



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)

30 June 2011

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

Summary

		\$A,000	
Sales revenue or operating revenue	up/down	12.4%	63,191
Profit before abnormal items and after tax	up/down	174.8%	4,470
Abnormal items before tax		Gain (loss) of	-
Profit (loss) after tax but before outside equity interests	up/down	174.8%	to 4,470
Extraordinary items after tax attributable to members		Gain (loss) of	-
Profit (loss) for the period attributable to members	up/down	174.8%	to 4,470

Dividends (distributions) Franking rate applicable 100%

Current period	Final	1,278
	Interim	-

Previous corresponding period	Final	-
	Interim	-

Record date for determining entitlements to the dividend, (in the case of a trust distribution) Not applicable

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

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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	63,191	72,156
Expenses from ordinary activities	(58,292)	(70,042)
Borrowing costs	(1,195)	(1,943)
Impairment of goodwill	-	(5,109)
Profit from ordinary activities before tax	3,704	(4,938)
Income tax benefit (expense) on ordinary activities	766	(1,041)
Profit from ordinary activities after tax	4,470	(5,979)
Outside equity interests	-	-
Profit from ordinary activities after tax attributable to members	4,470	(5,979)
Profit (loss) from extraordinary activities after tax attributable to members	-	-
Profit (Loss) for the period attributable to members	4,470	(5,979)
Retained profits at the beginning of the financial period	7,262	13,241
Net transfers to and from reserves	-	-
Net effect of changes in accounting policies	-	-
Dividends paid or payable	(1,278)	-
Retained profits at end of financial period	10,454	7,262

Profit restated to exclude amortisation of goodwill

	Current period \$A'000	Previous corresponding period \$A'000
Profit (Loss) from ordinary activities after tax before outside equity interests and amortisation of goodwill	4,470	(5,979)
Less (plus) outside equity interests		
Profit (Loss) from ordinary activities after tax (before amortisation of goodwill) attributable to members	4,470	(5,979)

Annexure 3A
Half Yearly/Yearly Disclosure

Revenue and expenses from operating activities

	Current period \$A'000	Previous corresponding period \$A'000
Revenue		
Sales Revenue	63,014	72,037
Net Foreign Exchange Gain	101	-
Interest Received	3	14
Gain on disposal of controlled entity	-	-
Other	73	105
	63,191	72,156
Expenses		
Raw Materials and Consumables	35,463	46,765
Employee Benefits	6,008	6,733
Depreciation of property, plant and equipment	1,622	1,588
Amortisation of intangibles	39	66
Transportation costs	2,098	3,053
Marketing and promotion	8,710	6,254
Factory costs	1,646	1,876
Foreign Exchange losses	-	47
Other	2,704	3,525
Loss on disposal of property, plant & equipment	2	8
Loss on disposal of investment in listed corporation	-	127
	58,292	70,042

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	39	-	39
Total amortisation of intangibles	39	-	39
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 Profit (loss) from ordinary activities after tax attributable to members reported for the 1st half year	1,355	(4,059)
Consolidated Profit from ordinary activities after tax attributable to members for the 2nd half year	3,115	(1,920)

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	637	472	153
Receivables	11,808	10,629	8,952
Investments	-	-	-
Inventories	9,194	12,160	8,946
Other (provide details if material)	164	164	386
Total current assets	21,803	23,425	18,437
Non-current assets			
Receivables	-	-	-
Investments	-	-	-
Inventories	-	-	-
Other property, plant and equipment (net)	18,984	19,698	19,132
Intangibles (net)	142	180	161
Deferred Tax Asset	3,475	2,708	2,409
Total non-current assets	22,601	22,586	21,702
Total assets	44,404	46,011	40,139
Current liabilities			
Accounts payable	9,538	8,094	7,669
Borrowings	1,566	3,519	1,552
Provisions	1,278	-	-
Other (provide details if material)	-	-	-
Total current liabilities	12,382	11,613	9,221

Annexure 3A
Half Yearly/Yearly Disclosure

Consolidated balance sheet (continued)

Non-current liabilities			
Accounts payable	-	-	-
Borrowings	9,526	15,389	10,239
Provisions	270	309	291
Other (provide details if material)	-	-	-
Total non-current liabilities	9,796	15,698	10,530
Total liabilities	22,178	27,311	19,751
Net assets	22,226	18,700	20,388
Equity			
Capital	7,728	7,395	7,728
Reserves	4,043	4,043	4,056
Retained profits (accumulated losses)	10,454	7,262	8,604
Equity attributable to members of the parent entity	-	-	-
Outside equity interests in controlled entities	-	-	-
Total equity	22,226	18,700	20,388
Preference capital and related premium included			

Consolidated statement of cash flows

Cash flows related to operating activities	Current period \$A'000	Previous corresponding period \$A'000
Receipts from customers	62,061	72,459
Payments to suppliers and employees	(53,454)	(63,953)
Dividends received	-	-
Interest and other items of similar nature received	3	14
Interest and other costs of finance paid	(1,062)	(1,222)
Income taxes paid	-	-
GST received	1,011	1,197
Net operating cash flows	8,559	8,495

Annexure 3A
Half Yearly/Yearly Disclosure

Consolidated statement of cash flows (continued)

Cash flows related to investing activities

Payments for purchases of property, plant and equipment	(918)	(1,416)
Proceeds from sale of property, plant and equipment	6	34
Payment for purchases of equity investments	-	-
Proceeds from sale of shares in listed entity	-	1,480
Proceeds from sale of equity investments	-	-
Loans to other entities	-	-
Loans repaid by other entities	-	-
Other (provide details if material)	-	-
Net investing cash flows	(912)	98

Cash flows related to financing activities

Proceeds from issues of securities (shares, options, etc.)	333	2,029
Proceeds from borrowings	-	-
Repayment of borrowings	(7,567)	(10,638)
Dividends paid	-	-
Other (provide details if material)	-	-
Net financing cash flows	(7,234)	(8,609)

Net (decrease) / increase in cash held

Net (decrease) / increase in cash held	413	(16)
Cash at beginning of period (see Reconciliation of cash)	224	240
Cash acquired on purchase of controlled entity	-	-
Exchange rate adjustments	-	-
Cash at end of period (see Reconciliation of cash)	637	224

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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Annexure 3A
Half Yearly/Yearly Disclosure

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	637	472
Deposits at call	-	-
Bank overdraft	-	(248)
Other (provide details)	-	-
Total cash at end of period	637	224

Ratios

Profit before tax/sales

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

	Current period	Previous corresponding period
	5.88%	(8.29)%

Profit after tax/equity interests

Consolidated profit from ordinary activities after tax attributable to members as a percentage of equity (similarly attributable) at the end of the period

	20.1%	(31.9)%
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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
	52.6 ¢	(95.9 ¢)

NTA backing

Net tangible asset backing per ordinary security

	Current period	Previous corresponding period
	\$2.18	\$1.96

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	3	14
Interest revenue included but not yet received (if material)	-	-
Interest costs excluded from borrowing costs capitalised in asset values	-	-
Impairment of goodwill	-	5,109
Loss on disposal of property, plant & equipment	2	8
Depreciation (excluding amortisation of intangibles)	1,622	1,588

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 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 loss has been calculated	
Consolidated 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 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

(a) Segment Performance	30 June 2011			Consolidated \$
	Domestic \$	Export \$	Unallocated \$	
Sales revenue	47,068	15,946		63,014
Other revenue	76	101		177
Total segment revenue	47,144	16,047		63,191
Unallocated revenue less unallocated expenses				(59,487)
Profit before income tax				3,704

Segment Performance	30 June 2010			Consolidated \$
	Domestic \$	Export \$	Unallocated \$	
Sales revenue	45,157	26,880		72,037
Other revenue	97	21		118
Total segment revenue	45,254	26,901		72,155
Unallocated revenue less unallocated expenses				(77,093)
Profit before income tax				(4,938)

(b) Segment Assets	Domestic \$	Export \$	Unallocated \$	Consolidated \$
	30 June 2010	7,444	3,490	35,077
30 June 2011	9,359	2,661	32,384	44,404
Change in total assets	1,915	(829)	(2,693)	(1,607)

(c) Segment Liabilities	Domestic \$	Export \$	Unallocated \$	Consolidated \$
	30 June 2010	5,480	1,561	20,270
30 June 2011	3,754	285	18,142	22,181
Change in total liabilities	(1,726)	(1,276)	(2,128)	(5,130)

Income Tax Benefit Reconciliation

Numerical reconciliation of income tax (saving) expense to prima facie tax payable

Profit (loss) before income tax expense	3,704	(4,938)
Tax at the Australian tax rate of 30% (2010:30%)	1,111	(1,481)
Deferred tax asset of wholly owned subsidiary derecognised	-	1,242
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Write off of receivables due from foreign controlled entity	(1,664)	-
Impairment of goodwill	-	1,533
Amortisation of intangibles	(43)	(43)
Loss on disposal of listed investments	-	38
Entertainment	2	4
Legal expenses	2	2
Over provision in prior years	(180)	(209)
Current year tax losses of controlled entity utilised	-	(99)
Sundry items	4	55
Income tax (saving) expense	(766)	1,041

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	12/07/11
Record date to determine entitlements to the dividend (ie. on the basis of registrable transfers received up to 5.00 pm)	28/06/11

Amount per security

		<i>Franking rate applicable</i>	%	%	%
<i>(annual report only)</i>					
Final dividend:	Current year	15¢	100	-	-
	Previous year	- ¢	-	-	-
<hr/>					
<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	15¢	- ¢
Preference securities	- ¢	- ¢

Total dividend (distribution)

	Current period \$A'000	Previous corresponding period - \$A'000
Ordinary securities	\$1,278	\$-
Preference securities	-	\$-
Total	\$1,278	\$-

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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.

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Any other disclosures in relation to dividends (distributions)

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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	-	-

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	-	-	-	-
Total	-	-	-	-
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

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	92
Changes during current period	471,135	471,135	70	70
Convertible debt securities <i>(description and conversion factor)</i>				
Changes during current period				

Annexure 3A
Half Yearly/Yearly Disclosure

Issued and listed securities (continued)

			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

Annexure 3A
Half Yearly/Yearly Disclosure

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

Nil

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)

Nil

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

Franking credits available \$1,837,682

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.

Not applicable

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

TBA

Date

25 November 2011

Time

TBA

Approximate date the annual report will be available

9 September 2010

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: 19 August 2011
(Director/Company secretary)

Print name: DAVID M GRAHAM

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.