



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	Half yearly (tick)	<input checked="" type="checkbox"/>	31 December 2010
ABN, ACN or ARBN	Annual (tick)	<input type="checkbox"/>	Half year/financial year ended ('Current period')

Summary

				\$A,000
Sales revenue or operating revenue	up/down	25.16%	to	30,541
Profit (loss) before abnormal items and after tax	up/down	399.55%	to	1,355
Abnormal items before tax		Gain (loss) of		
Profit (loss) after tax but before outside equity interests	up/down	399.55%	to	1,355
Extraordinary items after tax attributable to members		Gain (loss) of		
Profit (loss) for the period attributable to members	up/down	399.55%	to	1,355
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		

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

--

Annexure 3A
Half Yearly/Yearly Disclosure

Consolidated profit and loss account

	Current period \$A'000	Previous corresponding period \$A'000
Sales revenue or operating revenue	30,541	40,806
Other income	22	-
Expenses from ordinary activities	(28,269)	(41,228)
Borrowing costs	(640)	(829)
Goodwill impairment	-	(2,664)
Share of net profit (loss) of associates and joint venture entities	-	-
Profit (loss) from ordinary activities before tax	1,654	(3,915)
Income tax benefit / (expense) on ordinary activities	(299)	(144)
Profit (loss) from ordinary activities after tax	1,355	(4,059)
Outside equity interests	-	-
Profit (loss) from ordinary activities after tax attributable to members	1,355	(4,059)
Profit (loss) from extraordinary activities after tax attributable to members	-	-
Profit (loss) for the period attributable to members	1,355	(4,059)
Retained profits at the beginning of the financial period	7,262	13,241
Net transfers to and from reserves	(13)	-
Net effect of changes in accounting policies	-	-
Dividends paid or payable	-	-
Retained profits at end of financial period	8,604	9,182

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	1,355	(1,394)
Less (plus) outside equity interests	-	-
(Loss) profit from ordinary activities after tax (before amortisation of goodwill) attributable to members	1,355	(1,394)

Annexure 3A
Half Yearly/Yearly Disclosure

Revenue and expenses from operating activities

	Current period \$A'000	Previous corresponding period \$A'000
Revenue		
Sales Revenue	30,498	40,722
Net Foreign Exchange Gain	22	-
Interest Received	1	9
Other	42	75
	30,563	40,806
Expenses		
Raw Materials and Consumables	17,863	28,441
Employee Benefits	2,729	3,725
Depreciation of property, plant and equipment	810	779
Amortisation of intangibles	19	47
Marketing and promotion	3,844	3,381
Transport	827	1,456
Foreign Exchange losses	-	152
Other	2,177	3,247
	28,269	41,228

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	19	-	19
Total amortisation of intangibles	19	-	19
Extraordinary items (details)	-	-	-
Total extraordinary items	-	-	-

Annexure 3A
Half Yearly/Yearly Disclosure

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	1,355	(4,059)
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	153	472	353
Receivables	8,952	10,629	11,368
Investments	-	-	564
Inventories	8,946	12,160	11,725
Other (provide details if material)	386	164	533
Total current assets	18,437	23,425	24,543
Non-current assets			
Receivables	-	-	-
Investments	-	-	-
Inventories	-	-	-
Other property, plant and equipment (net)	19,132	19,698	20,238
Intangibles (net)	161	180	2,643
Deferred Tax Asset	2,409	2,708	3,574
Total non-current assets	21,702	22,586	26,455
Total assets	40,139	46,011	50,998

Annexure 3A
Half Yearly/Yearly Disclosure

Consolidated balance sheet (continued)

Current liabilities			
Accounts payable	7,361	7,755	5,958
Borrowings	1,552	3,519	15,100
Provisions	308	339	346
Other (provide details if material)	-	-	-
Total current liabilities	9,221	11,613	21,404
Non-current liabilities			
Accounts payable	-	-	-
Borrowings	10,239	15,389	10,666
Provisions	291	309	282
Other (provide details if material)	-	-	-
Total non-current liabilities	10,530	15,698	10,948
Total liabilities	19,751	27,311	32,352
Net assets	20,388	18,700	18,646
Equity			
Capital	7,728	7,395	5,366
Reserves	4,056	4,043	4,098
Retained profits (accumulated losses)	8,604	7,262	9,182
Equity attributable to members of the parent entity	-	-	-
Outside equity interests in controlled entities	-	-	-
Total equity	20,388	18,700	18,646
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	32,225	40,383
Payments to suppliers and employees	(25,447)	(36,618)
Interest and other items of similar nature received	1	9
Interest and other costs of finance paid	(589)	(655)
Other (provide details if material)	518	707
Net operating cash flows	6,708	3,826
<hr/>		
Cash flows related to investing activities		
Payments for purchases of property, plant and equipment	(247)	(1,106)
Proceeds from sale of property, plant and equipment	4	-
Proceeds on sale of financial assets	-	925
Payment for purchases of equity investments	-	-
Loans to other entities	-	-
Loans repaid by other entities	-	-
Net investing cash flows	(243)	(181)
<hr/>		
Cash flows related to financing activities		
Proceeds from issues of securities (shares, options, etc.)	333	-
Proceeds from borrowings	-	-
Repayment of borrowings	(7,117)	(3,532)
Net financing cash flows	(6,784)	(3,532)
<hr/>		
Net increase (decrease) in cash held	(319)	113
Cash at beginning of period (see Reconciliation of cash)	472	240
Exchange rate adjustments	-	-
Cash at end of period (see Reconciliation of cash)	153	353

Annexure 3A
Half Yearly/Yearly Disclosure

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.

--	--

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	153	353
Deposits at call	-	-
Bank overdraft	-	-
Other (provide details)	-	-
Total cash at end of period	153	353

Ratios

Profit before tax/sales

Consolidated profit (loss) from ordinary activities before tax as a percentage of sales revenue

	Current period	Previous corresponding period
	5.4%	(9.6%)

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

	6.6%	(21.7%)
--	------	---------

Earnings per security (EPS)

Calculation of basic, and fully diluted, EPS in accordance with AASB 1027: Earnings per Share

- (a) Basic EPS
- (b) Diluted EPS (if materially different from (a))

	Current period	Previous corresponding period
(a) Basic EPS	15.90¢	(78.80¢)
(b) Diluted EPS (if materially different from (a))	15.90¢	(78.80¢)

NTA backing

Net tangible asset backing per ordinary security

	Current period	Previous corresponding period
	\$2.09	\$2.41

Annexure 3A
Half Yearly/Yearly Disclosure

Details of specific receipts/outlays, revenues/expenses

	Current period A\$'000	Previous corresponding period \$A'000
Interest revenue included	1	9
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)	810	779
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	\$

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	\$

Annexure 3A Half Yearly/Yearly Disclosure

Reports for industry and geographical segments

Segment Performance	31 December 2010		
	Domestic \$'000	Export \$'000	Consolidated \$'000
Sales revenue	22,348	8,150	30,498
Other revenue	43	-	43
Total segment revenue	22,391	8,150	30,541
Unallocated revenue less unallocated expenses			28,887
Profit before income tax			1,654

Segment Performance	31 December 2009		
	Domestic \$'000	Export \$'000	Consolidated \$'000
Sales revenue	20,262	20,461	40,723
Other revenue	61	23	84
Total segment revenue	20,323	20,484	40,807
Unallocated revenue less unallocated expenses			44,722
Profit before income tax			(3,915)

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

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

Annexure 3A
Half Yearly/Yearly Disclosure

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	\$-	\$-

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)

Annexure 3A
Half Yearly/Yearly Disclosure

Equity accounted associated entities and other material interests

Equity accounting information attributable to the 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	-	-

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				
Total				
Other material interests				
Total				

Annexure 3A
Half Yearly/Yearly Disclosure

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 <i>(description)</i>				
Changes during current period				
Ordinary securities	8,520,199	8,520,198	91	91
Changes during current period	471,135	471,135	70	70
Convertible debt securities <i>(description and conversion factor)</i>				
Changes during current period				
			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				

Annexure 3A
Half Yearly/Yearly Disclosure

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						

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		

Annexure 3A
Half Yearly/Yearly Disclosure

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

- | |
|---|
| <ul style="list-style-type: none">♦ Capilano has continued to benefit from lower operating costs.♦ Capilano has exited marginal export business and has not been materially affected by the current unfavourable exchange rates. |
|---|

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)

--

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

Franking credits available - \$2,385,409
--

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

Nil

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

Nil

Additional disclosure for trusts

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

--

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

Identify:

- Initial service charges
- Management fees
- Other fees

--

Annual meeting

(Annual statement only)

The annual meeting will be held as follows:

Place

--

Date

--

Time

--

Approximate date the annual report will be available

--

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: 4 February 2011
(*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.