

WHITEFIELD LIMITED

ABN 50 000 012 895

APPENDIX 4E

PRELIMINARY FINAL REPORT
YEAR ENDED 31 MARCH 2004

(previous corresponding period
being the year ended 31 March 2003)

WHITEFIELD LIMITED
ABN 50 000 012 895

RESULTS FOR ANNOUNCEMENT TO THE MARKET
YEAR ENDED 31 MARCH 2004

	2004 Year \$'000	2003 Year \$'000	% change prior year	Up / Down
Investment revenue from ordinary activities	5,456	5,135	6.3%	Up
Net profit before tax for the period attributable to members	5,032	4,737	6.2%	Up
Profit from ordinary activities after tax attributable to members	4,984	4,525	10.1%	Up
Net Tangible Assets per share (1)	\$3.18	\$2.85	11.6%	Up
Net Tangible Assets per share (2)	\$3.41	\$2.98	14.4%	Up

DIVIDENDS

Dividends paid or declared during the financial year:

	Dividend Rate	Total Amount \$'000	Date of Payment	Percentage Franked %	Percentage Discount Capital gains
2004					
Interim (Ord)	6.3cps	\$2,594	26/11/2003	100%	23%
Interim (Pref)	6.3cps	\$1	26/11/2003	100%	23%
Final (2003 year - Ord)	4.0cps	\$2,371	10/06/2003	100%	91%
Final (2003 year - Pref)	4.0 cps	\$1	10/06/2003	100%	91%

Since the end of the financial year, the directors have recommended the following dividend:

Final (2004 year – Ord)	6.3cps	\$2,599	25/06/2004	100%	0%
Final (2004 year – Pref)	4.0cps	\$1	25/06/2004	100%	0%

The record date for determining entitlement to the interim dividend is 18 June 2004.

BRIEF EXPLANATION OF ANY OF THE FIGURES REPORTED ABOVE

- (1) Net tangible asset backing post deferred capital gains tax.
- (2) Net tangible asset backing pre deferred capital gains tax.

WHITEFIELD LIMITED
ABN 50 000 012 895

COMMENTARY ON THE RESULTS FOR THE PERIOD

Operating Results

Whitefield is pleased to report an operating profit after tax of \$4,984,418 for the year ended 31st March 2004. This outcome is 10.1% higher than the prior year result. After adjusting for share issues undertaken during the period, earnings per ordinary share amounted to 12.3cps, an increase of 3.9% on the prior year.

Whitefield's investment portfolio generated a strong positive return of 21.4% for the twelve months. This strong investment return is also reflected in the increase in the company's net asset backing (see below).

In accordance with Whitefield's investment strategy, the company has continued to build its holdings in undervalued sectors of the market, and has consciously elected not to chase investment in stocks where share prices have been trading significantly above the underlying fair value. While we believe this approach generates outperformance over the medium and long term, with the resource sector rallying to levels of overvaluation during the year (a sector to which Whitefield is not directly exposed) the return of the ASX200 Accumulation Index of 23.4% over the same period was slightly higher than Whitefield's return.

Whitefield's investment portfolio has outperformed the ASX200 Accumulation Index by 0.59% per annum over the last five years and 2.67% per annum over the last twenty years. Whitefield has outperformed the ASX200 Accumulation Index in rolling five year periods over 18 of the last 20 years.

Approximately 80% of the companies in which we invest increased their dividends during the year. Strongest increases in investment income were received from companies with domestic operations or financial markets exposure.

Stocks which showed the strongest total returns included financials such as Perpetual Trustees, Macquarie Bank and ASX, domestic media including Publishing & Broadcasting and Southern Cross Broadcasting, technology stock Kaz, turnaround stories including CSL and Brambles, insurers Suncorp Metway, IAG and QBE, retailer Harvey Norman, and CBA.

We are pleased to note that investors who subscribed to Whitefield's rights issue in April 2003, at almost the lowest point in the market, have been soundly rewarded and are already showing a return of more than 20% on their investment. Similarly investors who were able to subscribe to the company's public issue in February 2004, have also benefited from the positive investment returns achieved by Whitefield in the last month of our financial year.

Net Asset Backing and Revaluation

The net asset backing for each of the company's ordinary shares (including investments at market value but after allowance for costs of realisation and capital gains tax which would become payable in the event that the entire portfolio was realised) amounted to \$3.18 At 31st March 2004 compared to \$2.85 at the same time one year ago.

The net asset backing of the company's ordinary shares before deferred capital gains tax amounted to \$3.41 compared to \$2.98 one year ago.

The company recorded a positive net after tax revaluation of its investment assets amounting to \$14,610,234 during the twelve months.

Investment Transactions

During the year the company raised capital through a rights issue and a public issue. Proceeds of these capital raisings were invested right across our investment portfolio. Apart from this general increase in all our investment holdings, other significant investment transactions during the year involved:

WHITEFIELD LIMITED
ABN 50 000 012 895

- Exiting our holdings in Coates, Crane Group, CSR, Danks, Energy Developments, GWA International, Mayne Group, Reece Holdings, Rinker, Southcorp, Tempo, and Transfield Services
- Reducing our exposure to Australian Stock Exchange, Campbell Bros, QBE, Spotless Group, and Woolworths
- Increasing our holdings in Altium, Amcor, Brambles, CBA, Challenger, CSL, Foodland, Fosters Group, Kaz, Harvey Norman, News Corporation, Patrick Corp, Southern Cross Broadcasting, Volante, and Westfield Holdings.

Notable characteristics of the 2003/4 year included (a) the domestic building industry moving to a cyclical peak, (b) the insurance sector generating extremely favourable earnings margins as the result of very buoyant claims, premium and investment environments, (c) a general uplift in all stock prices as the result of a stronger domestic and global outlook and (d) a rally in resource stocks.

While these factors are very supportive of near term earnings for some companies, investors need to take into account the sustainability of those earnings over future periods as well as the extent to which those future earnings are already captured in each stock's share price. We stress the importance of the latter fact – as even a good company, with strong future earnings can still be a very poor investment if bought at the wrong price.

For example, during the year our analysis suggested that (a) near term earnings in the building and insurance sectors were very robust due to the peak cycle conditions (b) these near term earnings would not be sustainable over longer time frames with margins ultimately likely to revert towards a normalised average and (c) stock prices in both the building and insurance sectors had risen to such a point that these future earnings were increasingly unlikely to provide a sufficient return to investors in these sectors. Accordingly, Whitefield's portfolio was adjusted to limit our exposure to both areas.

Much has been written in recent months about the resurgence of the resource sector – at the present time a sector to which Whitefield is not directly exposed. There is no doubt that growing resource demand from China has benefited this segment of the Australian economy, and that earnings in this sector are likely to be strong in the near term. Notwithstanding this, the resource sector has moved from spectacular highs to spectacular lows with rapidity and with regularity over many, many decades – for the reason that the supply and demand disequilibria which drive resource rallies have tended to be short term, not long term, phenomena. Once returns are averaged across these cycles, resource returns have been less than the returns generated from the broader industrial market - to which Whitefield *is* heavily exposed.

While we recognise that there may be some points of time when resource stocks may be successfully acquired and held to deliver an acceptable longer term return, we note that the share prices of many major resource stocks are currently trading at moderate percentages above the fair value of the future consensus earnings of those companies. Some investors in the market continue to buy such stocks on the basis that these shares may become even more overvalued.

Whitefield is not prepared to acquire these stocks at inflated prices, and in the current market has preferred to carefully accumulate a portfolio of companies where the fair value of realistically achievable future earnings is equal to or above the current share price. Whitefield's approach is designed to deliver sustainable long term investment outcomes – rather than unsustainable short term gains.

Outlook

Global economic conditions have been extremely favourable over the last year. China has reported a continuation of strong growth, which in turn has supported a recovery in Japanese manufacturing. The US economy has benefited from its falling dollar and low interest rate regime, and recent economic statistics indicate that European economic activity may be slowly improving.

WHITEFIELD LIMITED
ABN 50 000 012 895

While the Australian economy has also been strong, recent increases in the official cash rate and the resultant pull-back in housing and construction will limit the pace of growth over upcoming months. This slowdown is likely to be offset by increasing strength in the corporate sector, robust international economic conditions and strong demand for commodities.

Within the Australian economy, bank loan growth is likely to ease from the exceptionally high rates experienced in recent years towards more normalised levels. This will be reflected in firm, but not spectacular bank earnings. Domestically and internationally exposed industrials, financials and media stocks are likely to generate moderate earnings growth over 2004 as beneficiaries of the generally robust economic conditions. Whitefield's investment holdings are strongly tilted towards these sectors, and we believe that this is likely to result in a moderately positive outcome for the company for the upcoming year.

Dividends to Shareholders

The directors have recommended a final dividend on ordinary shares which will be fully franked amounting to 6.3 cents per share. Total dividends on ordinary shares which relate to the 2004 financial year amounted to 12.6 cents per share, the same as in the prior year. All dividends were fully franked. (Shares issued as the result of the recent public issue in February are not entitled to the final dividend but are entitled to all subsequent dividends).

In accordance with its dividend policy Whitefield aims to pay out dividends which are approximately equal to its net operating profit after tax. The abnormally high level of special dividends received in the 2000 year had resulted in Whitefield maintaining its dividend in subsequent years at a level slightly above its operating profit after tax. With the company's underlying operating profit now approaching the level of dividends paid, dividends per share are likely to increase in future periods.

Shareholder Numbers and Capital Raisings

During the year Whitefield made a 1:10 rights issue, introduced a dividend reinvestment plan, and most recently completed a public issue of capital. These actions have been designed to enhance liquidity in the company's shares as well as providing investors with suitable avenues to increase their investment in the company.

Over the year shareholder numbers have increased by 61%, and the company's asset backing has risen from \$107m to \$135m (net of all tax provisions), an increase of 26%.

The company expects to continue to the process of expanding scale and liquidity over future years to ensure that Whitefield remains an attractive investment vehicle for our investors.

This report is based on accounts that have been audited.

All the documents comprise the information required by listing rule 4.3A.

Annual General Meeting

The Annual General Meeting will be held at the Board room Level 5, 14 Martin Place, Sydney NSW 2000 on 24th June 2004 at 10:00am.

For any queries please contact:

Peter Roberts
Company Secretary
Telephone: +61 2 9229 7999
Facsimile: +61 2 9221 1194
Email: pr@whitefunds.com.au

WHITEFIELD LIMITED

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2004

	Notes	2004 \$	2003 \$
Investment revenue from ordinary activities	2	5,455,837	5,134,772
Revenue from the sale of investments	1(b)	30,727,569	21,172,800
Cost of sales	1(b)	(30,727,569)	(21,172,800)
Administrative expenses		(353,255)	(329,683)
Other general expenses from ordinary activities			
Directors Fees		(17,200)	(18,900)
Listing Fees		(27,730)	(24,059)
Audit Fees	3	(4,400)	(4,540)
Directors Liability Insurance		(21,402)	(20,706)
Net Profit from ordinary activities before related income tax expense		5,031,850	4,736,884
Income tax expense relating to ordinary activities	4	(47,432)	(212,367)
Net Profit after related income tax expense attributable to shareholders		4,984,418	4,524,517
Non-owner changes in equity			
Increase in Investment Fluctuation Reserve	14 (c)	11,619,358	12,250,001
Increase/(Decrease) in Asset Revaluation Reserve	14 (b)	2,990,876	(30,446,447)
Increase in retained profits on initial adoption of AASB1044 Provisions, Contingent Liabilities and Contingent Assets.		-	2,371,855
Total changes in equity excluding transactions with shareholders as shareholders		19,594,652	(11,300,274)
Basic earnings per share	7	12.25	11.79
Diluted Earning Per Share	7	12.25	11.79

The Statement of Financial Performance should be read in conjunction with the accompanying Notes to the Financial Statements.

WHITEFIELD LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2004

	Notes	2004 \$	2003 \$
CURRENT ASSETS			
Cash Assets		209,197	559,764
Receivables	8	648,683	713,720
Investments	9	2,690,898	649,661
Current Tax Assets	4(d)	1,200	1,323
Other	10	26,399	18,708
Total Current Assets		3,576,377	1,943,176
NON-CURRENT ASSETS			
Investments	11	141,906,113	110,661,295
Total Non-Current Assets		141,906,113	110,661,295
Total Assets		145,482,490	112,604,471
CURRENT LIABILITIES			
Payables	12	101,792	61,287
Current Tax Liabilities	4(b)	24,465	555,760
Total Current Liabilities		126,257	617,047
NON-CURRENT LIABILITIES			
Deferred Tax Liabilities	4(c)	9,936,259	4,759,190
Total Non-Current Liabilities		9,936,259	4,759,190
Total Liabilities		10,062,516	5,376,237
NET ASSETS		135,419,974	107,228,234
EQUITY			
Contributed Equity	13	51,243,343	37,679,208
Reserves	14	66,897,363	52,287,129
Retained Profits	15	17,279,268	17,261,897
Total Equity		135,419,974	107,228,234

The Statement of Financial Position should be read in conjunction with the accompanying Notes to the Financial Statements.

WHITEFIELD LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2004

	2004 \$	2003 \$
Cash Flows from Operating Activities		
Dividends Received	5,350,977	4,799,092
Interest Received	148,320	132,174
Other Investment Income Received	21,576	-
Payments for Administrative and General Expenses	(404,240)	(399,351)
Income Tax (Paid)/Refunded	(639,281)	(1,279,591)
Net Operating Cash Flows	4,477,352	3,252,324
Cash Flows from Investing Activities		
Proceeds from Sale of Investments	30,727,569	21,172,800
Payments for Purchase of Investments	(44,165,645)	(19,853,012)
Net Investing Cash Flows	(13,438,076)	1,319,788
Cash Flows from Financing Activities		
Proceeds from issue of shares	13,472,963	-
Transaction costs from the issue of shares	(128,244)	-
Dividends Paid	(4,747,634)	(4,743,310)
Unclaimed Dividends	13,072	10,919
Net Financing Cash Flows	8,610,157	(4,732,391)
Net Increase/(Decrease) in Cash Held	(350,567)	(160,279)
Cash at Beginning of the Financial Year	559,764	720,043
Cash At End Of the Financial Year	209,197	559,764
NOTES TO STATEMENT OF CASH FLOWS		
(i) Reconciliation of cash -		
For the purpose of the statement of cash flows, cash includes cash at bank and at call with a cash management trust. Cash at the end of the year shown in the statement of cashflows is reconciled to the statement of financial position as follows:-		
Cash (interest bearing)	209,197	559,764
(ii) Reconciliation of profit from ordinary activities after income tax to net cash provided by operating activities.		
Operating Profit from ordinary activities after Income Tax	4,984,418	4,524,517
Net cash Provided by Operating Activities before change in assets and liabilities	4,984,418	4,524,517
Add/(less) non-cash items:		
Sundry expense		19,295
Increase/(Decrease) in Income Taxes Payable	(591,849)	(1,067,223)
Increase/(Decrease) in Creditors	27,433	(19,709)
Decrease/(Increase) in Receivables and Prepayments	57,349	(204,556)
Net Cash Provided by Operating Activities	4,477,351	3,252,324

The Statement of Cash Flows should be read in conjunction with the accompanying Notes to the Financial Statements.

WHITEFIELD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004

1. Statement Of Significant Accounting Policies

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

(a) Basis of Accounting

The financial report is a general purpose financial report which has been prepared in accordance with applicable Accounting Standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The accounting policies are consistent with those of the previous year. In order to reflect changing market values the Directors have adopted a policy to revalue all investments on a daily basis. Apart from this policy, the Financial Statements have been prepared on the basis of historical costs.

(b) Investments

The Directors revalue all investments daily to 100% of market value less expected selling costs. The net increase in value after allowance for deferred income tax has been transferred to the Asset Revaluation Reserve. For this reason, cost of sales will always equal sales revenue when investments are sold. On disposal, the balance in the Asset Revaluation Reserve relating to the disposal is transferred to the Capital Profits Reserve. The expected net cash flows from investments have not been discounted to their present value in determining their recoverable amount. Purchases and sales of non-current investments are recognised on the contract date.

(c) Investment Fluctuation Reserve

Realised gains and losses based on revalued book values (less taxation) on sales of investments are transferred to this Reserve in accordance with the provisions of the Corporations Act 2001 relating to investment companies. Previous revaluations of investments sold are transferred back from the Asset Revaluation Reserve.

(d) Income Tax

The company adopts the liability method of tax effect accounting. Income tax expense is calculated on the 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 deferred tax asset or as a provision for deferred income tax.

Unused capital losses on realised investments which had arisen prior to balance date have been fully offset against profits which would arise if all investments were realised at the revalued book value at that date (refer note 1 (b) & (c)).

Deferred Tax Assets are not brought to account unless realisation of the asset is beyond reasonable doubt. Deferred Tax Assets relating to entities with tax losses are only brought to account when their realisation is considered virtually certain. The tax effect of unrealised capital losses is not recorded unless realisation is virtually certain.

(e) Investment Revenue

Dividends and unit trust distributions are brought to account on the date that the underlying shares or units are quoted as ex-dividend or ex-distribution. Interest income and cash management trust distributions are brought to account as income becomes payable to the company.

(f) Cash Assets

Cash Assets includes cash on hand, at bank and short term deposits at call.

(g) Operating Segments

The company operated in Australia only and the principal activity is investment.

(h) Dividends

Provisions for dividends payable are recognised in the reporting period in which they are declared, for the entire undistributed amount, regardless of the extent to which they will be paid in cash.

WHITEFIELD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004

Notes

2. Revenue from Ordinary Activities	2004	2003
	\$	\$
Dividends Received from Other Companies	5,285,941	5,002,598
Interest Received or Receivable from Other Companies	148,320	132,174
Trust Distributions and Other Income	21,576	-
	<u>5,455,837</u>	<u>5,134,772</u>
Total Revenue from Ordinary Activities		
3. Auditor's Remuneration		
Audit and review of the Financial Reports	<u>4,400</u>	<u>4,540</u>
4. Taxation		
(a) Income Tax Expense		
Prima facie income tax expense calculated at 30% on the operating profit before abnormal items	1,509,555	1,421,065
Tax effect of permanent differences		
Imputation gross up on dividends received	626,624	-
Rebateable Dividends	-	(1,201,946)
Franking credits on dividends received	(2,088,747)	-
Non-Assesable Dividends	-	(45,375)
Under/(Over) provision from prior year	-	32,833
Adjustments to reflect change of future tax rate	-	5,790
	<u>47,432</u>	<u>212,367</u>
Income Tax Expense Attributable to Operating Profit		
(b) Current Tax Liabilities		
Movements during the year were as follows:-		
Balance at the beginning of the financial year	555,760	1,116,513
Current income tax expense	47,432	212,367
income tax (paid)/refunded	(639,281)	(1,279,591)
Timing Differences	(194,572)	-
Deduction for Costs of Capital Raising	(8,185)	-
Transfer from Provision for Deferred Income Tax on Realisation of Capital Gains	263,311	506,471
	<u>24,465</u>	<u>555,760</u>
(c) Deferred Tax Liabilities		
Provision for deferred income tax comprises the estimated expense at current income tax rates of 30% on the following items:		
Provision for capital gains tax on unrealised investments	9,741,687	4,759,190
Timing Differences	194,572	-
	<u>9,936,259</u>	<u>4,759,190</u>
(d) Current Tax Assets		
Current tax assets comprises the estimated expense at current income tax rates on the following items:		
Expense provisions not currently deductible	1,200	1,323

The potential future income tax benefit will only be obtained if:-

- (i) the company derives future assessable income of a nature and an amount sufficient to enable the benefit to be realised;
- (ii) the company continues to comply with the conditions for deductibility imposed by the law, and
- (iii) no changes in tax legislation adversely affect the company in realising the benefit.

WHITEFIELD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004

	2004	2003
	\$	\$
5. Dividends Paid Or Provided		
Final 2003 - Ordinary Shares	2,370,704	-
Final 2003 - Preference Shares	951	-
Interim Paid - Ordinary Shares	2,584,442	2,370,704
Interim Paid - Preference Shares	951	951
	<hr/>	<hr/>
Total Dividends For Financial Year	4,967,048	2,371,655
	<hr/>	<hr/>

	Dividend Rate	Total Amount	Date of Payment	Tax Rate for Franking Credit	% Franked	% Discount Cap Gain
2004						
Preference Shares						
Interim	4.0 cps	951		30%	100%	23%
Ordinary Shares						
Interim	6.3 cps	2,584,442		30%	100%	23%
2003						
Preference Shares						
Interim	4.0 cps	951		30%	100%	100%
Final	4.0 cps	951		30%	100%	91%
Ordinary Shares						
Interim	6.3 cps	2,370,704		30%	100%	100%
Final	6.3 cps	2,370,704		30%	100%	91%

No Unfranked Dividends have been declared or paid during the year.

Subsequent Events

Since the end of the financial year, the directors have recommended the following dividends:

Preference Shares						
Final	4.0 cps	951	25/06/04	30%	100%	0%
Ordinary Shares						
Final	6.3 cps	2,588,989	25/06/04	30%	100%	0%
		2,589,940				

The financial effect of these dividends have not been brought to account in the financial statements for the year ended 30 June 2004 and will be recognised in subsequent financial reports.

6. Dividend Franking Information

Class C 30% (2003: 30%) franking credits available to shareholders for subsequent financial years	3,662,205	3,594,208
	<hr/>	<hr/>

Balance of franking account adjusted to reflect a tax paid basis from 1 July 2002 and for:

- (a) franking credits which will arise from the payment of income tax provided for in the financial statements;
- (b) franking debits that will arise from the payment of dividends recognised as a liability at year-end;
- (c) franking credits that will arise from the receipt of dividends recognised as receivables at year-end;
- (d) franking credits that the entity may be prevented from distributing in subsequent years.

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

7. Earnings per share

Basic earnings per issued share have been calculated using the weighted average number of ordinary shares of the Company outstanding during the year to 31st March 2004.

12.25 Cents	11.79 Cents
-------------	-------------

Diluted earnings per issued share have been calculated using the weighted average number of ordinary shares of the Company outstanding during the year to 31st March 2004.

12.25 Cents	11.79 Cents
-------------	-------------

Weighted average number of ordinary shares used in the calculation of basic earnings per share:

40,701,915	37,630,226
------------	------------

There has been no change in the number of issued shares during the year or prior year and there is no contingent issue of shares which would dilute earnings per share.

8. Current Assets - Receivables

Dividend Income Receivable	648,683	713,720
	<hr/>	<hr/>

(Dividends receivable are usually settled within 30 days)

WHITEFIELD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004

	2004 \$	2003 \$
9. Current Assets - Investments		
Commercial Bills of Exchange	2,690,898	649,661
	<hr/>	<hr/>
10. Current Assets - Other		
Prepayments	7,440	8,547
Other Debtors	18,959	10,161
	<hr/>	<hr/>
	26,399	18,708
	<hr/>	<hr/>
11. Non-Current Assets - Investments		
Not subject to capital gains tax if realised, and recorded at net market value		
Shares & Equities in Listed Companies	-	16,997,876
Subject to capital gains tax if realised and recorded at net market value		
Shares & Equities in Listed Companies	141,906,113	93,663,419
	<hr/>	<hr/>
	141,906,113	110,661,295
	<hr/>	<hr/>

Material Investments in listed equities:

<u>Listed Entity</u>	<u>Activities</u>	<u>Market Value</u>
ANZ Banking Group Limited	Banking	9,870,131
Commonwealth Bank of Australia	Banking	13,918,701
National Australia Bank Ltd	Banking	14,570,000
The News Corporation	Media	13,097,079
Telstra	Telecommunications Services	7,143,666
Westpac Banking Corporation Ltd	Banking	9,566,505

12. Current Liabilities - Payables

Trade Creditors	62,733	35,300
Unclaimed Moneys	39,059	25,987
	<hr/>	<hr/>
	101,792	61,287
	<hr/>	<hr/>

(Trade creditors are settled within the terms of payment offered, which is normally within 30 days)

13. Contributed Equity

Share Capital		
42,555,648 ordinary shares, fully paid	51,219,553	37,655,418
23,790 8 cps preference shares, fully paid	23,790	23,790
	<hr/>	<hr/>
Total Share Capital	51,243,343	37,679,208
	<hr/>	<hr/>

Preference shares carry the right to cumulative dividends of 8 cents per share per annum, are not redeemable and carry no further right to participate in profits. There were no arrears of dividend at balance date.

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders meetings. In the event of winding up the Company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any proceeds on liquidation.

WHITEFIELD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004

	Notes	2004 \$	2003 \$
14. Reserves			
General Reserve	14(a)	-	-
Asset Revaluation Reserve	14(b)	15,235,818	12,244,942
Investment Fluctuation Reserve	14(c)	51,661,545	40,042,187
		<hr/>	<hr/>
		66,897,363	52,287,129
		<hr/>	<hr/>
(a) General Reserve			
Balance at beginning of financial year		-	5,500,000
Transfer to Retained Profits	15	-	(5,500,000)
		<hr/>	<hr/>
Balance at end of financial year		-	-
		<hr/>	<hr/>
The amount that stood to credit of the General Reserve resulted from prior period allocations of retained profits for non-specific purposes. The balance of this reserve was transferred to retained profits during the prior year.			
(b) Asset Revaluation Reserve			
Balance at beginning of financial year		12,244,942	42,691,389
Revaluation of Investments (net of tax)		14,610,234	(18,196,446)
Transfer of Realised Surpluses to Investment Fluctuation Reserve	16(c)	(11,619,358)	(12,250,001)
		<hr/>	<hr/>
Balance at end of financial year		15,235,818	12,244,942
		<hr/>	<hr/>
(c) Investment Fluctuation Reserve			
Balance at beginning of financial year		40,042,187	27,772,891
Adjustment re Change in Tax Rates			19,295
Transfer from Asset Revaluation Reserve	14(b)	11,619,358	12,250,001
		<hr/>	<hr/>
Balance at end of financial year		51,661,545	40,042,187
		<hr/>	<hr/>
(d) Nature and Purpose of Reserves			
For a description of the nature and purpose of the Asset Revaluation Reserve and the Investment Fluctuation Reserve refer to note 1(c) and 1(b).			
15. Retained Profits			
Balance at beginning of financial year		17,261,897	9,609,035
Profit attributable to ordinary activities after income tax		4,984,419	4,524,517
Dividends provided for or paid		(4,967,048)	(4,743,310)
Net Effect of initial adoption of AASB 1044 Provisions, Contingent Liabilities and Contingent Assets		-	2,371,655
Transfer from General Reserve	14(a)	-	5,500,000
		<hr/>	<hr/>
Balance at end of financial year		17,279,268	17,261,897
		<hr/>	<hr/>

WHITEFIELD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004

	2004	2003
	\$	\$
16. Directors' and Executive Officer's Remuneration		
Total remuneration consisting of income paid or payable, or otherwise made available to the Directors of the company from the company or by any related party, in connection with the management of the Company	332,748	321,525
Number of Directors whose remuneration was within the following bands:	No.	No.
\$0 - \$10,000	4	5
\$300,001- \$310,000 (see note below)	1	1
	\$	\$
Total remuneration received or receivable by the Executives (including Executive Directors) from the company or by any related party, in connection with the management of the company	332,748	302,625
Number of Executives whose remuneration was within the following bands:	No.	No.
\$300,001- \$310,000 (see note below)	-	1
\$330,001 - \$340,000 (see note below)	1	-
<p>Mr A. J. Gluskie received no fee as an individual, but was a member of Moore Stephens Wf Pty Ltd (previously White Iliffe) and White Funds Management Pty Limited which received fees of \$ 332,748 (2003: \$302,625) during the year for the management of the Company, out of which all costs of accounting, administration, share registry and investment management were paid.</p>		
17. Related Party Disclosure		
(a) Directors holding office at any stage throughout the year were J.V.C. Green, A.L. Holden, D.J. Iliffe, G.J. Gilmore and A.J Gluskie		
(b) The Company had an investment of just over 10% of the issued capital of Sylvastate Limited, which was disposed during the year.		
(c) Dividends paid by the Company to Directors and Director related entities on the same basis as to other shareholders		
	520,307	2,268,390
(d) Aggregate number of ordinary shares acquired or sold/disposed of by the Directors and Director related entities during the year		
- acquired	792,896	40,000
- sold/disposed		(19,923)
- no longer deemed to be Director related		14,303,568
All acquisitions and disposals of shares by directors and their director related entities occurred at arms length.		
(e) Aggregate number of ordinary shares held at the reporting date by Directors and Director related entities		
	4,778,154	3,985,258
(f) Details of remuneration and fees received by Directors and Executives are shown at note 16.		
(g) During the year authorised representatives of Moore Stephens Wf Pty Ltd (the administration manager) received fees amounting to \$13,273 on the same basis as all other stockbrokers and licensed financial advisers for the handling of applications associated with the company's public issue of shares.		

WHITEFIELD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004

18. Additional Financial Instruments Disclosure

(a) Terms, Conditions and Accounting Policies

The company's accounting policies are included in Note 1, while the terms and conditions of each class of

(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 company which have been recognised on

(c) Net Fair Values

The carrying amounts of financial instruments in the statement of financial position approximate their net fair values.

(d) Interest Rate Risk Exposure

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

	Weighted Ave Interest Rate %	Floating Interest Rate \$	Less than 1 year \$	Non interest bearing \$	TOTAL \$
Year 2004					
Financial Assets					
Cash	4.25%	209,197	-	-	209,197
Other Receivables	-	-	-	648,683	648,683
Investments	5.34%	-	2,690,898	141,906,113	144,597,011
		<u>209,197</u>	<u>2,690,898</u>	<u>142,554,796</u>	<u>145,454,891</u>
Financial Liabilities					
Other Creditors	-	-	-	101,792	101,792
		<u>-</u>	<u>-</u>	<u>101,792</u>	<u>101,792</u>

	Weighted Ave Interest Rate %	Floating Interest Rate \$	Less than 1 year \$	Non interest bearing \$	TOTAL \$
Year 2003					
Financial Assets					
Cash	4.25%	559,764	-	-	559,764
Other Receivables	-	-	-	713,720	713,720
Investments	4.78%	-	649,661	110,661,295	111,310,956
		<u>559,764</u>	<u>649,661</u>	<u>111,375,015</u>	<u>112,584,440</u>
Financial Liabilities					
Other Creditors	-	-	-	61,287	61,287
		<u>-</u>	<u>-</u>	<u>61,287</u>	<u>61,287</u>

19. Events Subsequent to Balance Date

The final dividend as recommended by the directors will be paid subsequent to balance date and is not provided for in the Statement

Other than the matter discussed above there has not arisen in the interval between the end of the financial year and the date of this

report any item, transaction or event of material and unusual nature likely, in the opinion of the directors of the Company to

20. SEGMENT REPORTING

The Company is engaged in investment activities conducted in Australia and derives investment income from listed securities, short term interest bearing securities and cash holdings.