

WHITEFIELD LIMITED

ABN 50 000 012 895

APPENDIX 4E

PRELIMINARY FINAL REPORT
YEAR ENDED 31 MARCH 2016

(Previous corresponding period
being the year ended 31 MARCH 2015)

RESULTS FOR ANNOUNCEMENT TO THE MARKET YEAR ENDED 31 MARCH 2016

	2016 Year-End \$'000	% change on prior year
Investment revenue from ordinary activities	18,546	Up 4.3%
Net Profit for period attributable to members	13,199	Up 3.6%

Dividend

Since the end of the financial year, the directors of Whitefield have declared the following dividends payable on the 14th June 2016

	Fully Franked (cents per security)
Final Dividend Per Ordinary Share	8.5 cps
Final Dividend Per 8% Preference Share	4.0 cps
Final Dividend Per Convertible Resettable Preference Share	350.0 cps
The record date for determining entitlement to the final dividend is:	30 th May 2016

Whitefield Limited has a dividend reinvestment plan and a bonus share plan in operation that apply to Ordinary Shares only. Shareholder participation in the either plan begins with the first dividend payment after receipt of the Application / Nomination form. The form must be received by 5pm on the business day following the record date to be effective for that dividend. Whitefield Limited will confirm the allotment price including any discount applied, calculated in accordance with rules of both plans in a separate release to market following the calculation period. Whitefield Limited expects to pay dividends twice yearly.

Net Asset Backing

	2016 Year- End	2015 Year- End	% change prior year
Net Tangible Assets per share (post-deferred capital gains tax)	\$4.27	\$4.70	Down 9%
Net Tangible Assets per share (pre-deferred capital gains tax)	\$4.54	\$5.17	Down 12%

Explanation of Results

The company's Investment Revenue represents dividends, interest and distributions derived from the company's long term investment portfolio. Net Profit represents Investment Revenue net of operating expenses and applicable income tax.

COMMENTARY ON THE RESULTS FOR THE PERIOD

Operating Results

Whitefield generated a Profit After Tax of \$13,198,884 for the financial year ended 31st March 2016. This outcome was 3.6% higher than the prior year. After allowing for increases in share capital across the period, earnings per ordinary share amounted to 16.6 cents, compared to 16.7 cents for the prior 12 months.

The company's investment income and profit compared to the prior year were influenced by a range of factors:

- Strong dividend growth from a significant majority of the company's investment holdings. Of note were dividend/distribution increases from Sydney Airport, Transurban, CSL, Amcor, Ramsay Healthcare, Macquarie Group, QBE and ResMed.
- The receipt of special dividends in the last quarter of the prior (2015) year from Tabcorp and Wesfarmers;
- Changes in the pattern of dividends as the result of the company's broader investment portfolio in 2016.

Reflecting the falls in the level of the Australian share market in 2016, Other Comprehensive Income consisting of portfolio revaluations net of tax amounted to (\$33,831,347), following a net upwards revaluation of \$41,800,323 in the prior financial year.

Investment Outcomes

Whitefield's investment portfolio generated a return of (6.75%) for the year, slightly ahead of the S&P/ASX200 Industrials Accumulation Index return of (6.77%) and materially ahead of the S&P/ASX200 Accumulation Index return of (9.59%).

Stronger returning stocks included CIMIC, Sydney Airport, Scentre Group, Transurban, CSL, Asciano, AGL Energy, Dominos Pizza, Vocus Communications and Qantas.

Over the last 3 years Whitefield's portfolio has generated a return of 9.97% per annum, compared to the S&P/ASX200 Industrials Accumulation Index return of 9.24% per annum and the S&P/ASX200 Accumulation Index return of 5.40% per annum.

Gross of franking credits Whitefield's share price and dividend return over the last 3 years amounted to 12.41% per annum, and compares to the equivalent gross of franking return for the FTSE ASFA Australia 200 of 5.09% per annum.

Net Asset Backing

The net asset backing (before providing for deferred capital gains tax) for each of the company's ordinary shares amounted to \$4.54 at 31 March 2016 compared to \$5.17 at the same time one year ago. The net asset backing per ordinary share (after a provision for deferred capital gains tax expenses (or benefits) including those which would arise in the event that the entire portfolio was realised) at 31 March 2016 amounted to \$4.27 compared to \$4.70 one year ago.

Annual General Meeting

The Annual General Meeting will be held at the Company's Registered Offices, Level 22, MLC Centre, 19 Martin Place, Sydney NSW 2000 on Thursday, 28th July 2016 at 11.00am.

Further Queries:

Should you require any further general information about Whitefield Ltd, please visit the company website www.whitefield.com.au

Should you have any specific queries about the company please contact CEO Angus Gluskie on +61 2 8215 7735.

Should you have any specific queries relating to your shareholding, please contact the share registry, Computershare Investor Services Pty Ltd on 1300 850 505 (inside Australia) or +61 (0)3 9415 4000 (outside Australia).

This report is based on accounts that have been audited.

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

Whitefield Limited
Statement of Comprehensive Income
For the year ended 31 March 2016

	Notes	Year ended 2016 \$	2015 \$
Investment income from ordinary activities	4	18,546,435	17,779,952
Expenses			
Management fees		(888,322)	(841,739)
Directors' fees		(40,000)	(39,000)
Audit fees		(25,960)	(25,960)
Other expenses		(523,779)	(467,363)
Finance costs - Convertible Resettable Preference Shares		(2,956,564)	(2,942,950)
Operating result before income tax		14,111,810	13,462,940
Current tax	5	(912,926)	(722,200)
Profit for the year		13,198,884	12,740,740
Other comprehensive income			
<i>Items that may not be reclassified to profit or loss</i>			
Net unrealised gains/(losses) on investments taken to equity		(68,660,264)	47,948,463
Income tax relating to net unrealised (gains)/losses on investments taken to equity		20,444,455	(14,398,750)
Net realised gains/(losses) on investments taken to equity		20,500,571	11,258,686
Income tax relating to net realised (gains)/losses on investments taken to equity		(6,116,109)	(3,008,076)
Other comprehensive (loss)/income for the year, net of tax		(33,831,347)	41,800,323
Total comprehensive (loss)/income for the year		(20,632,463)	54,541,063
		Cents	Cents
Earnings per share from continuing operations attributable to the ordinary equity holders of the Company (excluding all net realised gains/losses on investments)			
Basic earnings per share	22	16.60	16.69
Diluted earnings per share	22	16.60	16.69

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Whitefield Limited
Statement of Financial Position
As at 31 March 2016

	Notes	At 2016 \$	2015 \$
ASSETS			
Current assets			
Cash and cash equivalents	6	5,455,632	7,330,634
Trade and other receivables	7	2,498,983	3,261,495
Other current assets		17,493	32,402
Total current assets		7,972,108	10,624,531
Non-current assets			
Financial assets at fair value through other comprehensive income	3, 8	398,111,557	425,835,956
Deferred tax assets	9	10,832,196	17,747,732
Total non-current assets		408,943,753	443,583,688
Total assets		416,915,861	454,208,219
LIABILITIES			
Current liabilities			
Trade and other payables		258,402	122,699
Total current liabilities		258,402	122,699
Non-current liabilities			
Deferred tax liabilities	10	32,758,700	53,129,132
Other financial liabilities	11	41,434,059	41,277,495
Total non-current liabilities		74,192,759	94,406,627
Total liabilities		74,451,161	94,529,326
Net assets		342,464,700	359,678,893
EQUITY			
Issued capital	12	192,456,175	177,747,289
Reserves	13	128,251,773	162,083,120
Retained earnings		21,756,752	19,848,484
		342,464,700	359,678,893
Total equity		342,464,700	359,678,893

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Whitefield Limited
Statement of Changes in Equity
For the year ended 31 March 2016

	Notes	Issued capital \$	Reserves \$	Retained earnings \$	Total equity \$
Balance at 1 April 2014		176,664,099	120,282,798	20,072,848	317,019,745
Profit for the year		-	-	12,740,740	12,740,740
Other comprehensive income/(losses) for the year					
Net unrealised gains on investments taken to equity		-	47,948,462	-	47,948,462
Income tax on net unrealised (gains)/losses on investments taken to equity		-	(14,398,750)	-	(14,398,750)
Net realised gains on investments taken to equity		-	11,258,686	-	11,258,686
Income tax on net realised (gains)/losses on investments taken to equity		-	(3,008,076)	-	(3,008,076)
Total other comprehensive income for the year, net of tax		-	41,800,322	-	41,800,322
Total comprehensive income for the year		-	41,800,322	12,740,740	54,541,062
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs and tax	12	1,083,190	-	-	1,083,190
Dividends provided for or paid	14	-	-	(12,965,104)	(12,965,104)
		1,083,190	-	(12,965,104)	(11,881,914)
Balance at 31 March 2015		177,747,289	162,083,120	19,848,484	359,678,893
Balance at 1 April 2015		177,747,289	162,083,120	19,848,484	359,678,893
Profit for the year		-	-	13,198,884	13,198,884
Other comprehensive income/(losses) for the year					
Net unrealised losses on investments taken to equity		-	(68,660,264)	-	(68,660,264)
Income tax on net unrealised (gains)/losses on investments taken to equity		-	20,444,455	-	20,444,455
Net realised gains on investments taken to equity		-	20,500,571	-	20,500,571
Income tax on net realised (gains)/losses on investments taken to equity		-	(6,116,109)	-	(6,116,109)
Total other comprehensive loss for the year, net of tax		-	(33,831,347)	-	(33,831,347)
Total comprehensive income/(loss) for the year		-	(33,831,347)	13,198,884	(20,632,463)
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs and tax	12	14,708,886	-	-	14,708,886
Dividends provided for or paid	14	-	-	(11,290,616)	(11,290,616)
		14,708,886	-	(11,290,616)	3,418,270
Balance at 31 March 2016		192,456,175	128,251,773	21,756,752	342,464,700

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Whitefield Limited
Statement of Cash Flows
For the year ended 31 March 2016

	2016	2015
Notes	\$	\$
Cash flows from operating activities		
Dividends and trust distributions received	19,229,099	17,352,218
Interest received	78,383	127,306
Payments for other expenses	(1,300,114)	(1,457,027)
Net cash inflow from operating activities	20 <u>18,007,368</u>	<u>16,022,497</u>
Cash flows from investing activities		
Proceeds from sale of financial assets at fair value through other comprehensive income	161,893,045	79,128,676
Payments for financial assets at fair value through other comprehensive income	(182,328,339)	(81,320,233)
Net cash (outflow) from investing activities	<u>(20,435,294)</u>	<u>(2,191,557)</u>
Cash flows from financing activities		
Proceeds from issues of shares	13,656,500	-
Share issue and buy-back transaction costs	(131,586)	(16,270)
Dividends paid to Company's shareholders	(10,146,120)	(11,870,524)
Dividends paid on convertible resettable preference shares	(2,800,000)	(2,800,000)
Net cash inflow/(outflow)from financing activities	<u>578,794</u>	<u>(14,686,794)</u>
Net decrease in cash and cash equivalents	(1,849,132)	(855,854)
Cash and cash equivalents at the beginning of the year	7,330,634	8,193,549
Effects of exchange rate changes on cash and cash equivalents	(25,870)	(7,061)
Cash and cash equivalents at the end of year	6 <u>5,455,632</u>	<u>7,330,634</u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

1 General information

Whitefield Limited (the "Company") is a listed public company domiciled in Australia. The address of Whitefield Limited's registered office is Level 22, MLC Centre 19 Martin Place, Sydney, NSW, 2000. The financial statements of Whitefield Limited are for the year ended 31 March 2016. The Company is primarily involved in making investments, and deriving revenue and investment income from listed securities and unit trusts in Australia.

2 Financial risk management

The Company's activities expose it to a variety of financial risks: market risk (including interest rate risk and price risk), credit risk and liquidity risk. The Company uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of market risks, and ratings aging analysis for credit risk.

(a) Market risk

The standard defines this as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

(i) Price risk

The Company is exposed to equity securities price risk. This arises from investments held by the Company and classified in the Statement of Financial Position as financial assets at fair value through other comprehensive income.

The Company's investment portfolio is spread across the following sectors:

Sector	2016 (%)	2015 (%)
Information technology	1.42	0.75
Financials	38.63	50.19
Healthcare and biotechnology	9.13	7.60
Consumer staples	7.99	6.35
Industrials	10.07	8.48
Consumer discretionary	8.31	8.40
Utilities	3.53	0.49
Materials	5.30	4.04
Telecommunications services	7.13	6.41
Property	8.49	7.29
Total	100.00	100.00

Securities representing over 5 per cent of the investment portfolio at 31 March 2016 were:

	2016 (%)
Commonwealth Bank of Australia	10.65
Westpac Banking Corporation	8.08
National Australia Bank Limited	5.54
Telstra Corporation	5.48
ANZ Banking Group Limited	5.31
	<u>35.06</u>

2 Financial risk management (continued)

(a) Market risk (continued)

Securities representing over 5 per cent of the investment portfolio at 31 March 2015 were:

	2015 (%)
Commonwealth Bank of Australia	11.35
Westpac Banking Corporation	9.38
ANZ Banking Group Limited	7.59
National Australia Bank Limited	7.10
Telstra Corporation	6.04
	<u>41.46</u>

The following table illustrates the effect on the Company's equity from possible changes in the value of equity investments, assuming a flat tax rate of 30 per cent:

	Impact on other components of equity	
	2016	2015
	\$	\$
Change in value - 10%	(27,867,809)	(29,808,517)
Change in value - 30%	(83,603,427)	(89,425,551)

Other components of equity would increase/decrease as a result of gains/losses on equity securities classified as financial assets at fair value through other comprehensive income.

(ii) Cash flow and fair value interest rate risk

The Company's interest bearing financial assets expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows.

The Company's CRPS are subject to fixed interest rates and are carried at amortised cost. They are therefore not subject to interest rate risk as defined in AASB 7, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(b) Credit risk

The standard defines this as the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the Statement of Financial Position and Notes to the Financial Statements.

None of these assets are over-due or considered to be impaired.

(c) Liquidity risk

The standard defines this as the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Investment Manager monitors its cash-flow requirements daily in relation to the investing account taking into account upcoming dividends, tax payments and investing activity.

The Company's inward cash flows depend upon the level of dividend and distribution revenue received. Should these decrease by a material amount, the Company would amend its outward cash flows accordingly. As the Company's major cash outflows are the purchase of securities and dividends paid to shareholders, the level of both of these is managed by the Board and CEO.

The assets of the Company are largely in the form of readily tradeable securities which can be sold on-market if necessary.

2 Financial risk management (continued)

(c) Liquidity risk (continued)

Maturities of financial liabilities

Except for the CRPS which will mature between 2 and 5 years, the other liabilities of the Company in the current and prior year have maturities of less than one month.

3 Fair value measurements

The Company measures and recognises the following assets at fair value on a recurring basis:

- Financial assets at fair value through other comprehensive income (FVTOCI)

The Company has no assets or liabilities measured at fair value on a non-recurring basis in the current reporting period.

(a) Fair value hierarchy

AASB 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy (consistent with the hierarchy applied to financial assets and financial liabilities):

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2), and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

(i) *Recognised fair value measurements*

The following table presents the Company's assets and liabilities measured and recognised at fair value and the valuation input levels utilised in accordance with AASB 13.

	Level 1	Level 2	Level 3	Total
At 31 March 2016	\$	\$	\$	\$
Recurring fair value measurements				
Financial assets				
Financial assets at FVTOCI				
Equity securities	398,111,557	-	-	398,111,557
Total financial assets	398,111,557	-	-	398,111,557
At 31 March 2015	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Recurring fair value measurements				
Financial assets				
Financial assets at FVTOCI				
Equity securities	425,835,956	-	-	425,835,956
Total financial assets	425,835,956	-	-	425,835,956

There were no transfers between levels for recurring fair value measurements during the year.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) *Disclosed fair values*

The Company also has Convertible Resettable Preference Shares (CRPS) which are not measured at fair value within the Statement of Financial Position. Details of the carrying amount and fair value are shown below.

3 Fair value measurements (continued)

(a) Fair value hierarchy (continued)

	2016 \$	2015 \$
Carrying amount	41,434,059	41,277,495
Fair value	44,960,000	46,400,000

For all financial instruments other than those measured at fair value or otherwise disclosed above, their carrying value approximates fair value.

The carrying amounts of trade and other receivables and payables are assumed to approximate their fair values due to their short-term nature.

4 Revenue

	Year ended 2016 \$	2015 \$
From continuing operations		
Dividends on long term investments held at the end of the year	15,623,503	14,342,034
Dividends on long term investments sold during the year	315,086	1,615,644
Interest	67,730	132,107
Distributions	2,540,116	1,690,167
	<u>18,546,435</u>	<u>17,779,952</u>

5 Income tax expense

(a) Income tax expense through profit or loss

	Year ended 2016 \$	2015 \$
Income tax expense	<u>912,926</u>	<u>722,200</u>

(b) Numerical reconciliation of income tax expense to prima facie tax payable

	Year ended 2016 \$	2015 \$
Profit from continuing operations before income tax expense	14,054,096	13,462,940
Tax at the Australian tax rate of 30.0% (2015 - 30.0%)	4,216,229	4,027,476
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Franking credits on dividends received	(6,310,866)	(5,648,723)
Imputation gross up on dividends income	1,900,545	1,705,316
Timing differences	1,091,829	728,702
Permanent differences from adjustments to prior year income tax expense	39,472	(54,906)
Foreign tax credits on dividends received	(24,283)	(35,665)
Income tax expense	<u>912,926</u>	<u>722,200</u>

5 Income tax expense (continued)

(c) Amounts recognised directly in equity

	Year ended 2016 \$	2015 \$
Aggregate current tax arising in the reporting period and not recognised in net profit or loss or other comprehensive income but directly debited or credited to equity:		
Share issue expenses	39,476	4,881

(d) Tax expense (income) relating to items of other comprehensive income

	Year ended 2016 \$	2015 \$
Net unrealised gains/(losses) on investments taken to equity	(20,444,455)	14,398,750
Net realised gains/(losses) on investments taken to equity	6,116,109	3,008,076
	<u>(14,328,346)</u>	<u>17,406,826</u>

6 Current assets - Cash and cash equivalents

	At 2016 \$	2015 \$
Current assets		
Cash at bank and in hand	5,455,632	3,349,702
Other cash and cash equivalents	-	3,980,932
	<u>5,455,632</u>	<u>7,330,634</u>

7 Current assets - Trade and other receivables

	At 2016 \$	2015 \$
Net other receivables	91,486	86,547
Dividends and distributions receivable	2,375,622	3,126,016
Interest receivable	13	10,666
GST receivable	31,862	38,266
	<u>2,498,983</u>	<u>3,261,495</u>

8 Non-current assets - Financial assets at fair value through other comprehensive income

	At 2016 \$	2015 \$
Investment in shares and equities		
Listed securities	<u>398,111,557</u>	425,835,956

The list showing investments treated as equity instruments and revalued through Other Comprehensive Income can be found on pages 34-37 of this report.

(a) Investment transactions

Certain securities within the investment portfolio were disposed during the financial year during the normal course of the Company's business as a listed Investment Company. The fair value of the investments sold during the year was \$161.9m (2015: \$79.1m). The cumulative gain on these disposals was \$20.5m for the year before tax (2015: \$11.3m), which has been transferred from the revaluation reserve to the realisation reserve (refer to statement of changes in equity).

The total brokerage paid on these contract notes was \$827,831 (2015: \$430,031).

9 Non-current assets - Deferred tax assets

	2016 \$	2015 \$
Movements:		
Opening balance	17,747,732	21,368,622
Charged/credited:		
- to profit or loss	(799,427)	(612,813)
- to other comprehensive income	(6,116,109)	(3,008,077)
	<u>10,832,196</u>	17,747,732

10 Non-current liabilities - Deferred tax liabilities

	At 2016 \$	2015 \$
Net unrealised gains/(losses) on investments taken to equity	32,379,126	52,823,581
Other temporary differences	379,574	305,551
	<u>32,758,700</u>	53,129,132
Movements:		
Opening balance	53,129,132	38,625,875
Charged/(credited)		
- profit or loss	74,023	104,507
- to other comprehensive income	(20,444,455)	14,398,750
	<u>32,758,700</u>	53,129,132

11 Non-current liabilities - Other financial liabilities

	At 2016 \$	2015 \$
Convertible Resetable Preference Shares	<u>41,434,059</u>	<u>41,277,495</u>

Convertible Resetable Preference Shares [CRPS] are non-cumulative, convertible, resettable, preference shares in the capital of Whitefield. The key terms of the CRPS are:

CRPS Face Value: \$100 per CRPS

Dividend Rate: The CRPS are entitled to a non-cumulative fixed dividend of 7% per annum which is expected to be fully franked. The Dividend Rate may be increased or decreased on the relevant reset dates, the first of which is 30 November 2018.

Dividend payment: Dividends are non-cumulative and only payable where the directors determine that a dividend is payable and only to the extent permitted by law.

Dividend ranking: The CRPS will rank in priority to the Company's fully paid ordinary shares (Ordinary Shares) in respect of the payment of the dividends on the CRPS but will rank behind the Company's 8% Preference Shares.

Resetting: On each reset date, the Company can reset the dividend rate payable on the CRPS, the discount which applies on the conversion of the CRPS into Ordinary Shares and determine when resets are to take place in the future. The first reset date will be 30 November 2018.

Conversion: The Company can convert CRPS into Ordinary Shares on any reset date and on the occurrence of certain events. The CRPS holders can request the Company to convert the CRPS into Ordinary Shares on any reset date and on the occurrence of certain holder trigger events. However, the Company can override a conversion request received from an CRPS holder and instead redeem the CRPS. On conversion each CRPS will convert into a number of Ordinary Shares calculated generally by reference to the volume weighted average sale price of Ordinary Shares on ASX for the ten days prior to conversion and applying the conversion discount, subject to certain adjustments.

Redemption: The Company can redeem the CRPS on any reset date and on the occurrence of certain trigger events. CRPS holders cannot seek to have the CRPS redeemed. Redemption is for the face value of the CRPS which will be \$100.

Voting rights: CRPS holders are only entitled to vote on certain limited matters such as a proposal that affects the rights of CRPS holders or for the disposal of the whole of the property, business and undertaking of Whitefield. However, this restriction on voting does not apply when a dividend is not paid in full on the CRPS or during a winding up of the Company.

Return of capital: The face value of the CRPS and due but unpaid dividends on them will rank upon a winding-up of the Company after the 8% Preference Shares and in priority to Ordinary Shares. The CRPS have no right to participate in surplus assets or profits of the Company on a winding-up other than as set out above.

12 Issued capital

(a) Share capital

	2016 Shares	2015 Shares	2016 \$	2015 \$
Ordinary shares - fully paid	80,208,773	76,467,723	192,432,385	177,723,499
8% Non-redeemable preference shares - fully paid	23,790	23,790	23,790	23,790
	<u>80,232,563</u>	<u>76,491,513</u>	<u>192,456,175</u>	<u>177,747,289</u>

(b) Movements in ordinary share capital

Details	Notes	Number of shares	\$
Opening balance 1 April 2014		76,196,891	176,640,309
Dividend reinvestment plan issue	(f)	114,462	461,281
Dividend reinvestment plan issue	(f)	156,370	633,298
Less: Transaction cost arising on share issue - DRP		-	(11,389)
Balance 31 March 2015		<u>76,467,723</u>	<u>177,723,499</u>
Share purchase		2,943,611	13,656,500
Dividend reinvestment plan issue	(f)	129,279	575,292
Dividend reinvestment plan issue	(f)	140,198	569,204
Bonus share plan	(e)	257,957	-
Bonus share plan	(e)	270,005	-
Less: Transaction cost arising on share issue - DRP		-	(92,110)
Balance 31 March 2016		<u>80,208,773</u>	<u>192,432,385</u>

(c) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company after repayment of preference capital in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

(d) Non-redeemable preference shares

The preference shares carry the right to cumulative dividends of 8.0 cents per share per annum, the repayment of face value in a winding up, are not redeemable and carry no further right to participate in profits. Preference shares are entitled to vote at shareholder meetings. There were no arrears of dividend at balance date.

(e) Bonus Share Plan

The Company has established a Bonus Share Plan, under which holders of ordinary shares may elect to relinquish their right to a dividend, and instead receive bonus shares of equivalent market value. Shares are issued under the plan at a discount to the market price as specified by the Company from time to time.

(f) Dividend Reinvestment Plan

The Company has established a dividend reinvestment plan under which holders of ordinary shares may elect to have all or part of their dividend entitlements satisfied by the issue of new ordinary shares rather than by being paid in cash. Shares are issued under the plan at a discount to the market price as specified by the Company from time to time.

12 Issued capital (continued)

(g) Capital risk management

The Board's policy is to maintain an appropriate level of liquidity in the Company's shares.

The Company is not subject to any externally imposed capital requirements.

13 Reserves

	Notes	At 2016 \$	2015 \$
Movements:			
<i>Investment portfolio revaluation reserve</i>			
Opening balance		68,687,227	35,137,514
Net unrealised gains/(losses) on investments (excluding transfer)		(54,275,802)	56,199,072
Transfer to investment portfolio realised gains/(losses) reserve		(14,384,462)	(8,250,609)
Income tax on these items	5, 10	20,444,455	(14,398,750)
Balance 31 March		<u>20,471,418</u>	<u>68,687,227</u>
<i>Investment portfolio realised gains/losses reserve</i>			
Opening balance		93,395,893	85,145,284
Transfer from investment portfolio revaluation reserve		14,384,462	8,250,609
Balance 31 March		<u>107,780,355</u>	<u>93,395,893</u>
Total		<u>128,251,773</u>	<u>162,083,120</u>

Nature and purpose of reserves

For a description of the nature and purpose of the reserves, refer to Note 23(f).

14 Dividends

	Year ended 2016 \$	2015 \$
a) Ordinary shares		
Final dividend - prior year (8.5 cents per fully paid ordinary share, fully franked based on tax paid at 30%, paid 12/06/2015 and 13/06/2014, respectively)	5,653,744	6,476,737
Interim dividend - current year (8.5 cents per fully paid ordinary share, fully franked based on tax paid at 30%, paid 11/12/2015 and 12/12/2014, respectively)	5,634,970	6,486,465
	<u>11,288,714</u>	<u>12,963,202</u>

14 Dividends (continued)

(b) Non-redeemable participating preference shares

Final dividend - prior year (4.0 cents per fully paid ordinary share, fully franked based on tax paid at 30%)	951	951
Interim dividend - current year (4.0 cents per fully paid ordinary share, fully franked based on tax paid at 30%)	951	951
	<u>1,902</u>	<u>1,902</u>
 Total dividends provided for or paid	 <u>11,290,616</u>	 <u>12,965,104</u>

(c) Convertible Resettable Preference Shares

	2016 \$	2015 \$
Dividends on CRPS - six-monthly (350.0 cents per fully paid ordinary share, fully franked based on tax paid at 30%, paid 12/06/2015 and 13/06/2014, respectively)	1,400,000	1,400,000
Dividends on CRPS - six-monthly (350.0 cents per fully paid ordinary share, fully franked based on tax paid at 30%, paid 11/12/2015 and 12/12/2014, respectively)	1,400,000	1,400,000
	<u>2,800,000</u>	<u>2,800,000</u>

Dividends on Convertible Resettable Preference Shares are recorded as a financial expense (rather than a "dividend") for accounting purposes.

(d) Dividends not recognised at the end of the reporting period

	Year ended 2016 \$
In addition to the above dividends, since year end the Directors have approved the payment of a final dividend of 8.5 cents per fully paid ordinary share, 4 cents per fully paid 8% preference share and 350 cents per fully paid Convertible Resettable Preference Share, fully franked based on tax paid at 30%. The aggregate amount of the proposed dividend expected to be paid on 14 June 2016 out of retained earnings at 31 March 2016, but not recognised as a liability at year end, is	<u>8,217,746</u>

(e) Dividend franking account

14 Dividends (continued)

(e) Dividend franking account (continued)

	2016 \$	2015 \$
Opening balance of franking account	16,998,470	18,106,220
Franking credits on dividends received	6,267,779	5,648,723
Franking credits on dividends paid	(7,000,605)	(6,756,473)
Closing balance of franking account	16,265,644	16,998,470
Adjustments for tax payable/refundable in respect of the current year's profits and the receipt of dividends	-	1,179,677
Impact on the franking account of dividends proposed or declared before the financial report authorised for issue but not recognised as a distribution to equity holders during the period	(3,521,891)	(3,386,017)
	12,743,753	14,792,130

15 Key management personnel disclosures

(a) Key management personnel compensation

Detailed remuneration disclosures are provided in the remuneration report.

(b) Equity instrument disclosures relating to key management personnel

(i) Share holdings

The numbers of shares in the Company held during the financial year by each Director of Whitefield Limited and other key management personnel of the Company, including their personally related parties, are set out below. There were no shares granted during the reporting period as compensation.

2016 Name	Balance at the start of the year	Net movement	Other changes during the year	Balance at end of the year
Directors of Whitefield Limited				
Ordinary shares				
David J. Iliffe	2,191,703	9,699	-	2,201,402
Graeme J. Gillmore	572,111	29	-	572,140
Angus J. Gluskie	16,999,097	405,412	-	17,404,509
	19,762,911	415,140	-	20,178,051
8% Preference shares				
David J. Iliffe	1,300	-	-	1,300
Angus J. Gluskie	200	-	-	200
	1,500	-	-	1,500

15 Key management personnel disclosures (continued)

(b) Equity instrument disclosures relating to key management personnel (continued)

2015	Balance at the start of the year	Net movement	Other changes during the year	Balance at end of the year
Name				
Directors of Whitefield Limited				
Ordinary shares				
David J. Iliffe	2,191,703	-	-	2,191,703
Graeme J. Gillmore	572,081	30	-	572,111
Angus J. Gluskie	16,999,097	-	-	16,999,097
	<u>19,762,881</u>	<u>30</u>	<u>-</u>	<u>19,762,911</u>
8% Preference shares				
David J. Iliffe	1,300	-	-	1,300
Angus J. Gluskie	200	-	-	200
	<u>1,500</u>	<u>-</u>	<u>-</u>	<u>1,500</u>

16 Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor of the Company, its related practices and non-related audit firms:

(a) MNSA Pty Limited

	Year ended 31 March 2016 \$	31 March 2015 \$
<i>Audit and other assurance services</i>		
Audit and review of financial statements	25,960	25,960
Total remuneration for audit and other assurance services	<u>25,960</u>	<u>25,960</u>

17 Contingencies

The Company had no contingent liabilities at 31 March 2016 (2015: nil).

18 Related party transactions

(a) Key management personnel

Disclosures relating to key management personnel are set out in Note 15.

18 Related party transactions (continued)

(b) Transactions with other related parties

The following transactions occurred with related parties:

	Year ended	31 March
	31 March	2015
	2016	2015
	\$	\$
Management fees paid or payable	953,321	903,330
Taxation services	18,700	23,100
	972,021	926,430

Management fees represent fees paid to White Funds Management Pty Ltd out of which the costs of personnel, systems, premises and other operating overheads are paid. White Funds Management employs both the Chief Executive Officer, Company Secretary and other investment personnel. The Chief Executive Officer is also a shareholder of White Funds Management Pty Ltd.

Taxation services are provided by Pitcher Partners (formerly Moore Stephens Sydney Pty Ltd) on normal terms and conditions. Martin Fowler, Director, is also a director of Pitcher Partners.

(c) Outstanding balances

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	At	2015
	2016	2015
	\$	\$
Management fees payable (including GST)	169,839	86,990

(d) Terms and conditions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties.

White Funds Management Pty Ltd is appointed as the Investment Manager for Whitefield under an Investment Management Agreement. The Investment Manager employs all of the executives involved in managing our investments. The Investment Manager is entitled to receive a monthly investment management fee of 0.02083% of the average market value of the Portfolio over the month, subject to a reduction where the total monthly ongoing costs of operation (excluding the Investment Management Fee) would exceed 0.00833% of the average market value of the Portfolio over the month.

19 Events occurring after the reporting period

Apart from the items disclosed below, and the dividends paid after year end, no other matter or circumstance has arisen since 31 March 2016 that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.

- (a) On 9 May 2016 the Company announced that it was offering a Share Purchase Plan to shareholders, capped at \$40,800,000. Under the Share Purchase Plan shareholders on the register at 6 May 2016 may apply for up to \$15,000 of Whitefield Ordinary Shares each at the lower of \$4.08, or an amount equal to a 2.5% discount to the volume weighted average market price of Whitefield's Shares traded on ASX over the five trading days up to, and including the Plan closing date (ie, 10 June 2016). Shares issued under the plan on 24th June 2016 will rank equally with the existing Ordinary Shares and be entitled to the interim dividend expected to be paid in December 2016.
- (b) The Board intends to ask the company's shareholders to approve an amendment to the Company's Investment Management Agreement at the Company's Annual General Meeting. Broadly the proposed amendment would retain the services of the existing investment manager for a further term of 5 years. Details of the proposed amendment shall be finalised and issued to shareholders in an Explanatory Memorandum to be attached to the Notice of Annual General Meeting.

20 Reconciliation of profit after income tax to net cash inflow from operating activities

	Year ended 2016 \$	2015 \$
Profit for the year	13,198,884	12,740,740
Net exchange differences	25,870	3,315
Finance cost on convertible resettable preference shares	2,956,564	2,942,950
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	762,512	(264,172)
Decrease in other current assets	14,909	-
Increase/(decrease) in trade and other payables	135,703	(88,263)
Increase in deferred taxes	912,926	687,927
Net cash inflow from operating activities	<u>18,007,368</u>	<u>16,022,497</u>

21 Non-cash investing and financing activities

	Year ended 2016 \$	2015 \$
Dividends reinvested	1,144,496	1,094,580
Dividends foregone via Bonus Share Plan	2,244,129	-
	<u>3,388,625</u>	<u>1,094,580</u>

22 Earnings per share

(a) Basic and diluted earnings per share

	Year ended 2016 Cents	2015 Cents
From continuing operations attributable to the ordinary equity holders of the company (excluding all net realised gains/losses on investments)	16.60	16.69

Diluted earnings per share is the same as basic earnings per share. The Company has no securities outstanding which have the potential to convert to ordinary shares and dilute the basic earnings per share.

(b) Weighted average number of shares used as denominator

	Year ended 2016 Number	2015 Number
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted earnings per share	79,483,821	76,334,844

23 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the entity Whitefield Limited.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. Whitefield Limited is a for-profit entity for the purpose of preparing the financial statements.

The financial statements were authorised for issue by the directors on 19 May 2016.

(i) Compliance with IFRS

The financial statements of the Company also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

(ii) New and amended standards adopted by the Company

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 April 2015 that have a material impact on the Company.

(iii) Historical cost convention

These financial statements have been prepared under the accruals basis and are based on historical cost convention, as modified by the revaluation of financial assets at fair value through other comprehensive income.

23 Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

(iv) New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 March 2016 reporting periods and have not been early adopted by the Company. The Company's assessment of the impact of these new standards and interpretations is set out below.

Title of standard	Nature of change	Impact	Mandatory application date/ Date of adoption by the Company
AASB 9 <i>Financial Instruments</i>	AASB 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities and introduces new rules for hedge accounting. In December 2014, the AASB made further changes to the classification and measurement rules and also introduced a new impairment model. These latest amendments now complete the new financial instruments standard.	<p>Following the changes approved by the AASB in December 2014, the Company no longer expects any impact from the new classification, measurement and derecognition rules on the Company's financial assets and financial liabilities.</p> <p>There will also be no impact on the Company's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Company does not have any such liabilities.</p> <p>The derecognition rules have not changed from the previous requirements, and the Company does not apply hedge accounting. The new standard also introduces expanded disclosure requirements and changes in presentation.</p> <p>The new impairment model is an expected credit loss (ECL) model which may result in the earlier recognition of credit losses.</p> <p>The Company has not yet assessed how the impairment provisions would be affected by the new rules.</p>	<p>Must be applied for financial years commencing on or after 1 January 2018.</p> <p>Based on the transitional provisions in the completed IFRS 9, early adoption in phases was only permitted for annual reporting periods beginning before 1 February 2015. After that date, the new rules must be adopted in their entirety.</p> <p>The Company has not yet decided when to adopt AASB 9.</p>

23 Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

Title of standard	Nature of change	Impact	Mandatory application date/ Date of adoption by the Company
AASB 15 <i>Revenue from Contracts with Customers</i>	<p>The AASB has issued a new standard for the recognition of revenue. This will replace AASB 118 which covers contracts for goods and services and AASB 111 which covers construction contracts.</p> <p>The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer - so the notion of control replaces the existing notion of risks and rewards.</p> <p>The standard permits a modified retrospective approach for the adoption. Under this approach entities will recognise transitional adjustments in retained earnings on the date of initial application (eg 1 July 2017), ie without restating the comparative period. They will only need to apply the new rules to contracts that are not completed as of the date of initial application.</p>	<p>The Company's main sources of income are interest, dividends and distributions. All of these are outside the scope of the new revenue standard. As a consequence, the Directors do not expect the adoption of AASB 15 to have a significant impact on the Company's accounting policies or the amounts recognised in the financial statements.</p>	<p>Mandatory for financial years commencing on or after 1 January 2018.</p>

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

(b) Revenue recognition

(i) Dividends and trust distributions

Dividends and trust distributions are recognised as revenue when the right to receive payment is established.

(ii) Interest income

Interest income is recognised using the effective interest method.

23 Summary of significant accounting policies (continued)

(c) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantially enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(d) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

(e) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade and other receivables are generally due for settlement within 30 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

Collectability of trade and other receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly.

(f) Investments

Classification

(i) Financial assets at fair value through other comprehensive income

The Company has designated long-term investments as "fair value through other comprehensive income". All realised and unrealised gains or losses on long-term investments and tax thereon are presented in other comprehensive income as part of the Statement of Comprehensive Income.

23 Summary of significant accounting policies (continued)

(f) Investments (continued)

Recognition and derecognition

Purchases and sales of financial assets are recognised on trade-date - the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

Subsequent changes in fair value are recognised through the investment portfolio revaluation reserve after deducting a provision for the potential deferred capital gains tax liability as these investments are long-term holding of equity investments.

When an investment is disposed of, the cumulative gain or loss, net of tax thereon, is transferred from the investment portfolio reserve/asset revaluation reserve to the realised gains/losses reserve.

Determination of fair value

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal, or in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

Under AASB 13, if an investment has a bid price and an ask price, the price within the bid-ask spread that is more representative of fair value in the circumstances shall be used to measure fair value. Accordingly, the Company uses the last sale price as a basis of measuring fair value.

(g) Other financial liabilities

Convertible Resettable Preference Shares are classified as a financial liability for accounting purposes under Australian Accounting Standard *AASB132 Financial Instruments Presentation*. They are initially recognised at fair value less transaction costs. After initial recognition, the liabilities are carried at amortised cost using the effective interest method.

In accordance with this Standard, a financial expense on the liability is brought to account which includes the amortisation of any difference between the original proceeds net of transaction costs and the settlement value of the obligation. Dividends on Convertible Resettable Preference Shares are recognised within the finance expense recorded.

(h) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(i) Finance costs

Finance costs are recognised as expenses in the year in which they are incurred using the effective interest rate method.

Dividends on Convertible Resettable Preference Shares are recognised within the finance expense recorded.

23 Summary of significant accounting policies (continued)

(j) Issued capital

Ordinary and 8% Non-Redeemable Preference Shares are classified as equity.

Preference shares which are redeemable or convertible for a specified consideration are classified as liabilities.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(k) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(l) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares, and
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(m) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

(n) Functional and presentation currency

The functional and presentation currency of the Company is Australian dollars.

(o) Comparatives

Where necessary, comparative information has been reclassified to be consistent with current reporting period.

23 Summary of significant accounting policies (continued)

(p) Operating segments

The Company operated in Australia only and the principal activity is investment. The Company has only one reportable segment and in one industry being the securities industry, deriving revenue from dividend income, interest income and from the sale of its investment portfolio.

In the Directors' opinion:

- (a) the financial statements and notes set out on pages 5 to 29 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the entity's financial position as at 31 March 2016 and of its performance for the year ended on that date, 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.

Note 23(a) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of Directors.



David J. Iliffe
Director

Sydney
19 May 2016



WHITEFIELD LIMITED

ABN 50 000 012 895

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

I declare that, to the best of my knowledge and belief, during the year ended 31 March 2016 there have been no contraventions of:

- i. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. any applicable code of professional conduct in relation to the audit.

MNSA Pty Ltd

MNSA Pty Ltd

Mark Schiliro
Director

Dated in Sydney this 19th day of May 2016



WHITEFIELD LIMITED

ABN 50 000 012 895

**INDEPENDENT AUDITOR'S REPORT TO THE
MEMBERS OF WHITEFIELD LIMITED**

Report on the Financial Report

We have audited the accompanying financial report of Whitefield Limited, which comprises the statement of financial position as at 31 March 2016, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 23, the directors also state, in accordance with Accounting Standard AASB 101: *Presentation of Financial Statements*, that the financial statements comply with International Financial Reporting Standards (IFRS).

Auditor's Responsibility

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

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

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



Independence

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

Auditor's Opinion

In our opinion:

- a. the financial report of Whitefield Limited is in accordance with the *Corporations Act 2001*, including:
 - i. giving a true and fair view of the Company's financial position as at 31 March 2016 and of its performance for the year ended on that date; and
 - ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 23.

Report on the Remuneration Report

We have audited the remuneration report included in the directors' report for the year ended 31 March 2016. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with s 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion the remuneration report of Whitefield Limited for the year ended 31 March 2016 complies with s 300A of the *Corporations Act 2001*.

MNSA Pty Ltd

MNSA Pty Ltd

Mark Schiliro
Director

Dated in Sydney this 19th day of May 2016

TABLE OF INVESTMENT HOLDINGS

Code	Name	Shares	Market Value	Whitefield (%)
Consumer Discretionary				
AAD	Ardent Leisure Group	145,100	332,279	0.08%
AHG	Automotive Group Holdings Ltd	98,700	403,683	0.10%
ALL	Aristocrat Leisure Ltd	330,827	3,407,518	0.86%
APN	APN News & Media Ltd	331,800	215,670	0.05%
APO	APN Outdoor Group Ltd	53,000	343,440	0.09%
ARB	ARB Corp Ltd	25,600	385,024	0.10%
BAP	Burson Group Ltd	79,000	364,190	0.09%
BRG	Breville Group Ltd	41,700	326,094	0.08%
CTD	Corporate Travel Management Ltd	31,500	422,415	0.11%
CWN	Crown Resorts Ltd	110,013	1,370,762	0.34%
DMP	Domino's Pizza Enterprises Ltd	27,700	1,592,196	0.40%
DSH	Dick Smith Holdings Ltd	76,000	26,980	0.01%
FLT	Flight Centre Travel Group Ltd	47,386	2,048,497	0.51%
GEM	G8 Education Ltd	118,400	446,368	0.11%
GUD	GUD Holdings Ltd	27,400	190,704	0.05%
GXL	Greencross Ltd	36,500	273,385	0.07%
HVN	Harvey Norman Holdings Ltd	620,208	2,914,978	0.73%
IVC	InvoCare Ltd	131,585	1,654,023	0.42%
JBH	JB Hi-Fi Ltd	31,815	750,198	0.19%
MTR	Mantra Group Ltd	86,000	389,580	0.10%
MYR	Myer Holdings Ltd	263,755	309,912	0.08%
NEC	Nine Entertainment Co Holdings Ltd	289,700	451,932	0.11%
NVT	Navitas Ltd	120,800	613,664	0.15%
NWS	News Corp	15,187	263,798	0.07%
PBG	Pacific Brands Ltd	294,410	303,242	0.08%
PMV	Premier Investments Ltd	50,100	847,692	0.21%
REA	REA Group Ltd	42,700	2,307,081	0.58%
RFG	Retail Food Group Ltd	52,500	270,900	0.07%
SGH	Slater & Gordon Ltd	113,200	29,432	0.01%
SGR	Star Entertainment Group Ltd	473,705	2,690,644	0.68%
SKC	Skycity Entertainment Group Ltd	189,200	857,076	0.22%
SKT	SKY Network Television Ltd	125,700	566,907	0.14%
SUL	Super Retail Group Ltd	63,500	543,560	0.14%
SWM	Seven West Media Ltd	487,081	501,693	0.13%
SXL	Southern Cross Media Group Ltd	241,900	268,509	0.07%
TAH	Tabcorp Holdings Ltd	283,342	1,212,704	0.30%
TEN	Ten Network Holdings Ltd	84,470	84,048	0.02%
TME	Trade Me Group Ltd	127,500	508,725	0.13%
TTS	Tatts Group Ltd	613,610	2,319,446	0.58%
VRL	Village Roadshow Ltd	51,200	265,216	0.07%
			33,074,165	8.33%

Code	Name	Shares	Market Value	Whitefield (%)
Consumer Staples				
AAC	Australian Agricultural Company Ltd	171,600	223,080	0.06%
AHY	Asaleo Care Ltd	194,800	354,536	0.09%
BGA	Bega Cheese Ltd	49,100	289,690	0.07%
BKL	Blackmores Ltd	6,000	1,062,900	0.27%
CCL	Coca-Cola Amatil Ltd	247,000	2,183,480	0.55%
CGC	Costa Group Holdings Ltd	101,000	292,900	0.07%
GNC	Graincorp Ltd	73,800	556,452	0.14%
MTS	Metcash Ltd	645,595	1,123,335	0.28%
SHV	Select Harvests Ltd	23,000	94,990	0.02%
TGR	Tassal Group Ltd	46,900	179,158	0.05%
TWE	Treasury Wine Estates Ltd	236,853	2,283,263	0.57%
WES	Wesfarmers Ltd	388,278	16,094,123	4.04%
WOW	Woolworths Ltd	319,877	7,069,282	1.78%
			31,807,189	7.99%
Financials				
ABP	Abacus Property Group	118,000	351,640	0.09%
AMP	AMP Ltd	440,510	2,550,553	0.64%
ANZ	Australia and New Zealand Banking Group Ltd	901,496	21,149,096	5.31%
AOG	Aveo Group	166,200	556,770	0.14%
ASX	ASX Ltd	76,485	3,168,773	0.80%
BEN	Bendigo and Adelaide Bank Ltd	70,575	626,000	0.16%
BOQ	Bank of Queensland Ltd	120,732	1,463,272	0.37%
BTT	BT Investment Management Ltd	97,453	945,294	0.24%
CBA	Commonwealth Bank of Australia	565,903	42,397,454	10.65%
CGF	Challenger Ltd	272,300	2,284,597	0.57%
CMW	Cromwell Property Group	560,100	582,504	0.15%
CVO	Cover-More Group Ltd	102,000	158,100	0.04%
CYB	CYBG PLC	193,541	762,551	0.19%
DXS	DEXUS Property Group	397,123	3,153,157	0.79%
FXL	FlexiGroup Ltd	97,700	242,296	0.06%
GMA	Genworth Mortgage Insurance Australia Ltd	208,000	517,920	0.13%
GMG	Goodman Group Pty Ltd	565,366	3,770,991	0.95%
GOZ	Growthpoint Properties Australia Ltd	186,900	586,866	0.15%
GPT	GPT Group	132,529	662,645	0.17%
GTY	Gateway Lifestyle Group	80,000	216,000	0.05%
HGG	Henderson Group PLC	209,000	1,022,010	0.26%
IAG	Insurance Australia Group Ltd	397,659	2,218,937	0.56%
IFL	IOOF Holdings Ltd	96,500	855,955	0.22%
IOF	Investa Office Fund	198,000	829,620	0.21%
MFG	Magellan Financial Group Ltd	51,000	1,156,680	0.29%
MPL	Medibank Private Ltd	886,100	2,596,273	0.65%
MQG	Macquarie Group Ltd	69,866	4,617,444	1.16%
NAB	National Australia Bank Ltd	839,846	22,037,559	5.54%
NSR	National Storage REIT	110,100	177,261	0.04%
OFX	OzForex Group Ltd	77,000	155,540	0.04%
PPT	Perpetual Ltd	39,446	1,718,268	0.43%
PTM	Platinum Investment Management Ltd	186,000	1,181,100	0.30%
QBE	QBE Insurance Group Ltd	443,214	4,835,465	1.21%
SCG	Scentre Group	1,959,932	8,702,098	2.19%
SCP	Shopping Centres Australasia Property Group Re Ltd	141	323	0.00%
SDF	Steadfast Group Ltd	238,754	427,370	0.11%
SGP	Stockland Corporation Ltd	1,013,028	4,325,630	1.09%

Code	Name	Shares	Market Value	Whitefield (%)
Financials (continued)				
SUN	Suncorp Group Ltd	146,893	1,749,496	0.44%
VCX	Vicinity Centres Re Ltd	1,273,832	4,063,524	1.02%
WBC	Westpac Banking Corp	1,059,478	32,155,157	8.08%
WFD	Westfield Corp	660,200	6,595,398	1.66%
			187,567,587	47.15%
Health Care				
ANN	Ansell Ltd	49,400	854,126	0.21%
API	Australian Pharmaceutical Industries Ltd	156,000	304,980	0.08%
COH	Cochlear Ltd	28,163	2,881,075	0.72%
CSL	CSL Ltd	147,039	14,915,636	3.75%
EHE	Estia Health Ltd	57,800	332,350	0.08%
FPH	Fisher & Paykel Healthcare Corporation Ltd	182,634	1,623,616	0.41%
HSO	Healthscope Ltd	553,188	1,471,480	0.37%
JHC	Japara Healthcare Ltd	84,700	259,182	0.07%
MSB	Mesoblast Ltd	108,500	278,845	0.07%
MYX	Mayne Pharma Group Ltd	257,700	387,839	0.10%
PRY	Primary Health Care Ltd	165,900	622,125	0.16%
REG	Regis Healthcare Ltd	96,900	486,438	0.12%
RHC	Ramsay Health Care Ltd	82,948	5,089,689	1.28%
RMD	ResMed Inc	445,502	3,310,080	0.83%
SHL	Sonic Healthcare Ltd	131,543	2,470,378	0.62%
SIP	Sigma Pharmaceuticals Ltd	348,000	368,880	0.09%
SRX	Sirtex Medical Ltd	18,700	540,804	0.14%
VRT	Virtus Health Ltd	25,900	162,134	0.04%
			36,359,657	9.14%
Industrials				
AIO	Asciano Ltd	314,000	2,813,440	0.71%
ALQ	ALS Ltd	160,456	640,219	0.16%
ASB	Austal Ltd	112,000	175,280	0.04%
AZJ	Aurizon Holdings Ltd	894,561	3,542,462	0.89%
BRS	Broadspectrum Ltd	103,460	122,600	0.03%
BXB	Brambles Ltd	620,212	7,516,969	1.89%
CAB	Cabcharge Australia Ltd	38,800	125,712	0.03%
CCP	Credit Corp Group Ltd	15,200	157,472	0.04%
CIM	CIMIC Group Ltd	108,113	3,758,008	0.94%
DOW	Downer EDI Ltd	834	3,203	0.00%
GWA	GWA Group Ltd	89,772	202,885	0.05%
MIN	Mineral Resources Ltd	60,200	361,802	0.09%
MMS	Mcmillan Shakespeare Ltd	26,900	335,981	0.08%
MND	Monadelphous Group Ltd	28,000	199,360	0.05%
MQA	Macquarie Atlas Roads Group	166,340	798,432	0.20%
QAN	Qantas Airways Ltd	806,229	3,281,352	0.82%
QUB	Qube Holdings Ltd	339,800	801,928	0.20%
REC	Recall Holdings Ltd	101,200	759,000	0.19%
SAI	Sai Global Ltd	68,100	256,737	0.06%
SPO	Spotless Group Holdings Ltd	353,600	445,536	0.11%
SVW	Seven Group Holdings Ltd	89,878	490,734	0.12%
SYD	Sydney Airport Holdings Ltd	893,110	5,974,906	1.50%
TCL	Transurban Group	646,507	7,337,854	1.84%
			40,101,872	10.04%

Code	Name	Shares	Market Value	Whitefield (%)
Information Technology				
ALU	Altium Ltd	42,000	247,800	0.06%
CAR	Carsales.Com Ltd	77,400	910,224	0.23%
CPU	Computershare Ltd	265,940	2,600,893	0.65%
IRE	Iress Ltd	51,700	599,720	0.15%
ISD	Isentia Group Ltd	64,000	222,080	0.06%
MYO	Myob Group Ltd	188,000	614,760	0.15%
TNE	TechnologyOne Ltd	100,100	477,477	0.12%
			5,672,954	1.42%
Materials				
ABC	Adelaide Brighton Ltd	440,331	2,232,478	0.56%
AMC	Amcor Ltd	480,582	6,896,352	1.73%
BLD	Boral Ltd	238,503	1,473,949	0.37%
DLX	DuluxGroup Ltd	355,851	2,234,744	0.56%
IPL	Incitec Pivot Ltd	801,362	2,556,345	0.64%
JHX	James Hardie Industries PLC	201,220	3,593,789	0.90%
NUF	Nufarm Ltd	85,700	642,750	0.16%
ORA	Orora Ltd	388,300	970,750	0.24%
ORI	Orica Ltd	593	9,114	0.00%
PGH	Pact Group Holdings Ltd	95,200	475,048	0.12%
			21,085,319	5.28%
Telecommunication Services				
SPK	Spark New Zealand Ltd	591,136	1,944,837	0.49%
TLS	Telstra Corporation Ltd	4,091,039	21,805,238	5.48%
TPM	TPG Telecom Ltd	283,052	3,209,810	0.81%
VOC	Vocus Communications Ltd	170,300	1,418,599	0.36%
			28,378,484	7.14%
Utilities				
AGL	AGL Energy Ltd	240,719	4,429,229	1.11%
APA	APA Group	472,495	4,162,681	1.05%
AST	Ausnet Services Ltd	1,126,000	1,677,740	0.42%
DUE	DUET Group	1,172,997	2,674,433	0.66%
SKI	Spark Infrastructure Group	541,182	1,120,247	0.27%
			14,064,330	3.51%
Total			398,111,557	100.00%