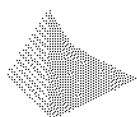


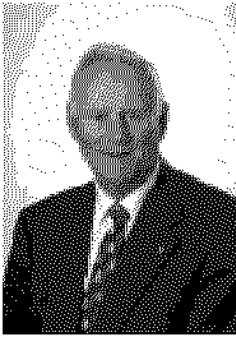
Annual Report

LandMark White Limited and its Controlled Entities
For the year ended 30 June 2004

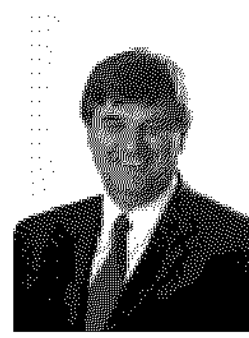
LandMark White Limited
ABN 50 102 320 329



CHAIRMAN'S AND CEO'S REVIEW 2004



Ian Rust
Chairman



Brad Piltz
Chief Executive Officer

We are pleased to present our annual report for the year ended 30th June 2004, a year in which we listed on the Australian Stock Exchange. We are also pleased to have exceeded the projections set out in our Prospectus and produced a strong increase in profit for our shareholders.

Financial Results

LandMark White Ltd achieved a record profit for the financial year ending 30th June 2004. The net profit after tax of \$1,893,692 exceeded our forecast net profit of \$1,650,000 by 14.8%.

Earnings, before interest, tax and amortisation of goodwill increased from \$1,878,642 for the 2003 year to \$2,857,061 in 2004.

Our net profit after tax resulted from a 21.05% growth in revenues to \$16,224,488 for the 2004 year, up from \$13,403,194 for the twelve months to 30 June 2003 as disclosed in the prospectus.

Our cash reserves at 30th June 2004 of \$5,035,754 provide us with the financial capacity to pursue both organic growth and acquisition of suitable businesses when we identify an opportunity to create long-term sustainable value for our shareholders.

Dividends

The Board has declared a final dividend of 2.5 cents per share fully franked payable on 23 September 2004. Together with the fully franked interim dividend of 1 cent paid 1st March 2004, the dividend of 3.5 cents paid since listing exceeds the forecast dividend outlined in our Prospectus. The total dividend represents 11.72% annualised return on the issue price of 50 cents per share.

Our target for payment of dividends remains in the range of 65-75% of net earnings.

Public Listing

LandMark White Ltd listed on the Australian Stock Exchange on 5th of December 2003. Six million 50 cent shares were issued to the public. It has been pleasing to see strong support for the share price. After peaking at 80 cents on listing, the share price has recently traded at between 66 cents and 72 cents, a 32% to 44% increase on the issue price.

Corporate Governance

The Board is committed to the highest standard of Corporate Governance and Compliance with the ASX Principles and Best Practice Recommendations. Corporate Governance is covered more fully later in this report.

CHAIRMAN'S AND CEO'S REVIEW 2004

Review of Operations

During the year under review our Brisbane, Gold Coast and Melbourne offices achieved a substantial increase in revenues. Brisbane revenue grew by 40.6%, Gold Coast by 39.6% and Melbourne, which commenced trading on 1st of September 2002, achieved growth of 52.5%. Continued growth is expected from all offices but the greatest potential for growth is in Melbourne and Parramatta.

To assist with this growth we continue to develop a comprehensive national database and information technology network. A national software development officer has been appointed who has information technology and valuation expertise.

Our management philosophy is to encourage a balance between operational autonomy, innovation and compliance with our standards for professional and business behaviour. Our remuneration policy is designed to provide incentives and a sense of belonging to the LandMark White team.

Our management philosophy involves the whole of the management team in seeking to –

- . be recognized as an industry leader by excellence of our service;
- . be receptive and adaptive to client needs;
- . be reliable and to have integrity in all our client dealings; and
- . continue to increase our prospects for ensuring opportunity for all of our stakeholders.

Expansion

We continue to investigate opportunities to expand our commercial valuation business by the establishment of new offices and also through acquisition.

We have recently announced our expansion into Queensland's Sunshine Coast in order to provide a complete South East Queensland commercial valuation and property advisory service. At present, select work is being undertaken from the Brisbane office, while we investigate suitable premises and recruit staff. It is expected that LandMark White will commence full operations within the next few months.

Expansion by acquisition continues to be part of our planning but only when we can be confident of adding value in the short to medium term.

New Services

We have recently announced the establishment of a separate, fully owned, subsidiary company to provide bulk valuations of residential property to service our clients involved in residential lending. The new company is **LMW Residential Pty Ltd.** It will have separate management, staff and premises from our existing commercial valuation practice, as it will produce a different product and is expected to develop a somewhat different culture.

Trading has now commenced in the South East Queensland region and we expect that it will quickly expand to include the major markets of Sydney and Melbourne with growth accelerated by acquisition of businesses specialising in residential valuations.

This new business will focus on rapid response, high turnover and use advanced technology for delivery of reports to our clients. Strong quality control and risk management will be employed.

We took this initiative because residential is an important part of the property market and because we believe that the major lenders are seeking a provider of valuations with the ability to employ the latest technology in delivery of reports as they strive to reduce their costs in the current, more subdued, residential property market.

CHAIRMAN'S AND CEO'S REVIEW 2004

Outlook

LandMark White has been able to generate consistent annual revenue and profit growth since it commenced business. This growth has continued during the 2003/2004 financial year.

During the year under review we enjoyed a buoyant property market. It is likely that the environment during the current year will not be as favourable but we remain confident of continued growth in the medium to long term from further developing our existing offices and with contributions from new initiatives. Our strong brand, good reputation and our history of good service should stand us in good stead.

We remain focused on being a leader in property valuation while continuing to pursue opportunities to grow organically and by acquisition of other businesses, rewarding shareholders, meeting our rate of return benchmarks and achieving our strategic objective of developing a fully integrated professional property services provider.

Conclusion

We thank our management team and our loyal, committed staff for their efforts and dedication over the past year which has produced a year of record profits.

We look forward to the challenges of the year ahead and are confident that our strong reputation, management skills and the firm foundation established in this first year as a public company, will result in continued growth.

Ian Rust
Chairman

Brad Piltz
Chief Executive Officer and Director

LANDMARK WHITE LIMITED
ABN 50 102 320 329
ANNUAL REPORT
FOR THE YEAR ENDED 30 JUNE 2004

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LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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DIRECTORS' REPORT AND CORPORATE GOVERNANCE STATEMENT

The Directors present their report together with the financial report of LandMark White Limited ("the company") and of the consolidated entity, being the company and its controlled entities, for the year ended 30 June 2004.

Directors

The Directors of the Company in office at any time during or since the end of the financial year are:

Mr Ian A Rust – appointed 26 September 2002

Chairman

Ian has over 48 years continuous experience in the property industry, including founding and leading a national real estate agency. Ian acted as Chairman of the LandMark White national group from 1995 to 1998. In 2002 he joined the company as its non-executive Chairman, allowing LandMark White to continue to benefit from his broad experience. Ian is a fellow of the Australian Property Institute and is a former president of the Australian Property Council (Victorian Division). In addition to his role on the Board, he continues to operate as a property consultant in Melbourne and is a member of the compliance committee for the property syndicates managed by WRF Property Limited.

Mr Bradley J Piltz – appointed 26 September 2002

Executive Director (Chief Executive Officer)

Brad has been involved in financial and property markets since 1975 and was co-founder of LandMark White. In addition to extensive experience with the Commonwealth Bank, Brad has acted for major corporations and government instrumentalities providing advice from portfolio analysis to property acquisition, disposal and tenancy requirements. Brad specialises in cash flow and management sensitive properties such as hotels, international and domestic tourism, hospitality and retail centres. Brad has acted in court as an expert witness; is highly experienced in rental determinations; prepared educational valuation materials; lectured in valuation; and appeared on Sydney radio and television providing property market commentary. He is a fellow of the Australian Property Institute, an affiliate of the Securities Institute of Australia and a member of the Australian Institute of Company Directors.

Mr Norman P Craig – appointed 9 October 2003

Independent Non-Executive Director

As a non-executive Director, Norman contributes great depth of experience in accounting and financial affairs to the Board. A Chartered Accountant and auditor, he was a partner in the international accounting firm KPMG from 1972 to 1993, where he obtained substantial experience in management and the banking and finance industry. From 1978 to 1990, Norman was chairman of KPMG's banking practice and a member of the firm's international banking committee from 1984 to 1990. He has undertaken the role of auditor for numerous banks and financial institutions including BNP, Citibank, Bank of China, Natwest, Korean Exchange Bank and Standard Chartered Bank. He is a director of Citibank Limited and chairman of its audit committee and a former director of MEPC Australia Limited and Peppers Hotel Trust. He has been a member of the compliance committee for Deutsche Funds Management, the Challenger Group, Ausgrowth and McLaughlins Financial Services.

Mr Stuart C Gregory – appointed 9 October 2003

Independent Non-Executive Director

Stuart is a non-executive director of the Board and is currently Chief Executive Officer of McCullough Robertson, a Brisbane based law firm. Stuart has held that position for 10 years. He has extensive experience in dealing with the broad range of issues unique to professional service organisations. Stuart is a Certified Practising Accountant who, during his career, has gained experience in financial services, investment banking, manufacturing and agribusiness. He is a director of Australian Food & Fibre Limited and Clovelly Estate Limited. Stuart is also Chairman of the Queensland Investigations Committee for CPA Australia and is a past president, and remains a member of the Financial Executives Institute.

Mr Ross B Perkins – appointed 26 September 2002

Executive Director

Ross has in excess of 20 years experience in the property industry, joining LandMark White in 1995 as a Director to manage the Brisbane business during its establishment phase. With experience in all market sectors Ross has served as a member of the Australian Property Institutes Professional Board and the Divisional Council. Ross specialises in commercial valuation work as well as residential apartment project valuations. He is a Fellow of the Australian Property Institute and a Member of the Australian Institute of Company Directors. He is currently the Managing State Director of Queensland for LandMark White Limited representing both the Gold Coast and Brisbane offices.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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DIRECTORS' REPORT AND CORPORATE GOVERNANCE STATEMENT

Mr Rex G Stafford – retired as a Director 9 October 2003

Executive Director

Rex has worked as a valuer across all market sectors, including commercial, retail, industrial and residential developments. He has over 30 years experience in all classes of valuation for asset, trust, mortgage, and litigation purposes. Rex specialises in valuing major commercial office buildings and sites, corporate office parks and industrial estates. He also advises major institutional clients with regard to investment analysis and value optimisation strategies.

Mr Glen J White– appointed 26 September 2002

Executive Director

The co-founder of LandMark White's practice, Glen now works part time, solely focussing upon development of the Company and sourcing new business opportunities. He is a registered valuer with over 35 years extensive experience in the real estate industry throughout Queensland and New South Wales. Working in both the public and private sectors, Glen commenced his valuation career in 1968 and gained experience with the Queensland Lands Department, National Mutual Life Association and with a private valuation firm before working in the Queensland practice that has become LandMark White since the 1980s. A fellow of the Australian Property Institute, Glen has appeared in all courts as an expert witness, lectured in valuation and is highly experienced in rental determinations.

Directors meetings

The number of directors' meetings and number of meetings attended by each of the directors of the Company during the financial year are:

Director	Board Meetings		Audit Committee Meetings	
	Held	Attended	Held	Attended
Mr I Rust	14	14	4	4
Mr B Piltz	14	14	-	-
Mr N Craig	9	9	4	4
Mr S Gregory	9	9	4	4
Mr R Perkins	14	14	-	-
Mr R Stafford (retired)	2	2	-	-
Mr G White	14	14	-	-

Company particulars

LandMark White Limited is incorporated in Australia. The address of the registered office is:
Ground Floor, 3 Holden Place, Bundall QLD 4217

Corporate Governance Statement

This statement outlines the main corporate governance practices in place during the period since listing, which substantially comply with the ASX Corporate Governance Council recommendations.

Role of the Board

The board's primary role is the protection and enhancement of long-term shareholder value.

To fulfil this role, the board is responsible for the overall corporate governance of the consolidated entity including formulating its strategic direction, approving and monitoring capital expenditure, setting remuneration, appointing, removing and creating succession policies for directors and senior executives, establishing and monitoring the achievement of management's goals and ensuring the integrity of internal control and management information systems. It is also responsible for approving and monitoring financial and other reporting. Details of the board's charter are located on the company's website.

The board has delegated responsibility for operation and administration of the company to the Chief Executive Officer and executive management. Responsibilities are delineated by formal authority delegations.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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DIRECTORS' REPORT AND CORPORATE GOVERNANCE STATEMENT

Board processes

To assist in the execution of its responsibilities, the board has established an Audit Committee. The committee has a written mandate and operating procedures, which are reviewed on a regular basis. The board is also in the process of establishing a framework for the management of the consolidated entity including a system of internal control, a business risk management process and the establishment of appropriate ethical standards. A nomination committee is not considered necessary as the company was only listed in December 2003. A remuneration committee is also not considered necessary at this stage as the Executive Directors are subject to service agreements, details of which were outlined in the Company's prospectus dated 13 October 2003.

The full board currently holds at least six scheduled meetings each year including a strategy meeting. Extraordinary meetings are held at such other times as may be necessary to address any specific significant matters that may arise.

The agenda for meetings is prepared in conjunction with the Chairman, Chief Executive Officer and Company Secretary. Standing items include the Chief Executive Officer's report, financial reports, strategic matters, governance and compliance. Submissions are circulated in advance.

Director Education

The consolidated entity has a process to inform new directors about the nature of the business, current issues, the corporate strategy and the expectations of the consolidated entity concerning performance of directors. Directors also have the opportunity to visit consolidated entity facilities and meet with management to gain a better understanding of business operations.

Independent professional advice and access to company information

Each director has the right of access to all relevant company information and to the company's executives and, subject to prior consultation with the Chairman, may seek independent professional advice from a suitably qualified advisor at the consolidated entity's expense. The director must consult with an advisor suitably qualified in the relevant field, and obtain the Chairman's approval of the fee payable for the advice before proceeding with the consultation. A copy of the advice received by the director is made available to all other members of the board.

Composition of the board

The names of directors of the company in office at the date of this report are set out in the Directors' report on page 3.

The composition of the board is determined using the following principles:

- a minimum of six directors, with a broad range of expertise
- an equal number of executive and independent non-executive directors in order to fully utilise the extensive knowledge and experience of the executive directors who have built up and operated the business so successfully
- a majority of directors having extensive knowledge of the company's industry, and those who do not, have extensive expertise in significant aspects of auditing and financial reporting or operational and financial management of a professional services organisation
- a non-executive independent director as Chairman

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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DIRECTORS' REPORT AND CORPORATE GOVERNANCE STATEMENT

Composition of the board (continued)

An independent director is a director who is not a member of management, known as a non-executive director, and who:

- holds less than 5% of the voting shares of the company and is not an officer of, or otherwise associated, directly or indirectly, with a shareholder of more than 5% of the voting shares of the company
- has not within the last three years been employed in an executive capacity by the company or another group member, or been a director after ceasing to hold any such employment
- within the last three years has not been a principal or employee of a material* professional advisor or a material* consultant to the company or another group member
- is not a material* supplier or client of the company or another group member, or an officer of or otherwise associated, directly or indirectly, with a material* supplier or client
- has no material* contractual relationship with the company or another group member other than as a director of the company
- is free from any interest and any business or other relationship which could, or could reasonably be perceived to materially* interfere with the director's ability to act in the best interests of the company

* the board considers, 'material', in this context, to be where any director-related business relationship has represented or is likely in future to represent the lesser of at least 10% of the relevant segment's or the director-related business's revenue. The board considered the nature of the relevant industries' competition, and the size and nature of each director related business relationship, in arriving at this threshold.

Remuneration policies

Remuneration levels are competitively set to attract and retain appropriately qualified and experienced directors and senior executives. The board obtains independent advice on the appropriateness of remuneration packages, given trends in comparable companies. Remuneration packages of executives and two executive directors include a mix of fixed remuneration and performance-based remuneration. The Chief Executive Officer receives only a fixed remuneration package.

The executive remuneration structures set out below are designed to attract suitably qualified candidates, and to effect the broader outcome of increasing the consolidated entity's net profit attributable to members of the parent entity.

There is currently no separate option plan. Non-executive directors do not receive any performance related remuneration or retirement benefits.

The board considers that the above performance-linked remuneration structure is generating the desired outcome. The evidence for this is the increase in services revenue generated during the year.

Total remuneration for all non-executive directors is not to exceed \$400,000 per annum. The Chairman receives directors fees of \$50,000 per annum and the other non-executive directors receive \$45,000 per annum. These fees include superannuation. Non-executive directors do not receive bonuses nor are they currently entitled to be issued with further options on securities.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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DIRECTORS' REPORT AND CORPORATE GOVERNANCE STATEMENT

Directors' and senior executives' remuneration

Details of the nature and amount of each major element of the remuneration of each Director of the Company and each of the five named officers of the company and the consolidated entity receiving the highest remuneration are:

	Salary and fees	Bonus	Non Monetary	Superannuation Contribution	Options issued	Total
	\$	\$	\$	\$	\$ (A)	\$
Directors						
<i>Non-executive</i>						
Mr I Rust	56,064	-	803	2,779	177	59,823
Mr N Craig	30,487	-	803	2,744	-	34,034
Mr S Gregory	30,487	-	803	2,744	-	34,034
<i>Executive</i>						
Mr B Piltz	190,862	-	803	9,138	2,495	203,298
Mr R Perkins	129,473	71,656	803	10,718	295	212,945
Mr R Stafford*	144,305	9,277	803	11,118	295	165,798
Mr G White	95,000	39,400	803	1,446	-	136,649
Total	676,678	120,333	5,621	40,687	3,262	846,581

Executive officers (excluding Directors)

The Company

Mr J Clements	71,053	-	803	6,395	295	77,743
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Consolidated

Mr T Gavan	143,447	141,848	803	11,976	590	298,664
Mr A Ellis	143,276	141,848	803	12,147	295	298,369
Mr J Muchall	115,184	109,776	803	9,432	295	235,490
Mr J McEvoy	114,840	71,656	803	9,775	295	197,369
Mr G Coonan	112,690	56,104	803	9,155	295	179,047

Total	700,490	521,232	4,818	58,880	2,065	1,286,682
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Non monetary remuneration represents an allocation of insurance premiums.

* Mr R Stafford was a director for the period 1 July 2003 to 9 October 2003.

(A) The fair value of the options is calculated at the date of grant using a Black-Scholes model.

The following factors and assumptions were used in determining the fair value of options on grant date:

Grant Date	Expiry Date	Exercise price	Price of shares on grant date	Estimated volatility	Risk free interest rate	Dividend yield	Fair Value per option
9 October 2003	9 October 2008	\$0.55	\$0.13	55%	5%	9%	\$0.006
9 October 2003	9 October 2008	\$0.65	\$0.13	55%	5%	9%	\$0.004
9 October 2003	9 October 2008	\$0.80	\$0.13	55%	5%	9%	\$0.003

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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DIRECTORS' REPORT AND CORPORATE GOVERNANCE STATEMENT

Options granted to directors and senior executives

During or since the end of the financial year, the company granted options for no consideration over unissued ordinary shares in LandMark White Limited to the following directors and to the following of the five most highly remunerated officers of the company and consolidated entity as part of their remuneration.

	Number of options granted	Exercise Price	Expiry Date
Directors			
Mr I Rust	30,000	\$0.55	9 October 2008
Mr B Piltz	200,000	\$0.55	9 October 2008
Mr B Piltz	200,000	\$0.65	9 October 2008
Mr B Piltz	150,000	\$0.80	9 October 2008
Mr R Stafford	50,000	\$0.55	9 October 2008
Mr R Perkins	50,000	\$0.55	9 October 2008
Officers			
Mr J Clements	50,000	\$0.55	9 October 2008
Mr T Gavan	100,000	\$0.55	9 October 2008
Mr A Ellis	50,000	\$0.55	9 October 2008
Mr J Muchall	50,000	\$0.55	9 October 2008
Mr J McEvoy	50,000	\$0.55	9 October 2008
Mr G Coonan	50,000	\$0.55	9 October 2008

No options have been granted since the end of the financial year.

Unissued Shares under option

At the date of this report unissued shares of the company under option are:

Expiry Date	Exercise Price	Number of options
9 October 2008	\$0.55	1,070,000
9 October 2008	\$0.65	200,000
9 October 2008	\$0.80	150,000
		1,420,000

All options expire on the earlier of their expiry date or the termination of the employees' employment. These options do not entitle the holder to participate in any share issue of the company.

Audit Committee

The Audit Committee has a documented charter, approved by the board. All members must be independent non-executive directors. The Chairman of the Audit Committee may not be the Chairman of the board. The committee advises on the establishment and maintenance of a framework of internal control and appropriate ethical standards for the management of the consolidated entity.

The members of the Audit Committee during the year were:

- Mr N.P Craig, FCA (Chairman) – Independent Non-Executive
- Mr Ian Rust – Independent Non-Executive
- Mr Stuart Gregory, CPA – Independent Non-Executive

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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DIRECTORS' REPORT AND CORPORATE GOVERNANCE STATEMENT

Audit Committee (continued)

The external auditors, the Chief Executive Officer and Chief Financial Officer are invited to Audit Committee meetings at the discretion of the committee. The committee met four times during the year and each member attended every meeting. The Chief Executive Officer and the Chief Financial Officer declared in writing to the board that the company's financial reports for the year ended 30 June 2004 present a true and fair view, in all material respects, of the company's financial condition and operational results and are in accordance with relevant accounting standards. This statement is required annually.

The Audit Committee's charter is available on the company's website. Information on procedures for the selection and appointment of the external auditor and for the rotation of external audit engagement partners is in the course of preparation.

The responsibilities of the Audit Committee include reporting to the board on:

- reviewing the annual and half year financial reports and other financial information distributed externally. This includes approving new accounting policies to ensure compliance with Australian Accounting Standards and generally accepted accounting principles, and assessing whether the financial information is adequate for shareholder needs
- assessing corporate risk assessment processes
- reviewing the company's policies and procedures for convergence with International Financial Reporting Standards for reporting periods beginning on 1 July 2005
- assessing whether non-audit services provided by the external auditor are consistent with maintaining the external auditor's independence. The external auditor provides an annual declaration of independence which is consistent with Professional Statement F.1 of the Code of Professional Conduct as recognised by Australia's professional accounting bodies
- reviewing the nomination and performance of the external auditor. The external auditors were appointed on 9 October 2003. Given the short period of time since appointment, the external auditor engagement partner has not been rotated
- assessing the adequacy of internal control framework and the company's code of ethical standards
- monitoring the procedures to ensure compliance with the Corporations Act 2001 and the ASX Listing Rules and all other regulatory requirements
- addressing any matters outstanding with auditors, Australian Taxation Office, Australian Securities and Investments Commission, ASX and financial institutions.

The Audit Committee reviews the performance of the external auditors on an annual basis and normally meets with them during the year to:

- discuss the external audit plans, identifying any significant changes in structure, operations, internal controls or accounting policies likely to impact the financial statements and to review the fees proposed for the audit work to be performed
- review the half-year and preliminary final report prior to lodgement with the ASX, and any significant adjustments required as a result of the auditor's findings, and to recommend board approval of these documents, prior to announcement of results
- finalise half-year and annual reporting to:
 - review the results and findings of the auditor, the adequacy of accounting and financial controls, and to monitor the implementation of any recommendations made
 - review the draft financial report and recommend board approval of the financial report
- as required, to organise, review and report on any special reviews or investigations deemed necessary by the board

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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DIRECTORS' REPORT AND CORPORATE GOVERNANCE STATEMENT

Risk Management

Oversight of the risk management system

Management is in the process of establishing and implementing a fully comprehensive formal Risk Management System for assessing, monitoring and managing operational, financial reporting and compliance risks for the consolidated entity. The Chief Executive Officer and the Chief Financial Officer have declared, in writing to the board, that the financial reporting risk management and associated compliance and controls have been assessed and found to be operating efficiently and effectively.

Risk management and compliance and control

The consolidated entity strives to ensure that its services are of the highest standard. Towards this aim it is undertaking a program to achieve AS/NZS ISO 9002 standards for each of its business segments.

The board is responsible for the overall internal control framework, but recognises that no cost effective internal control system will preclude all errors and irregularities.

Comprehensive practices have been established to ensure:

- capital expenditure and revenue commitments above a certain size obtain prior board approval
- occupational health and safety standards and management systems are monitored and reviewed to achieve high standards of performance and compliance with regulations
- business transactions are properly authorised and executed
- financial reporting accuracy and compliance with the financial reporting regulatory framework (see below)
- environmental regulation compliance (see below)

Financial reporting

Monthly actual results are reported against budgets approved by the directors and revised forecasts for the year are prepared regularly. Convergence with IFRS is a key current financial reporting project and the board has adopted a plan which is monitored by the Audit Committee to ensure a smooth transition to IFRS reporting, beginning with the half-year ended 31 December 2005. One of the project's first tasks is to prepare an opening statement of financial position, under IFRS, as at 1 July 2004 (24 months prior to the first IFRS financial year end), to facilitate first year IFRS comparatives.

Environmental regulation

The consolidated entity's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation.

Ethical Standards

All directors, managers and employees are expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the consolidated entity. Every employee has a nominated supervisor to whom they may refer any issues arising from their employment. The board reviews the Directors' Code of Ethics and the Code of Conduct for Transactions in securities regularly and processes are in place to promote and communicate these policies. A formal code of conduct for employees is in the course of preparation.

Conflict of interest

Directors must keep the board advised, on an ongoing basis, of any interest that could potentially conflict with those of the company.

Where the board believes that a significant conflict exists for a director on a board matter, the director concerned does not receive the relevant board papers and is not present at the meeting whilst the item is considered. Details of director related entity transactions with the company and consolidated entity are set out in Notes 28 and 29.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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DIRECTORS' REPORT AND CORPORATE GOVERNANCE STATEMENT

Trading in general company securities by directors and employees

The key elements of the Code of Conduct for Transactions in Company Securities by Directors and Employees are:

- identification of those restricted from trading – directors and all staff may acquire shares in the company, but are prohibited from dealing in company shares:
 - during the five week period preceding the announcement of half-year and annual results to the Australian Stock Exchange (“ASX”)
 - whilst in possession of price sensitive information not yet released to the market
- requiring details to be provided of intended trading in the company’s shares and approval to be given
- details may be required to be provided of the subsequent confirmation of the trade
- identification of processes for unusual circumstances where discretion may be exercised in cases such as financial hardship.

The policy is reproduced in full on the company’s website.

Communication with shareholders

The board provides shareholders with information using a comprehensive Continuous Disclosure Policy which includes identifying matters that may have a material effect on the price of the company’s securities, notifying them to the ASX, posting them on the company’s website, and issuing media releases. Details of the policy are available on the company’s website.

Principal activities

The principal activity of the company and consolidated entity during the course of the period was property valuation.

During the year, the company raised \$3,000,000 through the issue of 6,000,000 shares at \$0.50 each.

Cash raised through this issue has been utilised as follows:

	\$
Repayment of Loans	400,000
Costs of Capital Raising	401,036
Funds Held on deposit	2,198,964
Total	3,000,000

The funds raised through the issue of shares are to be used for the expansion of the group. Considerable effort is going into the search for suitable opportunities to expand the business and a number of acquisitions have been investigated and rejected. This effort is continuing but the directors are not prepared to compromise their requirement for short to medium term profitability and shareholder return for any investment made.

There were no significant changes in the nature of the activities of the company and consolidated entity during the year.

Review and result of operations

The profit from ordinary activities after income tax amounted to \$1,893,692. A detailed review of operations is contained in the review from the Chairman and CEO included in this Annual Report.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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DIRECTORS' REPORT AND CORPORATE GOVERNANCE STATEMENT

Dividends

Dividends paid by the company since the end of the previous financial year were:

Type	Cents per share	Total Amount \$	Franked/ Unfranked	Date of payment
<i>Declared and paid during the year</i>				
Final 2003 ordinary	36.2	940,000	Franked	10 October 2003
Interim 2004 ordinary	15.4	400,000	Franked	2 December 2003
Interim 2004 ordinary	1.0	264,000	Franked	1 March 2004
<i>Declared after end of year:</i>				
Final 2004 ordinary	2.5	<u>660,000</u>	Franked	23 September 2004
Total		<u>2,264,000</u>		

The financial effect of the dividend declared after the end of year has not been brought to account in the financial statements for the year ended 30 June 2004.

All franked dividends paid since the end of the previous financial year were fully franked at 30%.

State of affairs

During the year ended 30 June 2004, LandMark White Limited has:

- completed a split of 2,600,000 ordinary shares into 19,540,000 ordinary shares.
- issued 760,000 ordinary shares to executives for consideration of \$98,800.
- issued 100,000 ordinary shares to acquire a business for consideration of \$13,000.
- issued a prospectus and raised \$3,000,000 through the issue of 6,000,000 ordinary shares.
- granted 1.42 million options to Directors and executives which have vesting periods ranging from 12 to 36 months and exercise prices of between \$0.55 and \$0.80.
- incorporated a wholly owned subsidiary, LMW Residential Pty Ltd, to operate in the residential valuation sector.

Other than the matters described above, there were no significant changes in the state of affairs of the company or consolidated entity that occurred during the year under review.

Likely Developments

The company will continue to pursue its policy of increasing the profitability and market share of its major businesses during the next financial year. The company will also look at strategic acquisitions and development of additional lines of business to complement its existing business. This will require further investment in areas of personnel recruitment, new office development and further development of IT facilities.

Other developments are outlined in the Chairman and CEO review included in this Annual Report.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
ABN 50 102 320 329

DIRECTORS' REPORT AND CORPORATE GOVERNANCE STATEMENT

Directors' Interests

The relevant interest of each director in the shares issued by the company as notified by the Directors to the Australian Stock Exchange in accordance with S205G(1) of the Corporations Act 2001, at the date of this report is as follows:

	Ordinary Shares	Options over Ordinary Shares
Mr G White	9,728,994	-
Mr B Piltz	6,487,080	550,000
Mr R Perkins	2,477,289	50,000
Mr I Rust	40,000	30,000
Mr S Gregory	28,400	-
Mr N Craig	26,000	-

Indemnification and Insurance of officers and auditors

Indemnification

The company has agreed to indemnify all current Directors of LandMark White Limited to the maximum extent permitted by law against any liability incurred by them by virtue of their holding office as an officer of the Company other than:

- a liability owed to the company or a related body corporate of the company;
- a liability for a pecuniary penalty order under section 1317G of the Law or a compensation order under section 1317H of the Law; or
- a liability owed to a person other than the Company that did not arise out of conduct in good faith.

Insurance Premiums

Since the end of the previous financial period, the company has paid premiums of \$15,270 in respect of Directors and Officers liability and legal expenses, for any past, present, or future director, secretary, officer or employee of the company and its controlled entities.

Since the end of the financial period the company has paid premiums of \$18,859 for Directors and Officers Insurance.

The insurance premiums relate to:

- costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome
- other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

Further details of insurance policies have not been disclosed as the policies prohibit such disclosure.

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



Ian Rust
Chairman

Dated at Melbourne this tenth day of September 2004

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
ABN 50 102 320 329

STATEMENTS OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2004

	Note	Consolidated		Company	
		2004	2003(*)	2004	2003(*)
		\$	\$	\$	\$
Revenue from rendering of services	2	16,063,428	10,657,862	577,734	466,760
Other revenue from ordinary activities	2	161,060	22,042	1,904,573	-
Total revenue from ordinary activities		16,224,488	10,679,904	2,482,307	466,760
Expenses from ordinary activities:					
Employee expenses		9,383,135	6,858,835	540,322	273,485
Report presentation expenses		584,233	420,314	10,037	3,434
Marketing expenses		250,028	211,381	82,967	70,495
Administration expenses		1,662,200	932,074	149,081	80,296
Occupancy expenses		752,428	488,172	-	-
Depreciation and amortisation expenses	3(b)	352,090	178,294	788	261
Other expenses from ordinary activities		495,345	176,144	71,262	38,789
Profit from ordinary activities before related income tax expense		2,745,029	1,414,690	1,627,850	-
Income tax expense/(benefit) relating to ordinary activities	5	851,337	472,175	(77,245)	337
Net profit/(loss) after related income tax expense	21	1,893,692	942,515	1,705,095	(337)
Basic earnings per share	7	\$0.080	\$0.064		
Diluted earnings per share	7	\$0.079	\$0.064		

* The comparative figures for the 2003 year are for the period 26 September 2002 (the date of incorporation) to 30 June 2003.

The statements of financial performance are to be read in conjunction with the notes to and forming part of the financial statements.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
ABN 50 102 320 329

STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2004

		Consolidated		Company	
	Note	2004	2003	2004	2003
		\$	\$	\$	\$
Current assets					
Cash assets	8	5,035,754	1,886,148	2,643,905	-
Receivables	9	2,129,598	2,249,576	1,365,654	361,234
Work in progress	10	228,145	250,898	-	-
Other	11	200,830	180,057	2,618	88,747
Total current assets		7,594,327	4,566,679	4,012,177	449,981
Non-current assets					
Intangibles	12	1,839,721	1,938,753	-	-
Property, plant and equipment	13	882,053	759,205	6,582	2,197
Other financial assets	14	-	-	2,220,002	2,220,001
Other non current assets	15	102,595	81,405	68,474	-
Deferred tax assets		246,883	220,972	246,883	16,925
Total non-current assets		3,071,252	3,000,335	2,541,941	2,239,123
Total assets		10,665,579	7,567,014	6,554,118	2,689,104
Current liabilities					
Payables	16	2,788,377	2,954,141	262,246	262,804
Current tax liabilities		764,431	569,607	764,431	17,262
Provisions	17	501,976	360,983	56,678	12,156
Total current liabilities		4,054,784	3,884,731	1,083,355	292,222
Non current liabilities					
Deferred tax liabilities		68,474	75,300	68,474	-
Other	18	-	-	229,764	-
Provisions	17	239,088	311,869	741	44,620
Total non current liabilities		307,562	387,169	298,979	44,620
Total liabilities		4,362,346	4,271,900	1,382,334	336,842
Net assets		6,303,233	3,295,114	5,171,784	2,352,262
Equity					
Contributed equity	19	5,063,363	2,352,599	5,063,363	2,352,599
Reserves	20	7,663	-	7,663	-
Retained profits/(accumulated losses)	21	1,232,207	942,515	100,758	(337)
Total equity		6,303,233	3,295,114	5,171,784	2,352,262

The statements of financial performance are to be read in conjunction with the notes to and forming part of the financial statements.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
ABN 50 102 320 329

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2004

		Consolidated		Company	
Cash flows from operating activities	Note	2004	2003(*)	2004	2003(*)
		\$	\$	\$	\$
Cash receipts in the course of operations		15,986,115	8,258,329	2,392,634	466,760
Cash payments in the course of operations		(13,039,360)	(5,916,215)	(779,435)	(235,666)
Interest received		155,052	22,042	83,665	-
Income tax paid		(689,250)	-	(4,532)	-
Net cash provided by/(used in) operating activities	27(ii)	2,412,557	2,364,156	1,692,332	231,094
Cash flows from investing activities					
Payments for property, plant and equipment		(376,272)	(294,066)	(5,173)	(2,458)
Net payments to controlled entities		-	-	(177,765)	(228,636)
Transaction costs associated with acquisition of controlled entities		-	(102,537)	-	-
Funds placed on security deposit		(21,190)	(81,405)	-	-
Net cash provided by/(used in) investing activities		(397,462)	(478,008)	(182,938)	(231,094)
Cash flows from financing activities					
Proceeds from share issues		3,098,800	-	3,098,800	-
Costs of share issues		(360,289)	-	(360,289)	-
Dividends paid		(1,604,000)	-	(1,604,000)	-
Net cash provided by/(used in) financing activities		1,134,511	-	1,134,511	-
Net increase in cash held		3,149,606	1,886,148	2,643,905	-
Cash at beginning of the financial year		1,886,148	-	-	-
Cash at the end of the financial year	27(i)	5,035,754	1,886,148	2,643,905	-

* The comparative figures for the 2003 year are for the period 26 September 2002(the date of incorporation) to 30 June 2003.

The statements of cash flows are to be read in conjunction with the notes to and forming part of the financial statements.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
ABN 50 102 320 329

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The comparative figures for the 2003 year are for the period 26 September 2002 (the date of incorporation) to 30 June 2003.

The significant accounting policies which have been adopted in the preparation of this financial report are:

(a) Basis of preparation

The financial report is a general purpose financial report which has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

It has been prepared on the basis of historical costs and except where stated, does not take into account changing money values or fair values of assets.

These accounting policies have been consistently applied by each entity in the consolidated entity and, except where there is a change in accounting policy, are consistent with those of the previous year.

(b) Principles of consolidation

Controlled entities

The financial statements of the controlled entities are included from the date control commences until the date control ceases.

Unrealised gains and losses and inter-entity balances resulting from transactions with or between controlled entities are eliminated in full on consolidation.

(c) Revenue recognition

Revenues are recognised at fair value of the consideration received net of the amount of goods and services tax (GST) payable to the taxation authority. Exchanges of goods or services of the same nature and value without any cash consideration are not recognised as revenues.

Rendering of services

Revenue from the rendering of services is recognised in the period in which the services are provided: where it is probable that the compensation will flow to the entity; the amount to be received can be reliably measured; and the state of completion of the contract can be reliably measured.

Interest revenue

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

(d) 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. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
ABN 50 102 320 329

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004

(e) Taxation

The consolidated entity adopts the income statement liability method of tax effect accounting.

Income tax expense is calculated on operating profit adjusted for permanent differences between taxable and accounting income. The tax effect of timing differences, which arise from items being brought to account in different periods for income tax and accounting purposes, is carried forward in the statement of financial position as a future income tax benefit or a provision for deferred income tax.

Future income tax benefits are not brought to account unless realisation of the asset is assured beyond reasonable doubt. Future income tax benefits relating to tax losses are only brought to account when their realisation is virtually certain. The tax effects of capital losses are not recorded unless realisation is virtually certain.

Tax consolidation

The Company is the head entity in the tax-consolidated group comprising all the Australian wholly owned subsidiaries set out in Note 26. The implementation date for the tax consolidated group is 1 July 2003. The head entity recognises all of the current and deferred tax assets and liabilities of the tax-consolidated group (after elimination of intragroup transactions).

The tax consolidated group has entered into a tax funding agreement that requires wholly owned subsidiaries to make contributions to the head entity for:

- Deferred tax balances recognised by the head entity on implementation date, including the impact of any relevant reset tax cost bases; and
- Current tax assets and liabilities and deferred tax balances arising from external transactions occurring after the implementation of tax consolidation.

Under the tax funding agreement, the contributions are calculated on a "stand-alone basis" so that the contributions are equivalent to the tax balances generated by external transactions entered into by wholly owned subsidiaries. The contributions are payable as set out in the agreement and reflect the timing of the head entity's obligations to make payments for tax liabilities to the relevant authorities. The assets and liabilities arising under the tax funding agreement are recognised as intercompany assets and liabilities.

(f) Acquisitions of assets

All assets acquired including property, plant and equipment and intangibles other than goodwill are initially recorded at their cost of acquisition at the date of acquisition, being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition. When equity instruments are issued as consideration, their market price at the date of acquisition is used as fair value, except where the notional price at which they could be placed in the market is a better indication of fair value. Transaction costs arising on the issue of equity instruments are recognised directly in equity subject to the extent of proceeds received, otherwise expensed.

(g) Use and revisions of accounting estimates

The preparation of the financial report requires the making of estimations and assumptions that affect the recognised amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
ABN 50 102 320 329

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004

(h) Receivables

The collectibility of debts is assessed at balance date and specific provision is made for any doubtful accounts.

Trade debtors

Trade debtors to be settled within normal terms are carried at amounts due.

(i) Work in Progress

Client engagements in progress at balance date are recorded in the statement of financial position as an asset and revenue in the statement of financial performance, based on the proportion of the stage of completion of the engagement, where the stage and revenue from the engagement can be readily estimated.

(j) Leased assets

Leases under which the consolidated entity assumes substantially all the risks and benefits of ownership are classified as finance leases. Other leases are classified as operating leases.

Operating leases

Payments made under operating leases are expensed on a straight line basis over the term of the lease, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property.

Lease incentives are recognised as liabilities. Lease rental payments are allocated between rental expense and reduction of the liability, on a straight line basis over the period of the incentive.

(k) Goodwill

Goodwill represents the excess of the purchase consideration plus incidental costs over the fair value of the identifiable net assets acquired. Goodwill is amortised over the period of time the benefits are expected to be realised.

(l) Recoverable amount of non-current assets valued on cost basis

The carrying amounts of non-current assets valued on the cost basis are reviewed to determine whether they are in excess of their recoverable amount at balance date. If the carrying amount of a non-current asset exceeds its recoverable amount, the asset is written down to the lower amount. The write-down is expensed in the reporting period in which it occurs.

In assessing recoverable amounts of non-current assets, the relevant cash flows have not been discounted to their present value, except where specifically stated.

(m) Payables

Liabilities are recognised for amounts to be paid in the future for goods or services received. Trade accounts payable are normally settled within trading terms.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
ABN 50 102 320 329

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004

(n) Depreciation and amortisation

Useful lives

All assets, including intangibles, have limited useful lives and are depreciated/amortised using the straight line method over their estimated useful lives. Assets are depreciated or amortised from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and held ready for use.

Depreciation and amortisation rates and methods are reviewed annually for appropriateness. When changes are made, adjustments are reflected prospectively in current and future periods only. Depreciation and amortisation are expensed, except to the extent that they are included in the carrying amount of another asset as an allocation of production overheads.

The depreciation/amortisation rates or useful lives used for each class of asset are as follows:

	%
Property, plant and equipment	
Leasehold improvements	14-33
Plant and equipment	20-25
Intangibles	
Goodwill	5

(o) Employee entitlements

Wages, salaries and annual leave

Liabilities for employee benefits for wages, salaries and annual leave expected to be settled within 12 months of the year-end represent present obligations resulting from employees' services provided to the reporting date, calculated at undiscounted amounts based on wage and salary rates that the entity expects to pay as at the reporting date including related on-costs

Long service leave

The provision for employee entitlements to long service leave represents the present value of the estimated future cash outflows to be made resulting from employees' services provided to reporting date.

The provision is calculated using estimated future increases in wage and salary rates including related on-costs and expected settlement dates based on turnover history and is discounted using the rates attaching to national government securities at balance date which most closely match the terms of maturity of the related liabilities.

Employee share and option plans

Where shares or options are issued to employees as remuneration for past services, the difference between fair value of the shares or options issued and the consideration received, if any, from the employee is expensed. The fair value of the options issued is recorded in an option reserve. Shares issued to employees are recorded in contributed equity at the fair value.

Transaction costs associated with issuing shares and options are recognised in equity subject to the extent of the proceeds received, otherwise expensed. Other administrative costs are expensed.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
ABN 50 102 320 329

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004

	Consolidated		Company	
	2004	2003	2004	2003
	\$	\$	\$	\$
2. REVENUE FROM ORDINARY ACTIVITIES				
Rendering of services revenue from operating activities	16,063,428	10,657,862	577,734	466,760
Other revenues:				
Dividends – related parties	-	-	1,814,900	-
Interest – other parties	161,060	22,042	89,673	-
Total other revenues	161,060	22,042	1,904,573	-
Total revenue from ordinary activities	16,224,488	10,679,904	2,482,307	466,760
3. PROFIT FROM ORDINARY ACTIVITIES BEFORE INCOME TAX EXPENSE				
(a) Individually significant items included in profit from ordinary activities before income tax expense				
Payments to employees to reduce entitlement to profit share	-	217,087	-	-
(b) Profit from ordinary activities before income tax expense has been arrived at after charging/(crediting) the following items:				
Depreciation of:				
Furniture and fittings	23,415	12,330	302	261
Office equipment	149,718	78,291	486	-
	173,133	90,621	788	261
Amortisation of:				
Leasehold improvements	66,925	12,138	-	-
Goodwill	112,032	75,535	-	-
	178,957	87,673	-	261
Total depreciation and amortisation	352,090	178,294	788	261
Net bad and doubtful debts	225,691	93,277	-	-
Operating lease rental expenses	778,492	374,191	-	-
Loss on disposal of non-current assets	12,973	18,824	-	-

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
ABN 50 102 320 329

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004

	Consolidated		Company	
	2004	2003	2004	2003
	\$	\$	\$	\$
4. AUDITORS' REMUNERATION				
<i>Audit services</i>				
Auditors of the Company – KPMG Australia				
Audit and review of the financial reports	40,000	30,000	40,000	30,000
<i>Other services</i>				
Auditors of the Company – KPMG Australia & related practices				
Due diligence services – IPO	74,099	91,525	74,099	91,525
Taxation services	23,000	-	23,000	-
Other Services	11,150	8,544	11,150	-
	<u>108,249</u>	<u>100,069</u>	<u>108,249</u>	<u>91,525</u>
5. INCOME TAX				
Income tax expense				
Prima facie income tax expense calculated at 30% on the profit from ordinary activities	823,509	424,407	488,355	-
Increase in income tax expense due to:				
Amortisation of goodwill	33,610	22,661	-	-
Entertainment	20,372	25,107	633	337
Decrease in income tax expense due to:				
Costs of capital raising	(21,763)	-	(21,763)	-
Income tax overprovided in prior year	(4,391)	-	-	-
Franking credits on dividends received	-	-	(544,470)	-
Income tax expense/(benefit) attributable to profit from ordinary activities	<u>851,337</u>	<u>472,175</u>	<u>(77,245)</u>	<u>337</u>

6. SEGMENT REPORTING

The consolidated entity operates as a valuation practice solely within Australia. The consolidated entity's operations and clients are located predominately in Australia.

7. EARNINGS PER SHARE

Classification of securities as ordinary shares

The following securities have been classified as ordinary shares and included in basic earnings per share:

- Ordinary shares

Classification of securities as potential ordinary shares

The following securities have been classified as potential ordinary shares and included in diluted earnings per share.

- Options outstanding

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
ABN 50 102 320 329

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004

7. EARNINGS PER SHARE (continued)	Consolidated	
	2004 \$	2003 \$
Earnings reconciliation		
Basic earnings and diluted earnings	1,893,692	942,515
Weighted average number of shares used as the denominator for basic earnings per share	23,747,945	14,638,323
Weighted average number of shares used as the denominator for diluted earnings per share		
Ordinary Shares	23,747,945	14,638,323
Options on issue	143,472	-
	<u>23,891,417</u>	<u>14,638,323</u>

On 9 October 2003 2,600,000 ordinary shares were split into 19,540,000 ordinary shares. The 2003 comparative disclosures have been adjusted to reflect the effect of the share split.

150,000 options have not been included in the calculation of diluted EPS as they are not dilutive because the exercise price of the options is above the strike price used in the calculation.

8. CASH ASSETS	Consolidated		Company	
	2004 \$	2003 \$	2004 \$	2003 \$
Cash at bank and on hand	76,432	122,204	9,991	-
Bank short term deposits and cash management at call accounts	4,959,322	1,763,945	2,633,914	-
	<u>5,035,754</u>	<u>1,886,148</u>	<u>2,643,905</u>	<u>-</u>
9. RECEIVABLES				
Current				
Trade debtors	2,328,848	2,326,976	8,607	2,599
Less: provision for doubtful debts	(199,250)	(77,400)	-	-
	<u>2,129,598</u>	<u>2,249,576</u>	<u>8,607</u>	<u>2,599</u>
Loans to controlled entities (note 26 and 29)	-	-	1,357,047	358,635
	<u>2,129,598</u>	<u>2,249,576</u>	<u>1,365,654</u>	<u>361,234</u>
10. WORK IN PROGRESS				
Current				
Work in progress	<u>228,145</u>	<u>250,898</u>	<u>-</u>	<u>-</u>
11. OTHER CURRENT ASSETS				
Costs associated with fund raising	-	88,747	-	88,747
Prepayments	200,830	91,310	2,618	-
	<u>200,830</u>	<u>180,057</u>	<u>2,618</u>	<u>88,747</u>

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
ABN 50 102 320 329

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004

12. INTANGIBLE ASSETS	Consolidated		Company	
	2004	2003	2004	2003
	\$	\$	\$	\$
Goodwill				
At cost	2,027,288	2,014,288	-	-
Accumulated amortisation	(187,567)	(75,535)	-	-
	<u>1,839,721</u>	<u>1,938,753</u>	<u>-</u>	<u>-</u>

During the financial year the consolidated entity acquired a business with an aggregate fair value of assets, represented solely by goodwill, of \$13,000 through the issue of 100,000 shares at \$0.13 each.

13. PROPERTY, PLANT AND EQUIPMENT

Office equipment				
At cost	674,289	518,287	4,933	-
Accumulated depreciation	(227,991)	(78,291)	(486)	-
	<u>446,298</u>	<u>439,996</u>	<u>4,447</u>	<u>-</u>
Leasehold improvements				
At cost	414,888	256,183	-	-
Accumulated amortisation	(74,362)	(12,139)	-	-
	<u>340,526</u>	<u>244,044</u>	<u>-</u>	<u>-</u>
Furniture & fittings				
At cost	129,081	87,495	2,698	2,458
Accumulated depreciation	(33,852)	(12,330)	(563)	(261)
	<u>95,229</u>	<u>75,165</u>	<u>2,135</u>	<u>2,197</u>
Total property, plant and equipment net book value	<u>882,053</u>	<u>759,205</u>	<u>6,582</u>	<u>2,197</u>

Reconciliations

Reconciliations of the carrying amounts for each class of property, plant and equipment are set out below:

Office equipment

Carrying amount at beginning of year	439,997	-	-	-
Additions	156,458	518,287	4,933	-
Disposals	(439)	-	-	-
Depreciation	(149,718)	(78,290)	(486)	-
Carrying amount at end of year	<u>446,298</u>	<u>439,997</u>	<u>4,447</u>	<u>-</u>

Leasehold improvements

Carrying amount at beginning of year	244,044	-	-	-
Additions	175,696	266,183	-	-
Disposals	(12,289)	(10,000)	-	-
Amortisation	(66,925)	(12,139)	-	-
Carrying amount at end of year	<u>340,526</u>	<u>244,044</u>	<u>-</u>	<u>-</u>

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004

	Consolidated		Company	
13. PROPERTY, PLANT AND EQUIPMENT (continued)	2004	2003	2004	2003
	\$	\$	\$	\$
Furniture and fittings				
Carrying amount at beginning of year	75,165	-	2,197	-
Additions	46,251	87,495	240	2,458
Disposals	(2,772)	-	-	-
Depreciation	(23,415)	(12,330)	(302)	(261)
Carrying amount at end of year	95,229	75,165	2,135	2,197
14. OTHER FINANCIAL ASSETS				
Non current				
Investments in controlled entities				
Unlisted shares at cost (refer note 26)	-	-	2,220,002	2,220,001
15. OTHER NON CURRENT ASSETS				
Deposits to secure Bank guarantee	102,145	78,045	-	-
Security deposits	450	3,360	-	-
Loans to controlled entities (Note 26 and 29)	-	-	68,474	-
	102,595	81,405	68,474	-
16. PAYABLES				
Trade creditors	85,177	226,117	11,147	67,178
Other creditors and accruals	2,703,200	2,728,024	251,099	174,520
	2,788,377	2,954,141	262,246	241,698
Loans from controlled entities (note 26 and 29)	-	-	-	21,106
	2,788,377	2,954,141	262,246	262,804
17. PROVISIONS				
Current				
Lease incentive	20,896	21,221	-	-
Employee benefits	481,080	339,762	56,678	12,156
	501,976	360,983	56,678	12,156
Non current				
Lease incentive	104,479	125,412	-	-
Employee benefits	134,609	186,457	741	44,620
	239,088	311,869	741	44,620
Number of employees	96	89	7	3

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004

	Consolidated		Company	
	2004	2003	2004	2003
	\$	\$	\$	\$
18. OTHER NON CURRENT LIABILITIES				
Loans from controlled entities (note 26 and 29)	-	-	229,764	-
19. CONTRIBUTED EQUITY				
Issued and paid-up share capital				
26,400,000 (2003: 2,600,000) ordinary shares, fully paid	5,063,363	2,352,599	5,063,363	2,352,599
Ordinary shares – terms and conditions				
Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholder meetings.				
In the event of winding up of the company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any proceeds of liquidation.				
On 9 October 2003 2,600,000 ordinary shares were split into 19,540,000 ordinary shares.				
(a) Ordinary shares				
Movements during the year				
Opening balance	2,352,599	-	2,352,599	-
Shares issued:				
Nil (2003: 250,000) ordinary				
Shares issued to founding shareholders	-	2,599	-	2,599
Nil (2003: 130,000) ordinary shares issued as remuneration		130,000		130,000
Nil (2003: 2,220,000) ordinary shares issued on acquisition of businesses	-	2,220,000	-	2,220,000
760,000 fully paid ordinary shares issued to employees at \$0.13 each	98,800	-	98,800	-
100,000 fully paid ordinary shares issued at \$0.13 each to acquire a business	13,000	-	13,000	-
6,000,000 fully paid ordinary shares issued under prospectus dated 13 October 2003 at \$0.50 each.	3,000,000	-	3,000,000	-
Transaction costs arising from issue pursuant to prospectus	(401,036)	-	(401,036)	-
Closing balance	5,063,363	2,352,599	5,063,363	2,352,599

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004

20. RESERVES	Consolidated		Company	
	2004	2003	2004	2003
	\$	\$	\$	\$
Option Reserve	7,663	-	7,663	-
The option reserve represents the fair value of options currently on issue.				
21. RETAINED PROFITS				
Retained profits/(losses) at beginning of year	942,515	-	(337)	-
Net profit/(loss)	1,893,692	942,515	1,705,095	(337)
Dividends paid	(1,604,000)	-	(1,604,000)	-
Retained profits/(losses) at end of year	1,232,207	942,515	100,758	(337)

22. DIVIDENDS

Dividends recognised in the current year by the company are:

	Cents per share	Total Amount	Franked/ Unfranked	Date of payment
2004				
Final 2003 ordinary	36.2	\$940,000	Franked	10 October 2003
Interim 2004 ordinary	15.4	\$400,000	Franked	2 December 2003
Interim 2004 ordinary	1.0	\$264,000	Franked	1 March 2004
Total		\$1,604,000		

Franked dividends declared or paid during the year were fully franked at the tax rate of 30%

2003

Nil

Subsequent Events

Since the end of the financial year, the directors declared the following dividend:

Final 2004 ordinary	2.5	\$660,000	Franked	23 September 2004
Total		\$660,000		

The financial effect of this dividend has not been brought to account in the financial statements for the year ended 30 June 2004.

Dividend franking account

	Company	
	2004	2003
	\$	\$
30% franking credits available to shareholders of LandMark White Limited for subsequent financial years	766,253	17,262

The above amounts are based on the franking credits that will arise from the payment of the current tax liability.

The ability to utilise the franking credits is dependent upon there being sufficient available profits to declare dividends

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004

22. DIVIDENDS (continued)

Tax Consolidation Legislation

Effective 1 July 2003 LandMark White Limited and its wholly owned subsidiaries adopted the Tax Consolidation legislation which requires a tax-consolidated group to keep a single franking account. The amount of franking credits available to shareholders of parent entity (being the head entity in the tax consolidated group) disclosed at 30 June 2004 has been measured under the new legislation as those available from the tax consolidated group.

The comparative information has not been restated for this change in measurement. Had the comparative information been calculated on the new basis, the "franking credits available" balance as at 30 June 2003 would have been \$569,607.

23. TOTAL EQUITY RECONCILIATION	Consolidated		Company	
	2004 \$	2003 \$	2004 \$	2003 \$
Total equity at beginning of year	3,295,114	-	2,352,262	-
Total changes in equity recognised in statement of financial performance	1,893,692	942,515	1,705,095	(337)
Transactions with owners as owners:				
Shares issued	3,111,800	2,352,599	3,111,800	2,352,599
Dividends	(1,604,000)	-	(1,604,000)	-
Transaction costs of shares issued	(401,036)	-	(401,036)	-
Options issued	7,663	-	7,663	-
Total equity at end of year	<u>6,303,233</u>	<u>3,295,114</u>	<u>5,171,784</u>	<u>2,352,262</u>

24. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURE

(a) Interest rate risk

The consolidated entity's exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and liabilities are set out below:

2004	Weighted average interest rate	Fixed Interest Maturing In:				Non- interest bearing \$	Total \$
		Floating interest rate \$	1 Year or less \$	1 to 5 years \$			
<i>Financial assets</i>							
Cash	4.64%	3,035,754	2,000,000	-	-	5,035,754	
Receivables - current	-	-	-	-	2,129,598	2,129,598	
		3,035,754	2,000,000	-	2,129,598	7,165,352	
<i>Financial liabilities</i>							
Payables	-	-	-	-	2,788,378	2,788,378	
Employee benefits	-	-	-	-	615,689	615,689	
		-	-	-	3,404,067	3,404,067	

All other financial assets and liabilities are non-interest bearing.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004

24. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURE (continued)

	Weighted average interest rate	Fixed Interest Maturing In:				Total \$
		Floating interest rate \$	1 Year or less \$	1 to 5 years \$	Non-interest bearing \$	
2003						
<i>Financial assets</i>						
Cash	4.5%	1,763,945	-	-	122,204	1,886,148
Receivables - current	-	-	-	-	2,249,576	2,249,576
		<u>1,763,945</u>	<u>-</u>	<u>-</u>	<u>2,371,780</u>	<u>4,135,724</u>
<i>Financial liabilities</i>						
Payables	-	-	-	-	2,954,141	2,954,141
Employee benefits	-	-	-	-	526,221	526,221
		<u>-</u>	<u>-</u>	<u>-</u>	<u>3,480,362</u>	<u>3,480,362</u>

(b) Credit risk exposures

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. The credit risk on financial assets, excluding investments of the consolidated entity which have been recognised on the statement of financial position, is the carrying value, net of any provision for doubtful debts.

The consolidated entity minimises concentrations of credit risk by undertaking transactions with a large number of clients.

(c) Net fair values of financial assets and liabilities

Valuation approach

The net fair values of all other financial assets and liabilities of the consolidated entity are represented by the carrying amount of these items.

25. COMMITMENTS

Capital expenditure commitments

The consolidated entity and company do not have any capital expenditure commitments at balance date.

Operating lease commitments

Future non cancellable operating lease commitments of premises, plant and equipment, not provided for in the financial statements and payable:

	Consolidated	
	2004 \$	2003 \$
Within one year	563,176	527,833
One year or later and no later than five years	1,486,754	1,636,890
Later than five years	130,296	260,592
	<u>2,180,226</u>	<u>2,425,315</u>

The consolidated entity leases property and equipment under operating leases expiring from three to six years. Leases of property generally provide the consolidated entity with a right of renewal at which time all terms are renegotiated. Lease payments comprise a base amount plus an incremental contingent rental. Contingent rentals are based on either movements in the Consumer Price Index or operating criteria.

The company does not have any operating lease commitments.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004

26. CONTROLLED ENTITIES

(a) Particulars in relation to controlled entities

Name	2004 Ownership %	2003 Ownership %
<i>Parent entity</i>		
LandMark White Limited		
<i>Controlled entities</i>		
LandMark White (NSW) Pty Ltd	100	100
LandMark White (VIC) Pty Ltd	100	100
LandMark White (Gold Coast) Pty Ltd	100	100
LandMark White (Brisbane) Pty Ltd	100	100
LMW Residential Pty Ltd	100	-

All of the above controlled entities were incorporated in Australia.

(b) Acquisition/disposal of controlled entities

2004

LMW Residential Pty Ltd was incorporated during the year with \$1 of equity.

2003

On 1 October 2002 the company purchased 100% of the shares of LandMark White (NSW) Pty Ltd, LandMark White (Gold Coast) Pty Ltd, LandMark White (Brisbane) Pty Ltd and LandMark White (VIC) Pty Ltd. Details of the acquisitions are as follows

	2003
	\$
Consideration	2,322,537
Fair value of net assets of entities acquired:	
Property, plant and equipment	421,265
Deferred tax asset	101,741
Work in progress	178,342
Employee benefits	(339,138)
Deferred tax liability	(53,502)
Other provisions	(459)
	308,249
Goodwill on acquisition	2,014,288

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004

27. NOTES TO THE STATEMENTS OF CASH FLOWS	Consolidated		Company	
	2004 \$	2003 \$	2004 \$	2003 \$
(i) Reconciliation of cash				
For the purposes of the statements of cash flows, cash includes cash on hand and at bank and short-term deposits at call, net of outstanding bank overdrafts. Cash as at the end of the financial period as shown in the statements of cash flows is reconciled to the related items in the statement of financial position as follows:				
Cash assets	5,035,754	1,886,148	2,643,905	-
(ii) Reconciliation of profit from ordinary activities after income tax to net cash provided by operating activities				
Profit/(loss) from ordinary activities after income tax	1,893,692	942,515	1,705,095	(337)
Add/(less) items classified as investing/financing activities:				
(Profit)/loss on sale of non current assets	12,973	-	-	-
Add/(less) non cash items:				
Depreciation and amortisation	352,090	178,294	1,027	261
Amounts set aside to employee provisions	89,470	186,622	643	56,776
Amounts set aside to other provisions	121,850	77,400	-	-
Increase/(decrease) in taxes payable	162,087	472,174	(81,777)	337
Shares issued as remuneration	-	132,599	-	-
Net cash provided by operating activities before change in assets and liabilities	2,632,162	1,989,604	1,624,988	57,037
Change in assets and liabilities during the financial period:				
(Increase)/decrease in receivables	32,925	(2,326,976)	(19,631)	-
(Increase)/decrease in work in progress	22,754	(72,556)	-	-
(Decrease)/increase in accounts payable	(165,764)	2,865,394	89,593	174,057
(Increase)/decrease in prepayments	(109,520)	(91,310)	(2,618)	-
Net cash provided by operating activities	2,412,557	2,364,156	1,692,332	231,094

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS
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28. DIRECTOR AND EXECUTIVE DISCLOSURES

Remuneration levels are competitively set to attract and retain appropriately qualified and experienced directors and senior executives. The board obtains independent advice on the appropriateness of remuneration packages, given trends in comparable companies. Remuneration packages of executives and two executive directors include a mix of fixed remuneration and performance-based remuneration. The Chief Executive Officer receives only a fixed remuneration package.

The executive remuneration structures explained below are designed to attract suitably qualified candidates, and to effect the broader outcome of increasing the consolidated entity's net profit attributable to members of the parent entity. There is currently no separate profit share plan or option plan. Non-executive directors do not receive any performance related remuneration or retirement benefits.

The board considers that the above performance-linked remuneration structure is generating the desired outcome. The evidence for this is the increase in services revenue generated during the year.

Total remuneration for all non-executive directors is not to exceed \$400,000 per annum. Directors' base fees are presently \$45,000 per annum. The Chairman receives directors fees including superannuation of \$50,000 per annum and the other non-executive directors \$45,000 per annum. Non-executive directors do not receive bonuses nor are they currently entitled to be issued with further options on securities.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004

28. DIRECTOR AND EXECUTIVE DISCLOSURES (continued)

Remuneration of specified directors and specified executives by the consolidated entity

	Salary \$	Primary Bonus \$	Non Monetary \$	Equity Options \$	Superannuation Contribution \$	Total \$
SPECIFIED DIRECTORS						
Mr I Rust (Chairman)	56,064	-	803	177	2,779	59,823
Mr B Piltz (CEO)	190,862	-	803	2,495	9,138	203,298
Mr N Craig	30,487	-	803	-	2,744	34,034
Mr S Gregory	30,487	-	803	-	2,744	34,034
Mr R Perkins	129,473	71,656	803	295	10,718	212,945
Mr R Stafford	144,305	9,277	803	295	11,118	165,798
Mr G White	95,000	39,400	803	-	1,446	136,649
Total, all specified directors	676,678	120,333	5,621	3,262	40,687	846,581
SPECIFIED EXECUTIVES						
Mr T Gavan	143,447	141,848	803	590	11,976	298,664
Mr J Muchall	115,184	109,776	803	295	9,432	235,490
Mr J Clements	71,053	-	803	295	6,395	78,546
Total, all specified executives	329,684	251,624	2,409	1,180	27,803	612,700

The specified executives named are those who are directly accountable and responsible for the strategic direction and operational management of LandMark White Limited or its subsidiaries. The Directors are of the opinion that only the executives detailed above meet the definition of specified executives as set out in AASB 1046.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004

28. DIRECTOR AND EXECUTIVE DISCLOSURES (continued)

Equity Instruments

Option Holdings

Movement during the reporting period of options over ordinary shares in LandMark White Limited held directly, indirectly, or beneficially by each specified director and specified executive including their personally related entities is as follows:

	Held at 1 July 2003	Granted	Exercised	Held at 30 June 2004	Vested and exercisable at 30 June 2004
SPECIFIED DIRECTORS					
Mr I Rust (Chairman)	-	30,000	-	30,000	-
Mr B Piltz (CEO)	-	550,000	-	550,000	-
Mr N Craig	-	-	-	-	-
Mr S Gregory	-	-	-	-	-
Mr R Perkins	-	50,000	-	50,000	-
Mr R Stafford	-	50,000	-	50,000	-
Mr G White	-	-	-	-	-
SPECIFIED EXECUTIVES					
Mr T Gavan	-	100,000	-	100,000	-
Mr J Muchall	-	50,000	-	50,000	-
Mr J Clements	-	50,000	-	50,000	-

Equity Holdings

Movement during the reporting period in the number of ordinary shares in LandMark White Limited held directly, indirectly, or beneficially by each specified director and specified executive including their personally related entities is as follows:

	Held at 1 July 2003 *	Purchases	Sales	Held at 30 June 2004
SPECIFIED DIRECTORS				
Mr I Rust (Chairman)	-	40,000	-	40,000
Mr B Piltz (CEO)	6,311,420	201,660	-	6,513,080
Mr N Craig	-	26,000	-	26,000
Mr S Gregory	-	38,400	-	38,400
Mr R Perkins	2,412,439	118,850	-	2,531,289
Mr R Stafford	488,500	-	-	488,500
Mr G White	9,447,590	281,404	-	9,728,994
SPECIFIED EXECUTIVES				
Mr T Gavan	-	275,000	-	275,000
Mr J Muchall	391,551	160,000	-	551,551
Mr J Clements	-	4,000	-	4,000

* July 1 2003 shareholdings have been adjusted for the share split that occurred during the year

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004

29. RELATED PARTIES

The names of each person holding the position of director of LandMark White Limited during the financial period are I Rust, B Piltz, N Craig, S Gregory, R Perkins, R Stafford and G White.

Details of directors' remuneration and retirement payments are set out in Note 28.

Apart from the details disclosed in this note, no director has entered into a material contract with the company since the end of the previous financial year and there were no material contracts involving directors' interests subsisting at year-end.

Consolidated		Company	
2004	2003	2004	2003
\$	\$	\$	\$

**Directors' transactions with the
Company or its controlled entities**

Amounts receivable from and payable to directors and their director related entities at reporting date arising from these transactions were as follows:

Current payables:

Other creditors	-	33,878	-	-
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These amounts are unsecured, interest free and repayable on normal terms.

Non-director related parties

Non-director related parties include all wholly owned controlled entities. All transactions with non-director related parties are on normal terms and conditions. Amounts receivable from non-director related entities are disclosed in note 9 and 15 and amounts payable to non-director related entities are disclosed in note 16 and 18. These loans were unsecured, interest free and have no fixed term of repayment.

LandMark White Limited charged wholly owned controlled entities management fees of \$577,733 for the period ended 30 June 2004 (2003: \$466,760).

30. EVENTS SUBSEQUENT TO REPORTING DATE

Since the end of the financial year, the directors have declared a final dividend of 2.5 cents per share, representing \$660,000, fully franked and payable on 23 September 2004.

The financial effect of the above transaction has not been brought to account in the financial statements for the year ended 30 June 2004.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004

30. EVENTS SUBSEQUENT TO REPORTING DATE (continued)

International Financial Reporting Standards

For reporting periods beginning on or after 1 January 2005, the consolidated entity must comply with International Financial Reporting Standards (IFRS) as issued by the Australian Accounting Standards Board.

This financial report has been prepared in accordance with Australian accounting standards and other financial reporting requirements (Australian GAAP). The differences between Australian GAAP and IFRS identified to date as potentially having a significant effect on the consolidated entity's financial performance and financial position are summarised below. The summary should not be taken as an exhaustive list of all the differences between Australian GAAP and IFRS. No attempt has been made to identify all disclosure, presentation or classification differences that would affect the manner in which transactions or events are presented.

The consolidated entity has not quantified the effects of the differences discussed below. Accordingly, there can be no assurances that the performance and financial position as disclosed in this financial report would not be significantly different if determined in accordance with IFRS.

Regulatory bodies that promulgate Australian GAAP and IFRS have significant ongoing projects that could affect the differences between Australian GAAP and IFRS described below and the impact of these differences relative to the consolidated entity's financial performance and financial position of the adoption of IFRS, including system upgrades and other implementation costs which may be incurred, have not been quantified as the actual impacts will depend on the particular circumstances prevailing on adoption in the half-year commencing 1 July 2005.

The Board has conducted a preliminary analysis of the implications of IFRS to determine the impact on the consolidated entity. The consolidated entity considers this analysis will be complete by 30 September 2004.

The consolidated entity has not implemented any formal plans to manage the transition to IFRS, including changes to business processes and systems. This is expected to be completed by 30 June 2005.

The key potential implications of the conversion to IFRS on the consolidated entity are as follows:

- financial assets such as trade debtors, deposits and loans to controlled entities will be classified as "originated loans and receivables" and recognised in the statement of financial position at amortised cost, with impairment testing being conducted at each balance date, at a minimum
- income tax will be calculated based on the "balance sheet" approach, which will result in more deferred tax assets and liabilities and, as tax effects follow the underlying transaction, some tax effects will be recognised in equity
- goodwill and intangible assets with indefinite useful lives will be tested for impairment annually and will not be amortised
- changes in accounting policies will be recognised by restating comparatives.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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DIRECTORS' DECLARATION

In the opinion of the directors of LandMark White Limited ("the company"):

- (a) the financial statements and notes, set out on pages 16 to 38, are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the financial position of the Company and the Consolidated Entity as at 30 June 2004 and of their performance, as represented by the results of their operations and their cash flows for the year ended on that date; and
 - (ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Dated at Melbourne this tenth day of September 2004.

Signed in accordance with a resolution of the directors:



Ian Rust
Chairman

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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INDEPENDENT AUDIT REPORT TO THE MEMBERS OF LANDMARK WHITE LIMITED

Scope

The financial report and directors' responsibility

The financial report comprises the statements of financial performance, statements of financial position, statements of cash flows, accompanying notes 1 to 30 to the financial statements, and the directors' declaration set out on pages 16 to 39, for both LandMark White Limited (the "Company") and LandMark White Limited and its Controlled Entities (the "Consolidated Entity"), for the year ended 30 June 2004. The Consolidated Entity comprises both the company and the entities it controlled during that year.

The directors of the Company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit in order to express an opinion to the members of the Company. Our audit was conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001, Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Company's and Consolidated Entity's financial position, and of their performance as represented by the results of their operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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INDEPENDENT AUDIT REPORT TO THE MEMBERS OF LANDMARK WHITE LIMITED

Audit opinion

In our opinion, the financial report of LandMark White Limited is in accordance with:

- (a) the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Company's and Consolidated Entity's financial position as at 30 June 2004 and of their performance for the 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.

KPMG



Paul Steer
Partner

Gold Coast

10 September 2004

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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ASX ADDITIONAL INFORMATION

Additional information required by the Australian Stock Exchange Limited Listing Rules and not disclosed elsewhere in this report is set out below.

The company was admitted to the Australian Stock Exchange under rule 1.3.2(b). To date the funds the company had at its time of admission have been used for the costs of the issue of shares, repayment of loans and the balance has been held on deposit.

Shareholdings (as at 24 August 2004)

Substantial Shareholders

The number of shares held by substantial shareholders and their associates are set out below:

Shareholder	Number of Ordinary Shares
White Valuations Pty Ltd	9,728,994
Piltz Holdings Pty Ltd	6,487,080
Roskins Nominees Pty Ltd	2,477,289

Voting Rights

Ordinary Shares

Holders of ordinary shares are entitled to one vote per share at shareholder meetings.

Options

There are no voting rights attached to options.

Distribution of equity security holders

Category	Number of Equity Security Holders	
	Ordinary Shares	Options
1 – 1,000	5	-
1,001-5,000	699	-
5,001-10,000	85	-
10,001-100,000	58	20
100,001 and over	13	1
Total	860	21

On-market buy-back

There is no current on-market buy-back.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
ABN 50 102 320 329

ASX ADDITIONAL INFORMATION (continued)

Twenty Largest Shareholders

Name	Number of Ordinary Shares held	Percentage of capital held
White Valuations Pty Ltd	9,728,994	36.84
Piltz Holdings Pty Ltd	6,487,080	24.57
Roskin Nominees Pty Ltd	2,477,289	9.38
Llanzeal Pty Ltd	551,551	2.09
Stafford Investments Pty Ltd	488,500	1.85
Mr John Francis Ogilvie and Mrs Michele Jocelyn Ogilvie	300,000	1.14
Mrs Melinda Ellis	245,000	0.93
Independent Property Analysts Pty Ltd	175,000	0.66
Jetan Pty Ltd	165,000	0.63
Kevin King Pty Ltd	136,282	0.52
Mr Craig Wise	101,000	0.38
Bond Street Custodians Limited	100,000	0.38
Bransdon Investments Pty Ltd	100,000	0.38
Helen Althea McEvoy	100,000	0.38
Radot Pty Ltd	100,000	0.38
Nicholas Wordsworth	100,000	0.38
Mr Timothy John Gavan	100,000	0.38
Bond Street Custodians Limited	90,000	0.34
Mr Murray John Hewitt	75,000	0.28
Mankato Pty Ltd	57,500	0.22
	21,678,196	82.11

Offices and officers

Company Secretary

Mr John Clements

Principal Registered Office

Ground Floor

Waterside East Tower

3 Holden place

Bundall QLD 4217

Telephone: 07 5510 3100

Facsimile: 07 5510 3200

Website: www.landmarkwhite.com.au

Location of Share Registry

Brisbane

ASX Perpetual Share Registries

Stock Exchange

The company is listed on the Australian Stock Exchange. The home Exchange is Brisbane

Other information

LandMark White Limited, incorporated and domiciled in Australia, is a publicly listed company limited by shares.

Notes