



# **Australian Native Food Industry Limited**

ABN 80 123 156 105

## **Annual Financial Report**

for the year ended 30 June 2008

# Corporate Information

**ABN 80 123 156 105**

## **Directors**

A C Fielke (Chair)

L D Boyd

R Glover

A M Osborne

C D Read

M A Shepherd

M W Quarmby

Ms S B Wienand

## **Company Secretary**

L D Boyd

## **Registered Office**

Section 142/100 of Bowaka

Princes Highway

Reedy Creek

South Australia 5275

## **Bankers**

Westpac Banking Corporation

## **Auditors**

Brian Ramsey of Ramsey & Associates

# Contents

<b>Directors' Report</b> .....	<b>3</b>
<b>Balance Sheet</b> .....	<b>8</b>
<b>Income Statement</b> .....	<b>9</b>
<b>Statement of Recognised Income and Expense</b> .....	<b>10</b>
<b>Statement of Cash Flows</b> .....	<b>11</b>
<b>Notes to the Financial Statements</b> .....	<b>12</b>
1 Basis of preparation.....	12
2 Significant accounting policies .....	12
3 Trade Receivables .....	13
4 Other Financial Assets .....	13
5 Trade and other payables .....	14
6 Current tax payable .....	14
7 Movement in equity .....	14
8 Revenue .....	14
9 Other income .....	14
10 Income tax expense .....	14
11 Cash.....	14
12 Related Parties.....	15
13 Auditor's remuneration.....	16
<b>Directors' Declaration</b> .....	<b>17</b>
<b>Independent Auditor's Report</b> .....	<b>18</b>
<b>Auditor's Independence Declaration</b> .....	<b>19</b>

## Directors' Report

The directors present their report together with the financial report of Australian Native Food Industry Limited (the "Company") for the financial year ended 30 June 2008 and the auditor's report hereon.

### DIRECTORS

The names and details of the Company's directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

#### **Andrew Craig Fielke** (Chair and South Australia and Northern Territory region representative)

Andrew is an award winning Adelaide based chef with 31 years international experience as a chef restaurateur. Andrew has been passionate about Australia's native food resources since 1985. He founded the successful and internationally renowned Red Ochre Restaurants. He now works as a consulting/guest chef, develops numerous new commercial food products and as a TV Chef, presents Australian Food & Wine segments on the ABC's Asia Pacific Satellite Channel. Andrew is currently a director of Australian Food Partners Pty Ltd and has been a director of other companies involved in the food, including Australian native, industry.

#### **Lindsay Douglas Boyd**, BHA, MBA, FAIM, AFCHSE (Victoria region representative)

Lindsay has an extensive career in implementation of corporate restructuring and venture development globally and has worked actively in all industrial sectors including marketing and agri-business within end to end supply chains. Since 1996 Lindsay has been involved in research and development activities surrounding selection of appropriate finger lime species for generation of large scale commercial production capabilities. Based in the New South Wales Northern Rivers area, Lindsay is the managing director of Finger Limeing Good Pty Ltd.

#### **Douglas Morris Brownlow**, BA(Hons), DipEd, MEdAdmin

Doug's early career was in education as teacher and school principal. From the late 1980s until recently Doug was employed in Qld state government management positions, with particular focus on transport-related safety and community engagement. Doug has been involved in the native food industry since 1994. He owns and operates "Eden" a small native food plantation based in South East Queensland. Doug was a founding member of the Australian Rainforest Bushfood Industry Association ("ARBIA") in 1996 and from August 2004 to August 2006 was chair of the Queensland Bushfood Association. Doug resigned from his position as Director on 15 November 2007.

#### **Russell Glover**, GradCert Integrated Coastal Management (New South Wales and Australian Capital Territory region representative)

Rus was appointed a director of the Company on 4 September 2007. Based on the New South Wales North Coast, Rus is currently the Australian Government NRM Sustainable Resource Management Facilitator for NSW, working as part of the joint NRM Team between the federal Departments of Agriculture, Fisheries and Forestry, and Environment and Water Resources. Rus has been actively involved in the Native food industry for the past 7 years and holds management, ownership and directorship positions in various Native food industry businesses including commercial production of produce (Woolgoolga Rainforest Products), tube stock (Glovers Tubes) and value-added products (Galeru Pty Ltd). Chairperson Solitary Islands Marine Park Advisory Committee.

#### **Sibylla Rosa Hess-Buschmann**

Sibylla is managing director of Australian Rainforest Products Pty Ltd, a New South Wales Northern Rivers located company that specialises in growing, processing and marketing of native Australian foods, herbs, spices, fruits and essential oils. Since 1989 Sibylla has been actively involved in selecting suitable native species for commercial production systems paying particular attention to chemovar composition of individual species as well as developing harvest and post-harvest

technology, to assure high quality products with minimal variation. In 1996 she was a founding member of ARBIA and served this organisation as secretary and later president. Sibylla resigned from her position as Director on 15 November 2007.

**Anne Mary Osborne**, DipSM, LLB, BBus(Accy), GDip App Fin, MBA, CA, ACIS, SF Fin, GAICD

Anne has worked in a variety of roles in financial services for over 15 years in the public and private sectors, listed and unlisted environments, as well as in retail, corporate, wholesale and boutique funds management and administration. She has held strategic positions, been Company Secretary, General Counsel and a Compliance committee member for various public companies as well as managed teams of professionals responsible for risk management, corporate governance, compliance (including dispute resolution), secretariat, finance, management information, technical, training and professional development. In 1999, Anne was a founding member and director of the Queensland Bushfood Association and served the organisation as Treasurer until 2006. Anne was the Rural Industries Research and Development Corporation's Queensland Rural of the Year in 2005 and is the managing director of various south east Queensland companies which grow, distribute, wholesale, value-add and retail Australian native produce and products. Anne authored the Company's Constitution. Anne was appointed as director on 15 November 2007. She was also previously a director for the period 15 December 2006 to 5 April 2007.

**Michael William Quarmby** (Western Australia region representative)

Mike has over 40 years experience in large scale commercial horticulture with extensive experience in Australian native flora. He has also completed various studies in agronomy and business management. Mike is a director of Reedy Creek Nursery Pty Ltd (based in South Australia) which manages the Outback Pride project which has assisted the inclusion of aboriginal community participation in the Australian native food industry. Over the past 7 years Mike has developed systems and equipment designed and built for economy of labour, plant health and efficient water use for numerous native food species as well as developing best practice guidelines in the areas of post harvest handling, transport, storage and end use value adding of Australian native bushfood.

**Christopher David Read**, BAg Sc, PhD (Tasmania region representative)

Chris has over 15 years experience in horticultural research culminating in a fellowship with the University of Tasmania. Chris's particular area of interest is in essential oils. Since 1985 Chris has managed a cut flower, essential oil and native pepper farming enterprise which is now his main occupation. Since 1995 Chris has chaired the Natural Plant Extracts Cooperative Society (a Tasmanian essential oil producers group) and he is currently a board member of the Kingborough Community Enterprise Centre.

**Martha Anne Shepherd**

Martha has 35 years experience in the food industry, in particular as Director of International Operations with Mrs Fields Famous Brands, managing the company's international franchise network in 37 countries as well as all new product research and development. Martha, with partner David Haviland, founded Galeru - a value added rural enterprise which produces a range of gourmet products from native rainforest fruits grown on their Cooroy Queensland property. Martha developed & implemented a value chain management model in which 4 grower partners (one of which is Rus Glover another ANFIL director) have formed Galeru Pty Ltd. Their business model may hold major implications for small producers in the native food industry. Martha was the inaugural Australian national winner of the RIRDC Rural Women's Award 2006 and was a NIDP in Market Experience Scholarship recipient in 2007. Martha was appointed as director on 15 November 2007.

**Sabine Beate Wienand** (Queensland region representative)

Sabine is the owner operator of Basically Wild Edible Art which she founded in 1993. Sabine's first involvement in the bush food industry was in 1990 in Sydney, where she co-founded (with Hugh Longstaff) the 'Koori cuisine project' in Redfern with the aim of training Aboriginals in hospitality. In 1999, Sabine was one of 4 founding members of the first Bush food cooperative in Queensland called TRIBE. Throughout 1997 to 2000 Sabine regularly travelled overseas with an Australian Themed Show, introducing Australian native Foods and culture into Europe and Asia. Though Basically Wild Edible Art, Sabine currently exports native produce, retail and food service products into Europe, the US and Canada. Sabine was appointed as director on 15 November 2007.

## COMPANY SECRETARY

From 5 April 2007, including during the year, Mr Lindsay Boyd (who is also a Director) held the office of Company Secretary. During the previous period, from 15 December 2006 to 5 April 2007, Ms Anne Osborne (who was also a Director at that time) was the Company Secretary.

## DIRECTORS' MEETINGS

The number of directors' meetings held during the financial year to 30 June 2008 and the number of meetings attended by each director were:

Number of meetings held:	14	
	Eligible to attend	Attended
A C Fielke	14	14
L D Boyd	14	13
M W Quarmby	14	14
C D Read	14	14
R Glover	12	12
D M Brownlow (resigned 15 November 2007)	6	6
S R Hess-Buschmann (resigned 15 November 2007)	6	5
S B Wienand (appointed 15 November 2007)	7	7
A M Osborne (appointed 15 November 2007)	7	5
M A Shepherd (appointed 15 November 2007)	7	5

## COMMITTEES

The directors have not resolved to form any committees.

## DIRECTORS' AND EXECUTIVE OFFICERS' REMUNERATION

During the financial year none of the Directors or the Board Assistant received any remuneration in respect of their Company positions.

## CORPORATE INFORMATION

### Reporting Entity

The Company is a company limited by guarantee that is incorporated and domiciled in Australia. It is a not-for-profit industry representative body. It does not have a parent entity.

### Objectives

The Company's objectives are:

- to act as a body representative of the Industry
- to provide leadership and direction in relation to the maintenance, improvement and development of the standards of the Industry
- to act as a consulting and advisory body among its Members and in particular to:
  - to foster a closer association between persons engaged in, connected with, serviced by or interested in the Industry;
  - to establish Regions and work with Regional Councils to promote activities of value to Members; and
  - to engage in other activities in support of the above objectives,

## **Nature of operations and principal activities**

The principal activities of the Company during the financial year were:

- establishment of initial operating processes;
- facilitation and supervision of research regarding Australian native food properties and classification;
- membership recruitment;
- development of membership communications methods;
- development of initial branding; and
- conducting a workshop with industry members in relation to the strategic direction of the industry.

There were no significant changes in the nature of the activities during the financial year.

## **Employees**

The Company had three casual voluntary officers as at 30 June 2008 (2007: nil).

## **DIVIDENDS**

Under the terms of its Constitution the Company is not able to pay dividends to its members.

## **SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS**

There have been no significant changes in the state of affairs of the Company during the financial year.

## **ENVIRONMENTAL REGULATION AND PERFORMANCE**

Due to the nature of its operations, the Company is not subject to any significant environmental regulations.

## **EVENTS SUBSEQUENT TO REPORTING DATE**

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

## **LIKELY DEVELOPMENTS**

The Company will continue to pursue its objectives during the next financial year. It is likely that the Company will apply for an extension of the existing research project funded by RIRDC in order to extend the species scope. The Company will continue to liaise with industry members in relation to the strategic direction of the industry.

## **DIRECTORS' INTERESTS**

Each of the directors is an Individual Member of the Company.

## **INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS**

The Company has not given or agreed to give any indemnity to an officer or auditor of the Company. The Company has not paid any premium for insurance against those officers' or auditors' liabilities.

## **AUDITOR'S INDEPENDENCE DECLARATION**

The auditor's independence declaration is set out on page 19 and forms part of the Directors' Report for the financial year ended 30 June 2008.

## **ROUNDING OFF**

The amounts contained in this report and in the financial report have been rounded to the nearest \$1 (where rounding is applicable).

This report is made in accordance with a resolution of directors.

A handwritten signature in black ink on a light green background. The signature is cursive and appears to read 'A C Fielke'.

A C Fielke  
Director and Chair

Adelaide, 29 October 2008

# Balance Sheet

As at 30 June 2008

	<i>Note</i>	2008 \$	2007* \$
<b>Assets</b>			
Cash		70,853	21,755
Trade receivables	3	0	7,185
<b>Total current assets</b>			28,940
Other financial assets	4	3,973	264
<b>Total non-current assets</b>		3,973	264
<b>TOTAL ASSETS</b>		<b>74,826</b>	29,204
<b>Liabilities</b>			
Trade and other payables	5	0	22,426
Current tax payable	6	4,697	2,484
<b>Total current liabilities</b>		4,697	24,910
<b>TOTAL LIABILITIES</b>		<b>4,697</b>	24,910
<b>NET ASSETS</b>		<b>70,129</b>	4,294
<b>EQUITY</b>			
Retained earnings	7	70,129	4,294
<b>TOTAL EQUITY</b>	7	<b>70,129</b>	4,294

# Income Statement

For the financial year ended 30 June 2008

	<i>Note</i>	2008 \$	2007* \$
Revenue	8	79,444	37,420
<b>Gross profit</b>		<b>79,444</b>	37,420
Other income	9	142	58
Research expenses		(8,411)	(24,604)
Strategic planning expenses		(8)	(6,545)
Administrative expenses		(5,332)	(2,035)
<b>Results from operating activities</b>		<b>65,835</b>	4,294
<b>Profit before income tax</b>		<b>65,835</b>	4,294
Income tax expense	10	0	0
<b>Profit for the financial year</b>		<b>65,835</b>	4,294

# Statement of Recognised Income and Expense

For the financial year ended 30 June 2008

	<i>Note</i>	2008 \$	2007* \$
<b>Profit for the financial year</b>		<b>65,835</b>	4,294
Total recognised income and expense for the financial year		<b>65,835</b>	4,294
<b>Attributable to:</b>			
Members of the Company		<b>65,835</b>	4,294
Total recognised income and expense for the financial year		<b>65,835</b>	4,294

# Statement of Cash Flows

For the financial year ended 30 June 2008

	<i>Note</i>	2008 \$	2007* \$
<b>Cash flows from operating activities</b>			
Cash receipts from RIRDC		52,152	27,064
Cash receipts from Coles Indigenous Food Fund		25,000	0
Cash receipts from membership fees		5,839	5,450
Cash receipts of donations		0	1,000
Cash paid to suppliers		(34,035)	(11,817)
Cash generated from operations		48,956	21,697
Interest received		142	58
<b>Net cash from operating activities</b>	<i>11(a)</i>	<b>49,098</b>	21,755
<b>Net cash from investing activities</b>			
		0	0
<b>Net cash from financing activities</b>			
		0	0
Net increase in cash		49,098	21,755
Cash at beginning of financial year		21,755	0
<b>Cash at 30 June</b>	<i>11</i>	<b>70,853</b>	21,755

# Notes to the Financial Statements

30 June 2008

## 1 Basis of preparation

### (a) *Statement of compliance*

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (AASBs) (including Australian interpretations) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. IFRS is not relevant to the Company.

### (b) *Basis of measurement*

The financial statements have been prepared on a historical cost basis.

### (c) *Functional and presentation currency*

These financial statements are presented in Australian dollars, which is the Company's functional currency. All financial information has been rounded to the nearest dollar.

### (d) *Use of estimates and judgements*

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and any future periods affected.

## 2 Significant accounting policies

### (a) *Cash and cash equivalents*

Cash on hand and in banks are stated at the net realisable value.

For the purposes of the Statement of Cash Flows, cash includes cash on hand and in banks.

### (b) *Trade and other receivables*

Trade receivables are recognised and carried at original invoice amount.

Receivables from related parties are recognised and carried at the nominal amount due.

### (c) *Trade and other payables*

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the consolidated entity.

Payables to related parties are carried at the principal amount. Interest, when charged by the lender, is recognised as an expense on an accrual basis.

### (d) *Revenue recognition*

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

#### Rendering of Services

- Where the contract outcome can be reliably measured, control of the right to be compensated for the services has been attained and the likelihood of contract completion can be reliably measured. Contract completion is measured by reference to the services performed to date as a percentage of total services to be performed and any conditions attaching to settlement.

- Where the contract outcome cannot be reliably measured, revenue is recognised only to the extent that costs have been incurred.

Interest

- Control of the right to receive the interest payment.

(f) Taxes

Income Tax

Tax-effect accounting is applied using the liability method whereby income tax is regarded as an expense and is calculated on the accounting profit after allowing for permanent differences. To the extent timing differences occur between the time items are recognised in the financial statements and when items are taken into accounting determining taxable income, the net related taxation benefit or liability, calculated at current rates, is disclosed as a future income tax benefit or a provision for deferred income tax. The net future income tax benefit relating to tax losses and timing differences is not carried forward as an asset unless the benefit is virtually certain of being realised.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

	<i>Note</i>	2008 \$	2007* \$
<b>3 Trade Receivables</b>			
Trade debtors	<i>3(a)</i>	0	7,185
		0	7,185
<i>(a) Terms and Conditions</i>			
Trade debtors are non-interest bearing and generally on 30 day terms.			
<b>4 Other Financial Assets</b>			
Donation receivable		3,775	0
ASIC establishment cost		330	330
write-down at 20% per annum		(132)	(66)
		<b>3,973</b>	264

\* period 15 December 2006 to 30 June 2007

	<i>Note</i>	2008 \$	2007* \$
<b>5 Trade and other payables</b>			
Trade payables due to related parties	12	0	14,031
Other trade payables		0	8,395
		<b>0</b>	<b>22,426</b>
<b>6 Current tax payable</b>			
Goods and services tax		<b>4,697</b>	2,484
		<b>4,697</b>	<b>2,484</b>
<b>7 Movement in equity</b>			
Opening balance		<b>2,494</b>	0
Total recognised income and expense		<b>65,835</b>	2,494
Balance at 30 June		<b>70,129</b>	2,494
<b>8 Revenue</b>			
Research Grants – Rural Industries Research & Development Corporation (“RIRDC”)		<b>47,411</b>	24,604
Research Grant – Coles Indigenous Food Fund		<b>22,727</b>	0
Strategic Planning Workshop Funding - RIRDC		<b>0</b>	6,532
Membership Fees		<b>5,308</b>	4,954
Annual Gathering Fees		<b>223</b>	0
Donations		<b>3,775</b>	1,330
		<b>79,444</b>	<b>37,420</b>
<b>9 Other income</b>			
Cheque account interest		<b>142</b>	58
		<b>142</b>	<b>58</b>
<b>10 Income tax expense</b>			
As the Company is a non-profit organisation established for the purpose of promoting the development of Australia's agricultural resources it is classified as a Resource Development Organisation and meets the requirements for being an “Income tax exempt Non Profit Organisation”.			
<b>11(a) Cash</b>			
Bank balance		<b>70,853</b>	21,755
Cash in the statement of cash flows		<b>70,853</b>	21,755

\* period 15 December 2006 to 30 June 2007

	<i>Note</i>	<b>2008</b>	2007*
		\$	\$
<b>11(b) Cash flows from operating activities</b>			
Profit for the financial year		<b>65,835</b>	4,294
Change in trade receivables		<b>7,185</b>	(7,185)
Change in trade and other payables		<b>(24,064)</b>	24,588
		<b>48,956</b>	21,697
Interest received		<b>142</b>	58
Net cash from operating activities		<b>49,098</b>	21,755

## 12 Related Parties

The following were related parties of the Company at any time during the financial year and unless otherwise indicated were related parties for the entire financial year:

### *Directors*

- Mr A C Fielke (chair)
- Mr L D Boyd
- Mr D M Brownlow (resigned 15 November 2007)
- Ms S R Hess-Buschmann (resigned 15 November 2007)
- Ms A M Osborne (appointed 15 November 2007)
- Mr C D Read
- Ms M A Shepherd (appointed 15 November 2007)
- Ms S B Wienand (appointed 15 November 2007)
- Mr M W Quarmby

### *Officers*

- Mr D M Brownlow (from 15 November 2007)

A number of the directors hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities.

A number of those entities transacted with the Company in the financial year. The terms and conditions of the transactions were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-director related entities on an arm's length basis.

	<i>Note</i>	<b>2008</b>	2007*
		\$	\$
The aggregate amounts recognised during the financial year relating to directors and their related parties were as follows:			
L D Boyd	<i>(a)</i>	<b>300</b>	390
D M Brownlow	<i>(b)</i>	<b>31</b>	286
A C Fielke – Andrew Fielke Enterprises	<i>(c)</i>	<b>2,717</b>	878
S R Hess-Buschmann – Australian Rainforest Products Pty Ltd	<i>(d)</i>	<b>29,140</b>	13,031
A M Osborne – Boofanugs Pty Ltd	<i>(e)</i>	<b>15</b>	88

C D Read	(f)	5,391	5,142
M W Quarmby		0	584
<p>(a) The Company reimbursed Mr Boyd for the costs incurred by him in relation to trademark registration applications lodged on behalf of the Company.</p> <p>(b) The Company reimbursed Mr Brownlow for printing and postage costs.</p> <p>(c) The Company reimbursed Mr Fielke and his related entity Andrew Fielke Enterprises for costs incurred by him in relation to directors' teleconferences (\$2,254) and costs incurred in relation to catering supplies for the Company's annual gathering (\$463).</p> <p>(d) The Company reimbursed Australian Rainforest Products Pty Ltd for \$307 costs relation to directors' teleconferences. The Company reimbursed Ms Hess-Buschmann \$33 for costs outlaid in registering and hosting the Company's domain name and \$800 for costs outlaid in relation to director accomodation for the strategic planning workshop. In accordance with the terms of the grant provided by the RIRDC the Company also paid the amount of \$28,000 in respect of services performed by Ms Hess-Buschmann in relation to research projects.</p> <p>(e) The Company reimbursed Ms Osborne's related entity Boofanugs Pty Ltd for direct bank costs incurred in processing credit card payments on behalf of the Company.</p> <p>(f) The Company reimbursed Mr Read for the costs incurred by him in relation to directors' teleconferences (\$375). In addition to this, in accordance with the terms of the RIRDC research project grants, the Company paid Mr Read the amount of \$5,016 in relation to services performed by him in relation to the projects.</p>			
	<b>Note</b>	<b>2008</b>	2007*
		\$	\$
<b>13 Auditor's remuneration</b>			
The amount due and receivable by Brian Ramsey of Ramsey and Associates for the audit of the financial report of the entity			600

## Directors' Declaration

In accordance with a resolution of the directors of Australian Native Food Industry Limited (the "Company") made on 29 October 2008, I state that:

In the opinion of the directors of the Company:

- 1 the financial statements and notes are in accordance with the Corporations Act 2001, including:
  - (a) giving a true and fair view of the Company's financial position as at 30 June 2008 and of its performance, for the financial year ended on that date; and
  - (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
- 2 there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

A handwritten signature in black ink on a light green background. The signature is cursive and appears to read 'A C Fielke'.

A C Fielke  
Chair

Adelaide, 29 October 2008

# Independent Auditor's Report

## AUSTRALIAN NATIVE FOOD INDUSTRY LIMITED ABN 80 123 156 105

### INDEPENDENT AUDIT REPORT

To the members of AUSTRALIAN NATIVE FOOD INDUSTRY LIMITED

#### Scope

We have audited the financial report on Australian Native Food Industry Limited for the financial year ended 30 June 2008 as set out on pages 8 to 16. The company's directors are responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with our understanding of the company's financial position, and performance as represented by the results of its operations and its cash flows.

#### Independence

In conducting our audit, we followed applicable independence requirements of Australian Professional Ethical Pronouncements and the *Corporations Act 2001*.

In accordance with ASIC Class Order 05/83, we declare to the best of our knowledge and belief that the auditor's independence declaration, set out on page 19 of the financial report, has not changed as at the date of providing our audit opinion.

#### Audit Opinion

In our opinion, the financial report of Australian Native Food Industry Limited is in accordance with:

- (a) the *Corporations Act 2001*, including:
  - (i) giving a true and fair view of the company's financial position as at 30 June 2008 and of its performance for the financial year ended on that date; and
  - (ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and
- (b) other mandatory professional reporting requirements in Australia.



Ramsey & Associates  
Brian James Ramsey – Partner

29 October 2008  
Ipswich

# Auditor's Independence Declaration

## Australian Native Food Industry Limited ABN 80 123 156 105

### AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

I declare that, to the best of my knowledge and belief, during the financial year ended 30 June 2008 there have been:

- i no contraventions of the auditor's independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii no contraventions of any applicable code of professional conduct in relation to the audit.



Ramsey & Associates  
Brian James Ramsey

29 October 2008  
Ipswich