Analytica Ltd

ABN 12 006 464 866

Appendix 4D

Half Year Report

For the 6 months ended December 2008 (current period)
And the previous corresponding period 6 months ended 31 December 2007

Results for announcement to the market

				$'000
Revenue from ordinary activities:	Up	138%	to	25
(Loss) from ordinary activities after tax attributable to members:	Up	186%	to	(1,401)
Net (Loss) for the period attributable to members:	Up	186%	to	(1,401)

	Current period	Previous corresponding period
Net tangible asset backing per ordinary share	(0.14) cents	(0.35) cents
Basic earnings/(loss) per share	(0.05) cents	(0.05) cents

An explanation of the result of the current period is set out in the Directors Report contained in the attached audit reviewed half-year Financial Report

Full financial details of the Company are also contained in the attached audit reviewed half-year Financial Report

Dividends: It is not proposed that any dividend will be paid. No dividends were paid in the previous corresponding period.

Analytica Limited
ABN 12 006 464 866

HALF-YEAR FINANCIAL REPORT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

Corporate Information
For the half-year ended 31 December 2008

Directors

Dr. Michael Monsour	Chairman
Mr. David Gooch	Non-Executive Director
Mr. Jim Heckathorn	Non-Executive Director
Mr. Ross Mangelsdorf	Non-Executive Director

Company Secretary

Mr. Ben Graham

Registered and Principal Office

Level 1
85 Brandl Street
Eight Mile Plains
Qld 4113

Auditors

Bentleys Chartered Accountants
Level 26, AMP Place,
10 Eagle Street
Brisbane QLD 4000

Contact Information

Ph: (07) 3278 1950
Fax: (07) 3259 8313
Email reception@analyticamedical.com
Web site: www.analyticamedical.com

Share Registry & Register

Link Market Services Limited
300 Queen Street
Brisbane QLD 4000
Ph: 1300 554 474

Your directors' submit their report for the half-year ended 31 December 2008.

DIRECTORS

The names of the directors of the company in office during the half-year and until the date of this report are:

Dr Michael Monsour (Chairman)
Mr David Gooch (Non-Executive Director)
Mr Jim Heckathorn (Non-Executive Director)
Mr Ross Mangelsdorf (Non-Executive Director)

RESULTS AND DIVIDENDS

The loss after tax of the entity for the half-year was $1,401,505 (prior year corresponding period loss of $490,827). The increased loss is largely attributable to the one-off non-cash expense incurred in relation to the share options issued to directors during the period ($653,898) and costs associated with sales and marketing ($161,713). Shareholder Equity decreased by $234,427 during the period to $422,808, however it should be noted that $750,951 was transferred to equity subsequent to the balance date upon the issue of shares which were not yet allotted at the review date.

No dividend was proposed or paid.

REVIEW OF OPERATIONS

The period under review has seen Analytica achieve a number of important milestones and raise sufficient cash to meet its expected working capital requirements during 2009.

In November the Company announced that is had released its premium product, the AutoStart® Burette, into the Australian market.

The Analytica AutoStart® Burette is a sterile, single-use infusion device that provides automatic flow control functionality not found in any other burette. The patented AutoStart® system automatically restarts the flow from the infusion reservoir once a bolus dose of medication is delivered, allowing the clinician to attend to other issues. It is estimated that the AutoStart® Burette frees 20 minutes of nurse time per patient per 24 hour period, which means the device effectively pays for itself in nurse time-savings. In today's under staffed hospitals, time savings are critical to nurses, patients, and administrators alike.

The Company has been conducting a comprehensive awareness campaign for the past year leading up to the commercial release of the AutoStart® Burette, with the company expected to record initial sales during the first quarter of 2009.

Analytica held discussions during the period with two leading multi-national manufacturers of burettes and infusion pumps, with both companies undertaking trials of Analytica's AutoStart® Burette with their latest infusion pump range. Subsequent to the review date, one of the company's evaluating the AutoStart® Burette advised the Company that it was currently evaluating its internal product range and was unable to proceed with Analytica's AutoStart® Burette at this time. Evaluations by the second multi-national company are ongoing, while subsequent to the review date a third leading medical device company have expressed an interest in the AutoStart® Burette, with products recently sent to their international headquarters for initial review. It is expected that Analytica will enter into licensing negotiations with one or both of these companies upon successful completion of these trials.

With work on the AutoStart® Burette largely complete, Analytica engaged a specialist Brisbane-based design firm to assist with the design of the Automatic Retractable Needle. The design of the Automatic Retractable Needle is now complete, with a number of prototype units being successfully tested during the period.

Analytica is now reviewing the design specifications prior to the commencement of hard tooling & the manufacture of a small quantity of production-equivalent units. Production tooling will follow further validation testing of the production-equivalent units later in the year.

The Company appointed Mr. Ross Mangelsdorf to the Board during the period. Mr Mangelsdorf is a Chartered Accountant with 27 years experience. He works with SME production, manufacturing and retail firms assisting them with business, taxation and management services, taking on the role of Chief Financial Officer for a number of firms. He is also director of a Queensland-based land development company and a chartered accounting firm.

During the period, the Company raised $501,904 in new equity through the exercise of 25,095,208 share options. These options were issued as part of a successful Rights Issue during 2007 and were exercisable at $0.02. These funds will be used to meet the Company's working capital requirements throughout 2009.

EVENTS SUBSEQUENT TO THE BALANCE DATE

Subsequent to the balance date, the company issued a further 37,690,012 shares upon the exercise of share options expiring 31 December 2008. Notices exercising 142,500 of these options were received by the Company subsequent to the balance date, which was also the expiry date, however were postmarked prior to their expiry date and were therefore accepted. A total of 62,785,220 shares were issued on the exercise of these options from the period 1 July 2008 to 16 January 2009, with 13,192,941 share options lapsing on their expiry date (31 December 2008).

The total issued capital of the company as at the date of signing these financial statements is 341,558,792 ordinary shares. There are 48,525,000 share options currently on issue.

Subsequent to the review date, one of the two companies who were evaluating Analytica's AutoStart® Burette with a view to licensing the product advised the Company that it could not proceed at this time as it was reviewing its internal product line. Negotiations are ongoing with a second company, whilst a third leading supplier of medical devices has expressed an interest in the AutoStart® Burette. Products have been shipped to their overseas head office for initial evaluation.

Other than as set out in the financial report, there have not been any matters or circumstances that have arisen since the end of the period that have significantly affected, or may significantly affect, the operations of the company, the results of those operations, or the state of affairs of the company in financial years after the half-year period.

AUDITOR'S INDEPENDENCE DECLARATION

A statement of independence has been provided by our auditors, Bentleys Chartered Accountants and is included at page 18.

Signed in accordance with a resolution of directors

Dr Michael Monsour
Chairman

Date: 24 February 2009

ANALYTICA LIMITED
and its controlled entities

Condensed Income Statement
For the half-year ended 31 December 2008

	Notes	December 2008 $	December 2007 $
Revenue		25,176	10,584
Research and development		(250,692)	(254,837)
Sales and marketing expenses		(161,713)	-
Administration expenses	9	(947,149)	(211,468)
Depreciation expense		(5,278)	(4,705)
Finance costs		(14,997)	(2,760)
Other expenses		(46,852)	(27,641)
Loss before income tax		(1,401,505)	(490,827)
Income tax expense		-	-
Loss for the period		(1,401,505)	(490,827)
Basic/Diluted loss per share (cents per share)		(0.05 cents)	(0.05 cents)

The accompanying notes form part of these financial statements

ANALYTICA LIMITED
and its controlled entities

Condensed Balance Sheet
As at 31 December 2008

	Notes	December 2008 $	June 2008 $
ASSETS			
Current Assets			
Cash and cash equivalents		1,604,854	947,113
Trade and other receivables		40,085	149,883
Total current assets		1,644,939	1,096,996
Non-current assets			
Property, Plant and equipment		18,477	13,611
Trade and other Receivables		30,000	30,000
Intangible assets	3	-	-
Total non-current assets		48,477	43,611
TOTAL ASSETS		1,693,416	1,140,607
LIABILITIES			
Current liabilities			
Trade and other payables	4	918,062	131,879
Financial liabilities	5	350,000	350,000
Total current liabilities		1,268,062	481,879
Non-current liabilities			
Long-term provisions		2,546	1,493
Total Non-Current Liabilities		2,546	1,493
TOTAL LIABILITES		1,270,608	483,372
NET ASSETS		422,808	657,235
EQUITY			
Issued capital	6	78,855,377	78,353,473
Reserves		2,625,710	1,960,536
Accumulated losses		(81,058,284)	(79,656,779)
Parent entity interest		422,803	657,230
Minority equity interest		5	5
TOTAL EQUITY		422,808	657,235

The accompanying notes form part of these financial statements.

Condensed Statement of Changes in Equity
For the half-year ended 31 December 2008

	$ Share Capital	$ Option Reserve	$ Minority Interests	$ Accumulated losses	$ Total
Balance at 1-7-2007	77,208,491	1,942,760	5	(78,827,322)	323,934
Loss for period	-	-	-	(490,827)	(490,827)
Issue of shares-Share Purchase Plan	1,163,368	-	-	-	1,163,368
Issue of shares to Director in lieu of payment of fees	25,000	-	-	-	25,000
Option reserve on recognition of bonus element of options	-	18,563	-	-	18,563
Share issue costs	(74,980)		-	-	(74,980)
Balance at 31-12-2007	78,321,879	1,961,323	5	(79,318,149)	965,058
Balance at 1-7-2008	78,353,473	1,960,536	5	(79,656,779)	657,235
Loss for period	-	-	-	(1,401,505)	(1,401,505)
Exercise of share options	501,904	-	-	-	501,904
Equity-settled remuneration	-	665,174	-	-	665,174
Balance at 31-12-2008	78,855,377	2,625,710	5	(81,058,284)	422,808

The accompanying notes form part of these financial statements

Condensed Cash Flow Statement
For the half-year ended 31 December 2008

	Notes	December 2008 $	December 2007 $
Cash flows used in operating activities			
Payments to suppliers and employees		(714,597)	(384,288)
Grant income received		78,550	-
Interest paid		(9,595)	(6,992)
Interest received		30,672	10,584
Net cash used in operating activities		(614,970)	(380,696)
Cash flows from/(used in) investing activities			
Proceeds from disposal of businesses		30,000	-
Purchase of Plant and equipment		(10,144)	(1,500)
Net cash (used in)/provided by investing activities		19,856	(1,500)
Cash flows from/(used in) financing activities			
Proceeds from issue of shares		501,904	1,163,369
Cost of share issue		-	(60,760)
Proceeds from shares not yet issued		750,951	-
Repayment of borrowings		-	(106,992)
Net cash provided by financing activities		1,252,855	995,617
Net increase in cash held		657,741	613,421
Cash at beginning of the financial period		947,113	390,074
Cash at the end of the financial period		1,604,854	1,003,495

The accompanying notes form part of these financial statements

1. BASIS OF PREPARATION

The half-year financial statements are a general-purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, and Australian Accounting Standard AASB 134: Interim Financial Reporting, Australian accounting interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2008 and any public announcements made by Analytica Limited and its controlled entities during the half year in accordance with the continuous disclosure requirements arising under the Corporations Act 2001.

The half-year report does not include full disclosure of the type normally included in an annual financial report.

Reporting Basis and Conventions

The half-year report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Going Concern

The financial report for the half-year ended 31 December 2008 is prepared on a going concern basis.

The company's forward cash-flow projections currently indicate that the company will be required to raise additional funds to meet forecast cash needs. The directors have considered this position and have assessed available funding options and believe should funding be required that sufficient funds could be sourced to satisfy creditors as and when they fall due.

However if forecast costs and revenues are not met the company may be unable to continue as a going concern. No adjustments have been made relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the company not continue as a going concern.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Cash

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts.

b) Financial Instruments

Recognition:

Financial Instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

Financial Assets at fair value through profit and loss:

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term, or if so designated by management and within the requirement of AASB139: Recognition and Measurement of Financial Instruments. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

c) Impairment of Assets

At each reporting date the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

d) Plant and Equipment

Each class of plant and equipment is carried at cost less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from those losses. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their current values in determining recoverable amounts.

Depreciation is provided on a straight-line basis on all plant and equipment. The major depreciation periods are:

Computer Equipment:	2-3 years
Furniture & Fittings	5 years

The assets residual value and useful lives are reviewed and adjusted if appropriate at each balance sheet date.

An assets' carrying value is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing proceeds with the carrying amounts. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

e) Intangibles

Goodwill

Goodwill and goodwill on consolidation are initially recorded at the amount by which the purchase price for a business or for an ownership interest in a controlled entity exceeds the fair value attributed to its net assets at date of acquisition. Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Patents and trademarks

Amounts incurred in acquitting and extending patents are expensed as incurred except to the extent that the costs are expected beyond any reasonable doubt to be recoverable.

f) Employee Benefits

Provision is made for the consolidated group's liability for employee benefits arising from services rendered by employees to the balance date. Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

g) Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

h) Revenue Recognition

Revenue from the sale of goods is recognised when goods are delivered to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the rendering of a service is recognised upon the delivery of services.

All revenue is stated net of the amount of goods and services tax (GST).

i) Research and Development Expenditure

Research and Development costs are charged against income as incurred, except where future benefits are expected beyond any reasonable doubt to equal or exceed those costs and any future costs necessary to give rise to the future benefits. In such instances, research and development costs are capitalised and amortised over the period in which the related benefits are expected to be realised.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

j) Income Taxes

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantially enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except when it relates to items that may be credited directly to equity in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilized.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the consolidated group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

k) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST) except where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense.

Receivables and Payables in the balance sheet are shown inclusive of GST.

Cash flows are included in the Cash Flow Statement on a gross basis except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

l) Comparative Figures

Where required by Accounting Standards comparative information has been adjusted to conform with changes in presentation for the current period.

	December 2008 $	June 2008 $
3. INTANGIBLE ASSETS		
Goodwill: at cost	202,485	202,485
Accumulated impaired losses	(202,485)	(202,485)
Net carrying value	-	-
Intellectual Property: at cost	2,052,708	2,052,708
Accumulated Amortisation	(2,052,708)	(2,052,708)
Net total carrying value	-	-

4. TRADE AND OTHER PAYABLES

	December 2008 $	June 2008 $
Trade creditors	39,211	56,851
Accrued expenses	127,900	75,028
Shares not yet allotted (i)	750,951	-
	918,062	131,879

(i) At the balance date, the company held $750,951 representing the exercise of 37,547,512 share options. The shares to be issued upon the exercise of these options had not been allotted by the balance date, however were subsequently allotted on 6 January 2009.

5. FINANCIAL LIABILITIES

	December 2008 $	June 2008 $
Convertible Notes (i)	350,000	350,000
	350,000	350,000

(i) During the 2008 financial year, the company raised $350,000 through the issue of seven Convertible Notes. The notes have a face value of $50,000 each, are interest-bearing at the rate of 8.5% p/a and can be converted into 3,333,333 ordinary shares per Note. The Notes mature on the second anniversary of their issue date.

6. ISSUED CAPITAL

(a) Ordinary Shares	Number	$
At 1 July 2008	278,773,572	78,353,473
Issued during the period- exercise of share options	25,095,208	501,904
At 31 December 2008	303,868,780	78,855,377

6. ISSUED CAPITAL (cont'd)

(b) Unlisted Options	Number
At 1 July 2008	91,528,161
Issued during the period (i)	33,000,000
Exercised during the period (ii)	(25,095,208)
Expired during the period	(13,217,940)
At 31 December 2008	86,215,012

(i) At the Annual General Meeting of the Company in November 2008, members approved the issue of 33,000,000 share options to directors. The Options vests immediately, have an exercise price of $0.05 and an expiry date of 30 June 2012.

(ii) During the period, 25,095,208 share options with an exercise price of $0.02 each and an expiry date of 31 December 2008 were exercised, raising $501,904 in new equity.

7. SEGMENT INFORMATION

In the current reporting period the Company operates in Australia and develops and commercialises intellectual property with application in the medical device and pharmaceutical industries.

	Medical Devices		Pharmaceuticals		Corporate		Total	
	Dec 2008 $	Dec 2007 $	Dec 2008 $	Dec 2007 $	Dec 2008 $	Dec 2007 $	Dec 2008 $	Dec 2007 $
Operating Revenue		-		-				
Other Revenue	-	-	-	-	25,176	10,584	25,176	10,584
Total Revenue	-	-	-	-	25,176	10,584	25,176	10,584
Expenses								
Operating Expenses	(250,692)	(127,837)	-	(127,000)	(1,175,989)	(246,574)	(1,426,681)	(501,411)
Total Expenses	(250,692)	(127,837)	-	(127,000)	(1,175,989)	(246,574)	(1,426,681)	(501,411)
Segment result	(250,692)	(127,837)	-	(127,000)	(1,150,813)	(235,990)	(1,401,505)	(490,827)
Ordinary operating expenses are after charging:								
Depreciation	-	-	-	-	(5,278)	(4,705)	(5,278)	(4,705)
Research & Development	(250,692)	(127,837)	-	(127,000)	-	-	(250,692)	(254,837)

8. EVENTS AFTER THE BALANCE SHEET DATE

Subsequent to the balance date, the company issued a further 37,690,012 shares upon the exercise of share options expiring 31 December 2008. Notices exercising 142,500 of these options were received by the Company subsequent to the balance date, which was also the expiry date, however were postmarked prior to their expiry date and were therefore accepted. A total of 62,785,220 shares were issued on the exercise of these options from the period 1 July 2008 to 16 January 2009, with 13,192,941 share options lapsing on their expiry date (31 December 2008).

The total issued capital of the company as at the date of signing these financial statements is 341,558,792 ordinary shares. There are 48,525,000 share options currently on issue.

Other than as set out in the financial report, there have not been any matters or circumstances that have arisen since the end of the period that have significantly affected, or may significantly affect, the operations of the company, the results of those operations, or the state of affairs of the company in financial years after the half-year period.

9. ADMINISTRATION EXPENSES

During the period 33,000,000 share options were issued to the directors. The employee benefits cost of these options has been measured at an amount of $653,898 in accordance with accounting standard AASB 2 “Share-based Payment”, applying the Black-Scholes measurement basis. An expense for this amount has been recorded in administration expenses with a corresponding entry in the options reserve account.

Directors' Declaration
For the half-year ended 31 December 2008

The directors of the Company declare that:

(1) the financial statements and notes, as set out on pages 6 to 16

(a) comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations, and

(b) give a true and fair view of the Company's financial position as at 31 December 2008 and of its performance for the half-year ended on that date.

(2) subject to the comments in Note 1 regarding going concern, in the directors' opinion there are reasonable grounds to believe that the Company 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 Board of Directors

Dr Michael Monsour
Chairman

Date: 24 February 2009

ANALYTICA LIMITED AND ITS CONTROLLED ENTITIES

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF ANALYTICA LIMITED

I declare that, to the best of my knowledge and belief, during the half year ended 31 December 2008 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and

(ii) no contraventions of any applicable code of professional conduct in relation to the review.

Bentleys

Bentleys
Brisbane Partnership
Chartered Accountants

Martin Power

P M Power
Partner

19 February 2009

Brisbane

INDEPENDENT REVIEW REPORT

TO THE MEMBERS OF ANALYTICA LIMITED

Scope

We have reviewed the financial report of Analytica Limited for the half-year ended 31 December 2008 consisting of the Condensed Income Statement, Condensed Balance Sheet, Condensed Statement of Changes in Equity, Condensed Cash Flow Statement, Notes to the Financial Statements, accounting policies, selected explanatory notes, and the Directors' Declaration. The financial report includes the consolidated financial statements of the consolidated entity comprising the Company and the entities it controlled at the end of the half-year or from time to time during the half-year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the interim 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.

Auditor's Responsibility

Our responsibility is to express a conclusion on the financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Analytica Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001. We confirm that the Independence Declaration required by the Corporations Act 2001, provided to the Directors of Analytica Limited on 19 February 2009, would be in the same terms if provided to the Directors as at the date of this review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Analytica Limited is not in accordance with the Corporations Act 2001, including:

i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and of its performance for the half-year ended on that date; and

ii) complying with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001.

Inherent Uncertainty Regarding Continuation as a Going Concern

Without qualification to the conclusion expressed above, attention is drawn to the following matter. As a result of matters described in Note 1 there is significant uncertainty whether Analytica Limited will be able to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Bentleys
Brisbane Partnership
Chartered Accountants

P M Power
Partner

24 February 2009