



Copy of financial statements and reports

If there is insufficient space in any section of the form, you may photocopy the relevant page(s) and submit as part of this lodgement

Company/scheme details

Company/scheme name

2007 MACGROUE PROJECT

ACN/ARBN/ARSN/PIN/ABN

119 560 235

Lodgement details

Who should ASIC contact if there is a query about this form?

Firm/organisation

MACCACORP LTD

Contact name/position description

SCOTT NORVAL - GENERAL MANAGER

ASIC registered agent number (if applicable)

Telephone number

07 4155 9726

Postal address or DX address

PO BOX 7353

NORTH BUNDABERG QLD 4670

1 Reason for lodgement of statement and reports

Tick appropriate box

- A public company or a disclosing entity which is not a registered scheme or prescribed interest undertaking (A)
- A registered scheme (B)
- Amendment of financial statements or directors' report (company) (C)
- Amendment of financial statements or directors' report (registered scheme) (D)
- A large proprietary company that is not a disclosing entity (H)
- A small proprietary company that is controlled by a foreign company for all or part of the period and where the company's profit or loss for the period is not covered by the statements lodged with ASIC by a registered foreign company, company, registered scheme, or disclosing entity (I)
- A small proprietary company that is requested by ASIC to prepare and lodge statements and reports (J)
- A prescribed interest undertaking that is a disclosing entity (K)

Dates on which financial year begins and ends

Financial year begins

01 / 07 / 07
(D) (D) (M) (M) (Y) (Y)

to

Financial year ends

30 / 06 / 08
(D) (D) (M) (M) (Y) (Y)

2 Details of large proprietary company

If the company is a large proprietary company that is not a disclosing entity, please complete the following information as at the end of the financial year for which the financial statements relate:

A What is the consolidated revenue of the large proprietary company and the entities that it controls?

B What is the value of the consolidated gross assets of the large proprietary company and the entities that it controls?

C How many employees are employed by the large proprietary company and the entities that it controls?

D How many members does the large proprietary company have?

3 Auditor's report

Were the financial statements audited?

Yes

No

If no, is there a class order exemption current for audit relief?

Yes

No

If yes, does the auditor's report (s308) for the financial year contain a statement of:

Reasons for the auditor not being satisfied as to the matters referred to in s307?

Yes

No

Details of the deficiency, failure or shortcoming concerning any matter referred to in s307?

Yes

No

4 Details of current auditor or auditors

Registered schemes must advise ASIC of the appointment of an auditor on a Form 5137 Appointment of scheme auditor within 14 days of the appointment of the auditor.

Auditor registration number (for individual auditor or authorised audit company)

Family name

Given name

or

Company name

PITCHER PARTNERS

ACN/ABN

35 415 759892

or

Firm name (if applicable)

4 Continued... Details of current auditor or auditors

Office, unit, level
LEVEL 22 MLC CENTRE

Street number and Street name
19 MARTIN PLACE

Suburb/City SYDNEY State/Territory NSW

Postcode 2000 Country (if not Australia)

Date of appointment
09/09/08
(D D) (M M) (Y Y)

A company may have two appointed auditors, provided that both auditors were appointed on the same date. Otherwise, an appointed auditor must resign, be removed or otherwise ceased before a subsequent appointment may be made.

Auditor registration number (for individual auditor or authorised audit company)

Family name Given name

or
Company name

ACN/ABN

or
Firm name (if applicable)

Office, unit, level

Street number and Street name

Suburb/City State/Territory

Postcode Country (if not Australia)

5 Statements and reports to be attached to this form

- Financial statements for the year (as per s295(2) and accounting standards)
 - Income statement for the year
 - Balance sheet as at the end of the year
 - Statement of cash flows for the year
 - Statement of changes in equity or statement of recognised income and expense for the year
 - If required by accounting standards - the consolidated income statement, balance sheet, statement of cash flows and statement of changes in equity/statement of recognised income and expense
- Notes to financial statements (as per s295(3))
 - Disclosures required by the regulations
 - Notes required by the accounting standards
 - Any other information necessary to give a true and fair view (see s297)
- The directors' declaration about the statements and notes (as per s295(4))
- The directors' report for the year, including the auditor's independence declaration (as per s298 to s300A)
- Auditor's report required under s308 and s314
- Concise report (if any) (s314)

Signature


I certify that the attached documents marked (X) are a true copy of the original reports required to be lodged under s319 of the Corporations Act 2001.

See Guide for details of signatory.

Name

DONALD KEITH ROSS

Signature



Capacity

Director

Company secretary

Date signed

13/10/08
[D] [D] [M] [M] [Y] [Y]

Lodgement

Send completed and signed forms to:
Australian Securities and Investments Commission,
PO Box 4000, Gippsland Mail Centre VIC 3841.

Or lodge the form electronically by visiting the ASIC website
www.asic.gov.au

For help or more information

Telephone 1300 300 630

Email info.enquiries@asic.gov.au

Web www.asic.gov.au

MACGROVE PROJECT

FINANCIAL REPORT

**FOR THE YEAR ENDED
30 JUNE 2008**

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2007 MACGROVE PROJECT
ARSN 119 560 235
REPORT BY RESPONSIBLE ENTITY

The directors of Maccacorp Limited, the Responsible Entity, of the 2007 Macgrove Project (the project) present their report together with the financial report of the Project for the year ended 30 June 2008 and the auditors' report thereon.

Principal Activities

The project is a registered managed investment scheme domiciled in Australia. The project involves the discharge of both the Responsible Entities and the growers' obligations pursuant to the Management Agreements and the Sub-Lease Agreements.

Upon commencement, each grower pays to the Responsible Entity, the application monies. The Responsible Entity contracts with the Project Manager, Macmanagement Pty Limited to manage the operations.

Following harvest, the Responsible Entity markets the crop produced and holds the crop proceeds on behalf of growers.

The purpose of the financial report is to report on income and expenditure in relation to the project during the financial reporting period.

There has been no change in the principal activities of the project during the financial year. The project did not have any employees during the financial year.

Project Information

The 2007 Macgrove Project was constituted on 18 May 2006 and issued a Product Disclosure Statement on 8 January 2007 and a Supplementary Product Disclosure Statement on 21 February 2007.

Maccacorp Limited, the Responsible Entity is incorporated and domiciled in Australia. The registered office of the Responsible Entity is located at 97 Kenzlers Road Sharon QLD 4670.

Directors

The Directors of the Responsible Entity, during and since the end of the financial period were:

Donald Keith Ross
Barry John Edmonds
Christopher Lomax

Review of Operations

The Directors are satisfied that the performance of the Project reflects the investment strategies implemented in order to achieve the Project's investment objectives.

Results

The project's net operating result for the year ending 30 June 2008 was \$Nil.

Registered Scheme Interest

In relation to the interests in the project:

- i) fees paid to the Responsible Entity during the financial year are disclosed in note 7 to the financial statements,
- ii) the number of interests in the project issued during and held at the end of the financial year was 512,
- iii) interests in the project held by the Responsible Entity or its associates are disclosed in note 7 to the financial statements,
- iv) the project does not have any assets other than the assets disclosed in the financial statements.

**2007 MACGROVE PROJECT
ARSN 119 560 235
REPORT BY RESPONSIBLE ENTITY**

Significant Changes in the State of Affairs

There have been no significant changes in the 2007 Macgrove Project state of affairs during the financial year other than as disclosed in the financial statements.

After Balance Date Events

No matters or circumstances have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the Project, the results of those operations, or the state of affairs of the Project in future financial periods.

Likely Developments

The investment strategy of the Project will be maintained in accordance with the Product Disclosure Statement dated 8 January 2007. In the opinion of the directors, disclosure of any further information would be likely to result in unreasonable prejudice to the Project.

Environmental Regulation

The Project's operations are not subject to any significant environmental Commonwealth or State regulations or laws.

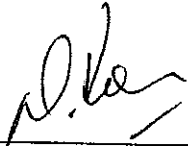
Indemnification and Insurance of Directors, Officers and Auditors

No indemnities are in place for any directors, officers or auditors of the Project.

Auditor's Independence Declaration

A copy of the auditor's independence declaration in relation to the audit for the financial year is provided with this report.

Signed in accordance with a resolution of the directors.



Director

Date

13 / 10 / 08



PITCHER PARTNERS

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Melbourne | Sydney | Brisbane | Perth | Adelaide

CONSULTANTS:
J S YOUNG
D G BARNSDALL
P S ROWE

AUDITOR'S INDEPENDENCE DECLARATION

In relation to the independent audit of 2007 Macgrove Project for the year ended 30 June 2008, to the best of my knowledge and belief there have been:

- (i) No contraventions of the auditor independence requirements of the Corporations Act 2001; and
- (ii) No contraventions of any applicable code of professional conduct.

MARK GODLEWSKI
Partner
PITCHER PARTNERS
Sydney

13 October 2008

**2007 MACGROVE PROJECT
 ARSN 119 560 235
 INCOME STATEMENT
 FOR THE YEAR ENDED 30 JUNE 2008**

	Note	30-Jun-08 \$	30-Jun-07 \$
Revenue			-
Application fees		3,000,000	2,120,000
Rent		152,640	-
Management fees		424,000	-
		<hr/>	
		3,576,640	2,120,000
Expenses			
Management fees		(424,000)	-
Establishment fees		(3,000,000)	(2,120,000)
Rent		(152,640)	-
		<hr/>	
Net result		-	-
		<hr/>	

**2007 MACGROVE PROJECT
 ARSN 119 560 235
 BALANCE SHEET
 AS AT 30 JUNE 2008**

	Note	30-Jun-08	30-Jun-07
		\$	\$
Current Assets			
Cash		18	100,003
Receivables re application fees		-	308,000
Total Assets		18	408,003
Liabilities			
Payables to Maccacorp Ltd		18	408,003
Total Liabilities		18	408,003
Net Assets		-	-

**2007 MACGROVE PROJECT
ARSN 119 560 235
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED 30 JUNE 2008**

	Note	30-Jun-08 \$	30 Jun-07 \$
Net Assets at the beginning of the year		-	-
Net income (loss) for the year		-	-
		<hr/>	<hr/>
End of the Year		-	-
		<hr/>	<hr/>

**2007 MACGROVE PROJECT
 ARSN 119 560 235
 CASH FLOW STATEMENT
 FOR THE YEAR ENDED 30 JUNE 2008**

	Note	30-Jun-08	30-Jun-07
		\$	\$
Cash flow from operating activities	5		
Receipts from growers		3,884,640	1,820,000
Payments to Maccacorp Limited		(3,984,513)	(1,719,997)
Net cash flow from (used in) operations		<u>(99,903)</u>	<u>100,003</u>
Cash Flow From Financing Activities		-	-
Net cash provided by financing activities		<u>-</u>	<u>-</u>
Cash Flow From Investing activities		-	-
Net cash provided by investing activities		<u>-</u>	<u>-</u>
Net cash at balance date		<u>18</u>	<u>100,003</u>
Net increase / (decrease) in cash		<u>(99,885)</u>	<u>100,003</u>

2007 MACGROVE PROJECT
ARSN 119 560 235
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board.

The following is a summary of material accounting policies adopted by the Project in preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes on assets as described in the accounting policies.

Upon commencement, each grower pays to the Responsible Entity, the Initial Period Fees. During each year of the project, each several grower pays to the Responsible Entity or the Project Manager the subsequent period management fees and leasing fees.

Summary of the significant accounting policies:

(a) Revenue Recognition

Monies received from growers have been recognized as income of the project.

(b) Expenditure

Any expenditure detailed in the income statement is incurred pursuant to the Management Agreement and / or the Sub-Lease Agreement on behalf of each grower severally. Any such expenditure is apportioned to each grower in accordance with the proportion that the Co-Production Units they own represent of the total Co-Production Units on issue.

(c) Receivables

Receivables are recorded at amortised cost less impairment.

(d) Goods And Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST).

(e) Distributions

The Responsible Entity will determine the amount of income (after the deduction of expenses) available for distribution at the end of each period. If in the opinion of the Responsible Entity, there is surplus income that is not required to meet future expenses the surplus income will be distributed to the growers.

(f) Income Tax

Under current legislation the Scheme is not subject to income tax as its taxable income is distributed in full to Growers.

**2007 MACGROVE PROJECT
 ARSN 119 560 235
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2008**

NOTE 2: REVENUE

	2008	2007
	\$	\$
Rent	152,640	-
Management fees	424,000	-
Application fees	3,000,000	2,120,000
Total Revenue	<u>3,576,640</u>	<u>2,120,000</u>

NOTE 3: AUDITOR'S REMUNERATION

Costs associated with auditing the Project's financial statements were paid for by the Responsible Entity for the year ended 30 June 2008.

Remuneration of the auditor of the project

-Auditing the financial report	-	-
	<u>-</u>	<u>-</u>

NOTE 4: RESPONSIBLE ENTITY FEES

The fees payable are as follows:

Rent	152,640	-
Management fees	424,000	-
Application fees	3,000,000	2,120,000
	<u>3,576,640</u>	<u>2,120,000</u>

**2007 MACGROVE PROJECT
 ARSN 119 560 235
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2008**

NOTE 5: CASH FLOW INFORMATION

The net result from operations per the Income Statement is reconciled to the net cash flow from operations in the Cash Flow Statement as follows:

	2008	2007
	\$	\$
Net result from operations per income statement	-	-
Changes in asset and liabilities		
Net movement in receivables and payables	(99,903)	100,003
	(99,903)	100,003
Net Cash Flow from (used in) operations	(99,903)	100,003

NOTE 6: SEGMENT REPORTING

The project operates in one business segment being agricultural production and one geographical segment being Australia.

NOTE 7: RELATED PARTIES

The Responsible Entity for the 2007 Macgrove Project is Maccacorp Limited (ABN 116 486 527)

(a) Details of Key Management Personnel of the Responsible Entity

(i) Directors
 Donald Keith Ross
 Barry John Edmonds
 Christopher Lomax

(ii) Details of Specified executives
 Neither Maccacorp Limited nor 2007 Macgrove Project employ persons deemed to be specified executives of the Project.

**2007 MACGROVE PROJECT
ARSN 119 560 235
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

(b) Remuneration of Key Management Personnel of the Responsible Entity

(i) Principles of compensation

Compensation of the key management personnel is paid directly by the Responsible Entity. The directors are not provided with any compensation by the Project itself. Directors are not entitled to any interests in the Project, or any rights to or options for interests in the Project, as a result of the compensation provided by the related party of the Responsible Entity.

The directors of the Responsible Entity do not consider that there is any direct correlation between the level of compensation provided to directors of the Responsible Entity and the management fees paid by the Project to the

Responsible Entity in accordance with the Management Agreement, the Sub-Lease Agreement and the Information Memorandum.

All related party transactions are conducted on normal commercial terms and conditions.

(c) Responsible Entity Fees and Other Transactions

	2008	2007
	\$	\$
Management fees	424,000	-
Rent	152,640	-
Annual fees	3,000,000	2,120,000

d) Interests held in the Project by the Responsible Entity or its associates

The responsibly entity or associated parties own 10 macgrove interests in the project.

NOTE 8: FINANCIAL INSTRUMENTS

(a) Significant Accounting policies

Details of significant accounting policies in respect of each class of financial assets and financial liability are disclosed in notes to the financial statements.

(b) Interest rate risk

The interest rate risk refers to the risk that increases in interest rates will result in financial loss to the Project. The Responsible Entity does not consider there to be any major interest rate risk in this period.

(c) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Project.

At the date of these financial statements the Responsible Entity has no evidence of any fraudulent activity and believes the systems and procedures it has in place minimise the risk.

(d) Fair Value of Financial Instruments

The directors of the Responsible Entity consider that the carrying amount of the financial assets and financial liabilities approximate their fair values.

2007 MACGROVE PROJECT
ARSN 119 560 235
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 9: SUBSEQUENT EVENTS

There has been no other matter or circumstance, which has arisen since 30 June 2008 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 30 June 2008, of the Project, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 30 June 2008, of the Project

NOTE 10: CONTINGENT LIABILITIES

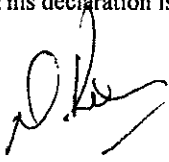
There are no contingent liabilities as at 30 June 2008.

2007 MACGROVE PROJECT
ARSN 119 560 235
DIRECTOR'S OF RESPONSIBLE ENTITY DECLARATION

The directors of Maccacorp Limited the responsible entity of the 2007 Macgrove Project (the project) declare that:

1. the financial statements and notes present fairly the Project's financial position as at 30 June 2008 and its performance for the year ended on that date in accordance with Accounting Standards and other mandatory professional reporting requirements;
2. in the directors' opinion there are reasonable grounds to believe that the Project will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



Director
Maccacorp Limited

Date 13/10/08



PITCHER PARTNERS

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CONSULTANTS:
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D G BARNSDALL
P S ROWE

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF 2007 MACGROVE PROJECT

We have audited the accompanying financial report of 2007 Macgrove Project ("the Project") comprising the Balance Sheet as at 30 June 2008, Income Statement, Cash Flow Statement, Statement of Changes in Net Assets for the year ended on that date, notes to the financial statements and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors' of the responsible entity, Maccacorp Limited are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors' of the responsible entity also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statement*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement in the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the project's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the project's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors of the responsible entity, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's Opinion

In our opinion, the financial report of 2007 Macgrove Project is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Project's financial position as at 30 June 2008 and of its performance for the year ended on that date;
- (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
- (c) complying with International Financial Reporting Standards as disclosed in Note 1.

Pitcher Partners
PITCHER PARTNERS
Sydney

13 October 2008

Mark Godlewski
MARK GODLEWSKI
Partner