

(Annual statement only)

	Current year	Previous year
Ordinary securities	- ¢	- ¢
Preference securities	- ¢	- ¢

Total dividend (distribution)

	Current period \$A'000	Previous corresponding period - \$A'000
Ordinary securities	\$-	\$-
Preference securities	\$-	\$-
Total	\$-	\$-

Annexure 3A
Half Yearly/Yearly Disclosure

Half yearly report – interim dividend (distribution) on all securities or Annual report – final dividend (distribution) on all securities

	Current period \$A'000	Previous corresponding period - \$A'000
Ordinary securities	\$-	\$-
Preference securities	\$-	\$-
Total	\$-	\$-

The dividend or distribution plans shown below are in operation.

Any other disclosures in relation to dividends (distributions)

Equity accounted associated entities and other material interests

Equity accounting information attributable to the economic entity's share of investments in associated entities must be disclosed in a separate notice. See AASB 1016: Disclosure of Information about Investments in Associated Companies.

Entities share of:	Current period A\$'000	Previous corresponding period A\$'000
Profit (loss) from ordinary activities before tax.	-	-
Income tax	-	-
Profit (loss) from ordinary activities after tax	-	-
Extraordinary items net of tax	-	-
Net profit (loss)	-	-
Outside equity interests	-	-
Net profit (loss) attributable to members	-	-

Annexure 3A
Half Yearly/Yearly Disclosure

Material interests in entities which are not controlled entities

The entity has an interest (that is material to it) in the following entities.

Name of entity	Percentage of ownership interest held at end of period or date of disposal		Contribution to profit (loss) from ordinary activities and extraordinary items after tax	
	Current period	Previous corresponding period	Current period \$A'000	Previous corresponding period \$A'000
Equity accounted associates and joint venture entities				
Capilano Canada Inc	100%	50%	(613)	-
Total	100%	50%	(613)	-
Other material interests				
Total				

Issued and listed securities

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

Category of securities	Number issued	Number listed	Issue Price (cents)	Paid-up value (cents)
Preference securities (description)				
Changes during current period				
Ordinary securities	5,151,067	5,151,066	104	104
Changes during current period	1	1	130	130
Convertible debt securities (description and conversion factor)				
Changes during current period				

Annexure 3A
Half Yearly/Yearly Disclosure

			Exercise price	Expiry date
Options (<i>description and conversion factor</i>)				
Changes during current period				
Exercised during current period				
Expired during current period				
Debentures				
Unsecured Notes				

Discontinuing Operations

Consolidated profit and loss account

	Continuing operations		Discontinuing operations		Total entity	
	Current period - \$A'000	Previous corresponding period - \$A'000	Current period - \$A'000	Previous corresponding period - \$A'000	Current period - \$A'000	Previous corresponding period - \$A'000
Sales revenue or operation revenue						
Other revenue						
Expenses from ordinary activities						
Profit (loss) before tax						
Less tax						
Profit (loss) from ordinary activities after tax						

Annexure 3A
Half Yearly/Yearly Disclosure

Consolidated statement of cash flows

	Continuing operations		Discontinuing operations		Total entity	
	Current period - \$A'000	Previous corresponding period - \$A'000	Current period - \$A'000	Previous corresponding period - \$A'000	Current period - \$A'000	Previous corresponding period - \$A'000
Net operating cash flows						
Net investing cash flows						
Net financing cash flows						

Other disclosures

	Current period A\$'000	Previous corresponding period A\$'000
Carrying amount of items to be disposed of:		
- total assets		
- total liabilities		
Profit (loss) on disposal of assets or settlement of liabilities		
Related tax		
Net profit (loss) on discontinuance		

Description of disposals

Comments by directors

Basis of accounts preparation

If this statement is a half yearly statement it should be read in conjunction with the last annual report and any announcements to the market made by the entity during the period.

Material factors affecting the revenues and expenses of the entity for the current period including seasonal or cyclical factors

- Export revenues were higher than the prior year due to favourable exchange rate movements and an increase in North American Sales.
- Lower than expected Australian crops have placed upward pressure on honey buying prices.
- Lower exchange rates have increased the cost for importing honey.
- Profitability continues to be favourably impacted by the ongoing expense reduction program.

A description of each event since the end of the current period which has had a material effect and is not related to matters already reported, with financial effect quantified (if possible)

N/A

Franking credits available and prospects for paying fully or partly franked dividends for at least the next year

2,385,409 Banking credits available

Changes in accounting policies since the last annual report and estimates of amounts reported in prior years are disclosed as follows.

N/A

Changes in the amounts of contingent liabilities or assets since the last annual report are disclosed as follows.

N/A

Additional disclosure for trusts

Number of units held by the management company or responsible entity to their related parties.

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A statement of the fees and commissions payable to the management company or responsible entity.

Identify:

- Initial service charges
- Management fees
- Other fees

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Annual meeting

(Annual statement only)

The annual meeting will be held as follows:

Place

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Date

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Time

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Approximate date the annual report will be available

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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law.
- 2 This statement, and the financial statements under the Corporations Law (if separate), use the same accounting policies.
- 3 In the case of a half-yearly report the same accounting standards and methods of computation are followed as compared with the most recent annual accounts.
- 4 This statement does give a true and fair view of the matters disclosed.
- 5 This statement is based on financial statements to which one of the following applies:

(Tick one)

- The financial statements have been audited.
- The financial statements have been subject to review by a registered auditor (or overseas equivalent).
- The financial statements are in the process of being audited or subject to review.
- The financial statements have *not* yet been audited or reviewed.

- 6 If the accounts have been or are being audited or subject to review and the audit report is not attached, details of any qualifications are attached/will follow immediately they are available* (*delete one*).
- 7 The entity has a formally constituted audit committee.



Sign here: Date: 6 February 2009
(*Director/Company secretary*)

Print name: ROGER D MASTERS

Notes

True and fair view If this statement does not give a true and fair view of a matter (for example, because compliance with an Accounting Standard is required) the entity must attach a note providing additional information and explanations to give a true and fair view.

Income tax If the amount provided for income tax in this statement differs (or would differ but for compensatory items) by more than 15% from the amount of income tax *prima facie* payable on the profit before tax, the entity must explain in a note the major items responsible for the difference and their amounts.

Additional information An entity may disclose additional information about any matter, and must do so if the information is material to an understanding of the financial statements. The information may be an expansion of the material contained in this statement, or contained in a note attached to the statement.