



ANNUAL REPORT
2017

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ABOUT WHITEFIELD LTD

Whitefield, delivering value to shareholders since 1923

Whitefield is a listed investment company holding a diversified portfolio of ASX listed industrial shares. We provide investors with an exposure to industrial (non-resource) shares with an emphasis on quality of return, reliability and cost efficiency.

We have assisted investors in building their wealth since the company's public listing on ASX in 1923.

An investment of \$10,000 in Whitefield in 1970 would at 31 March 2017 be worth \$1,790,000¹ after allowing for the payment and provision of income tax at company rates on unfranked income and both realised and unrealised capital gains. This significant return reflects the benefits of long term investment in the Australian industrial share market over this period, which have included:

- (a) the benefit of compounding investment returns over many successive years and
- (b) long term growth in the earnings of Australian industrial companies derived from the specific operating activities of each company and the broad economic conditions which have promoted growth in the Australian economy including population growth and inflation.

OUR APPROACH TO INVESTMENT

Our Objective: Building wealth through reliable outcomes

Whitefield aims to provide shareholders with the potential for a margin of long term outperformance above the ASX200 Industrials Accumulation Index and a low chance of material underperformance delivered with cost efficiency.

This balance of risk control, return, efficiency and reliability are designed to provide shareholders with an attractive way to take exposure to Australian Shares within their wealth accumulation plan.

Our Investment Strategy

Favourably developing earnings, favourably developing expectations

We are firm believers that strength and sustainability of investment return may be generated from stocks with an ability to maintain and expand their earnings over an extended period where that positive outlook is either under-recognised by the market or likely to develop favourably.

Our structured, quantitative assessment processes identify where these conditions are most likely to be satisfied and our portfolio is tailored accordingly.

Consistent decision making in complex investment markets

The modern investment environment is characterised by large volumes of information and a wide variety of opinions. Whitefield applies a structured and highly disciplined assessment and decision making framework utilising quantitative techniques and qualitative oversight to successfully navigate these complexities in a manner which emphasises the consistency and reliability we seek.

Why Industrials?

The high cyclicality of the resource industry has seen resource stocks generate high volatility earnings and lower through the cycle investment returns over the long term. This persistent trait stems from the propensity of highly cyclical industries to repeatedly build excess capacity which ultimately undermines prices and profitability for an extended period.

By eliminating resource stocks from our portfolio, we aim to deliver higher through the cycle returns with lower volatility for our investors.

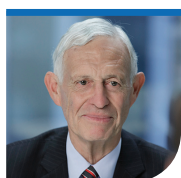
¹ Calculated on the basis of net asset backing plus dividends, assuming all dividends were reinvested. Past investment returns are not an indicator of future outcomes. Amongst other things economic and stock specific conditions in the future may differ materially from the past.

OUR PERSONNEL

Our Personnel & Operating Structure

Whitefield's Board have a depth of experience in finance, markets, corporate governance and the listed investment industry. Our investment management personnel are highly qualified, and have both significant experience in wholesale investment management and longevity of service working with Whitefield.

NON-EXECUTIVE DIRECTORS



David Iliffe, *Chairman (F.C.A.)*

David has over 35 years experience as a Chartered Accountant. He is a member of the Australian Institute of Company Directors and a Fellow of the Institute of Chartered Accountants. He has also been a director of ASX listed investment company Sylvastate Ltd and insurer Employers Mutual Ltd.



Martin Fowler, *(B.Bus, C.A., Graduate Diploma Applied Finance and Investment, F.Fin, Graduate Diploma in Financial Planning)*

Martin has over 20 years experience in financial analysis and specialises in personal investment advisory services. He is a partner with Pitcher Partners, Chartered Accountants.



Lance Jenkins, *(LLB, BCA (Vic), MBA (New York))*
[Appointed 31/05/2017]

Lance has over 20 years of financial markets experience. He has held senior roles with Goldman Sachs JBWere in New York, was CEO and Managing Director of Goldman Sachs JBWere New Zealand, and Head of Cash Equities at the Commonwealth Bank of Australia in Sydney. He is currently an Executive Director of Waterman Capital and is a director of Partners Life Limited and MFB Group Limited.

EXECUTIVE PERSONNEL



Angus Gluskie, *Managing Director, (BEC, Graduate Diploma in Applied Finance & Investment, CA, FFin)*

Angus has over 30 years experience in the investment management and financial services fields. He has qualifications in investment management, economics and chartered accountancy. He has worked with Whitefield and associated entities since 1987.



Will Seddon, *Executive Director (BEC, CFA, CAIA, SAFin)*

Will has 14 years experience as a wholesale investment manager and analyst, including more than a decade working with Whitefield. He has significant experience in fundamental analysis, investment strategy and quantitative techniques.



Peter Borkovec, *(MCom (Funds Management), BBus)*

Peter has 15 years experience in wholesale funds management, including more than a decade working with Whitefield. He has significant experience in fundamental analysis, investment strategy, statistics and quantitative techniques.



Stuart Madeley, *Company Secretary, (BA(hons) Pure Maths, MBA)*

Stuart has 24 years experience in financial services and funds management, including more than 15 years with Whitefield. He has significant experience in investment operations and information technology systems.

OTHER RESOURCES

Back Office Administration

Whitefield's back office administration is provided by Link Fund Solutions (formerly White Outsourcing Pty Ltd). Link Fund Solutions provides wholesale investment administration services to over 70 investment managers around Australia and has in excess of \$40bn under administration. Its personnel are specialist accountants and funds management administrators.

Office & Systems Infrastructure

Whitefield's office and systems infrastructure are provided by a multi-person team specialising in accountancy, administration and systems.

OTHER FEATURES

Whitefield's Expense Ratio

Whitefield's underlying expenses of operation amounted to 0.37% of investment assets across the last year. This provides shareholders with one of the more cost efficient means of obtaining exposure to a professionally managed portfolio of Australian shares.

Whitefield's Dividend Policy

Whitefield aims to pay ordinary dividends in each year which are approximately equal to its net operating profit after tax, excluding realised gains on investments. Dividends will be franked to the extent that franking credits are available at the time of payment of the dividend. Whitefield's dividends have been fully franked since 1988, shortly after the introduction of the dividend imputation system.

In addition to ordinary dividends, Whitefield may also periodically pay fully franked LIC discount dividends on qualifying LIC Discount Capital Gains.

Whitefield's Tax Status as a Company

Whitefield pays income tax at the company tax rate on its net taxable investment income and is entitled to the benefit of franking credits on tax it pays or on franked dividends it receives. Whitefield also pays tax at the company tax rate on any net realised capital gains.

Whitefield may in turn pay franked dividends to its own shareholders, effectively passing on the benefit of those franking credits to investors.

Where Qualifying LIC Discount Capital Gains are realised by Whitefield these may be passed through to Whitefield's underlying shareholders as a fully franked LIC Discount Dividend.

Risks Associated with Investment

All investment involves risk. An investment in Whitefield exposes investors to risks including, but not limited to:

- The unpredictability and volatility of future outcomes, prices and dividends of both Whitefield's portfolio of ASX listed shares and Whitefield shares;
- The risk that investment returns in future years may differ materially from returns in prior years.

Investors may wish to seek the advice of a Professional Adviser when considering the risks associated with an investment in Whitefield.

CEO'S REVIEW



Operating Results

I am pleased to report that Whitefield generated a Profit After Tax of \$14,028,677 for the financial year ended 31 March 2017. This outcome was 6.3% higher than the result for the prior year. After allowing for changes in the share capital of the company across the 12 months earnings per ordinary share increased by 1.8% to 16.9 cps.

Growth in profit was driven by increases in dividends and distributions from a majority of stocks in the investment portfolio. The most notable contributors included Aristocrat, AGL Energy, Macquarie Group, Cochlear, Treasury Wine Estates, QBE Insurance, Ramsay Healthcare, APA Group, Transurban, Crown Resorts, Sydney Airport, Harvey Norman, Dominos Pizza and Star Entertainment Group.

The Company's ratio of operating expenses to assets amounted to 0.37% and continued to provide shareholders with one of the more cost effective ways to obtain exposure to a professionally managed portfolio of Australian shares.

Other Comprehensive Income consisting of portfolio revaluations net of tax amounted to \$32,332,165. This significant gain was driven by the uplift in the market value of the company's investments across the year, and amounted to 39 cents per Ordinary Share.

Investment Outcomes

Whitefield's investment portfolio generated a strong outright return of 16.33% for the year.

The 2016/17 year was characterised by the high frequency of major sectoral changes in outlook. We were pleased to see that the company's disciplined investment strategy managed to deliver a robust result in this challenging environment and we believe Whitefield's returns in this period compare favourably against the outcomes experienced by other Australian share funds. Nevertheless this outcome was slightly below the S&P/ASX200 Industrials Accumulation Index return of 17.45% over the same period.

The strongest returning stocks within our portfolio over this year included Aristocrat, Challenger, AGL Energy, Macquarie Group, the major banks, Aurizon, Cochlear, Dexus, ResMed, CSL and Woolworths in terms of larger capitalisation stocks. Webjet, Monadelphous, GUD Holdings, Cleanaway, a2 Milk Company, Corporate Travel Management, Steadfast, Pact Group and Nufarm were better performers at the smaller end of the spectrum.

Over the last 5 years Whitefield's portfolio has generated a return of 15.11% per annum, compared to the S&P/ASX200 Industrials Accumulation Index return of 15.22% per annum, has outperformed its benchmark in 3 out of the last 5 years and is a margin of 4% per annum higher than the S&P/ASX200 Accumulation Index return of 11.10% per annum over the same period.

The company's portfolio returns over the last 30 years amount to 10.01%pa and compare to the S&P/ASX200 Industrials Accumulation of 9.53% and the S&P/ASX200 Accumulation of 8.73%.

Investment Exposures

During the year Whitefield continued to emphasise investments offering combinations of strong or improving quality and earnings while seeking to avoid or limit the portfolio's exposure to stocks suffering or likely to suffer from challenging or declining industry or stock specific conditions.

At year end the company's portfolio was spread across 168 stocks, containing a diversified suite of approximately 35 overweight and 42 underweight exposures relative to the company's benchmark index. More material overweights and underweights being carried into the new financial year include:

- Overweight Exposures: AGL Energy, Orica, Scentre Group, IAG, Challenger and Aurizon
- Underweight Exposures: Qantas, Coca Cola Amatil, Telstra, James Hardie, Fletcher Building, Suncorp, Lend Lease and Seek.

Net Asset Backing

The net asset backing (before providing for deferred capital gains tax) for each of the company's ordinary shares amounted to \$5.08 at 31 March 2017 compared to \$4.54 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 2017 amounted to \$4.65 compared to \$4.27 one year ago.

Dividend

Whitefield has declared and paid dividends across the year amounting to 17.0 cents per Ordinary share, fully franked. This is broadly in line with the company's underlying earnings per Ordinary share which amounted to 16.9 cents for the year.

We once again highlight that Whitefield has been able to provide its shareholders with a high degree of dividend consistency, notwithstanding the significant impact of the Global Financial Crisis in 2008 and 2009. While the vast majority of other companies and investment funds were forced to cut their dividends during that time Whitefield has been one of the few listed companies and investment funds able to maintain and now increase our ordinary share dividend over the same period.

Retirement of Mr G.J.Gillmore

During the year Mr G.John Gillmore retired as a director. Mr Gillmore had served on the Board for many years and we thank him for his involvement and commitment over this extended period.

Outlook

The outlook for equity markets at the present time appears mixed. While underlying economic conditions have been developing favourably, valuations are full and some pertinent financial and political challenges must be successfully addressed in the foreseeable future.

At an international level economic growth has continued to strengthen in Europe, Asia and North America. The European recovery has broadened with improvements visible in both the larger and smaller European nations. Chinese consumer and business activity have proven resilient. US employment, housing, consumer and business conditions are all strong.

Domestically, the trend growth in Australian employment has been running at modestly positive levels, housing activity is particularly strong, financial markets activity is firm, mining and related sectors have been buoyed by improved global demand and export industries continue to be supported by the level of Australian dollar.

Importantly, one of the significant positive developments has been the widespread acknowledgement of the problems stemming from ultra-low interest rate policy, and the increasing recognition that low-but-normal rate policies coupled with fiscal initiatives are more likely to be productive. While it will take central banks and governments some time to adjust their policies we are encouraged to see the changes now heading in a more constructive direction.

In the near term the high degree of political unrest, coupled with the strongly polarised opinions of voters are creating an environment of policy uncertainty characterised by a propensity for dramatic alterations in policy direction coupled with insufficient support to implement change. The impending UK exit from the EU, the upswell of populist politicians and isolationist policies in Europe and the US, Australian policy stagnation and the tussle in US Congress over policy direction are all clear examples.

Stock specifically, increased capital requirements for the banking sector, and continuing global competition for Australian retailers will be some of the more immediate considerations for the Australian market.

Over the medium term the larger financial challenge remains the ability to digest an increasingly likely uptick in interest rates. A reversal of the prior quantitative easing monetary policies, strength in global economies, increased fiscal spending and rising raw materials costs collectively have the potential to drive interest rates towards more normalised levels. Investment and property markets are capable of digesting interest rate rises if they occur slowly and particularly if they are accompanied by modest levels of wage inflation and demand growth. Nevertheless, history reminds us that more rapid rate rises have a greater potential to be problematic.

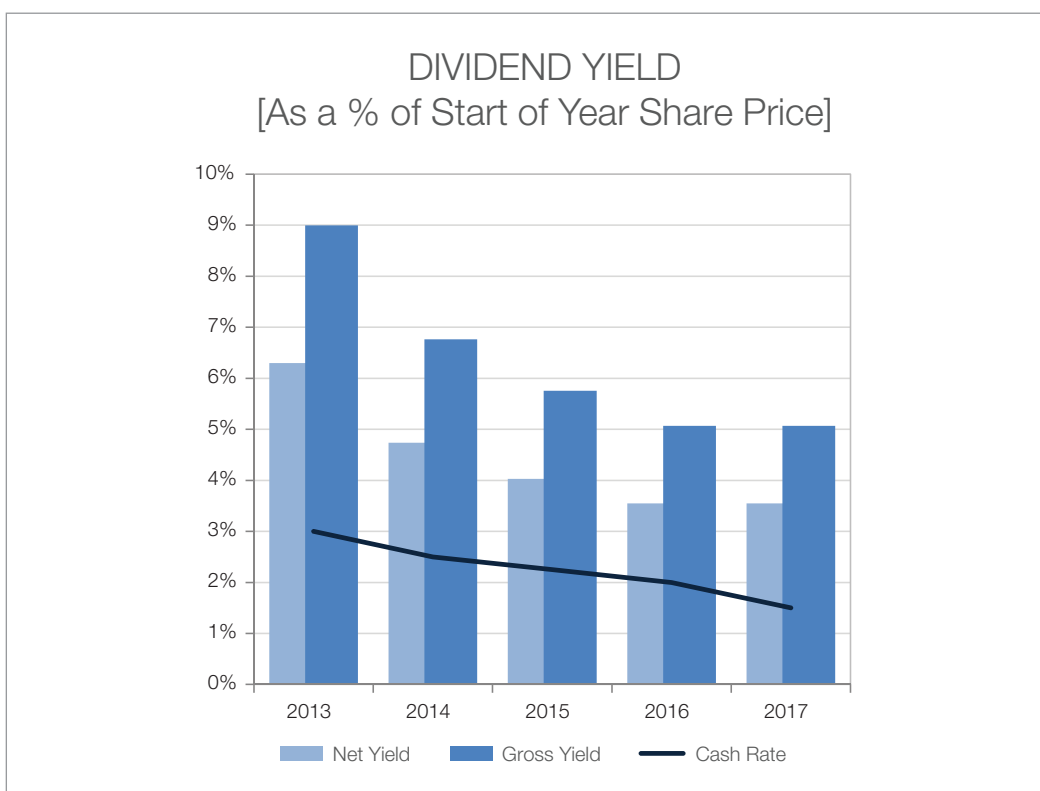
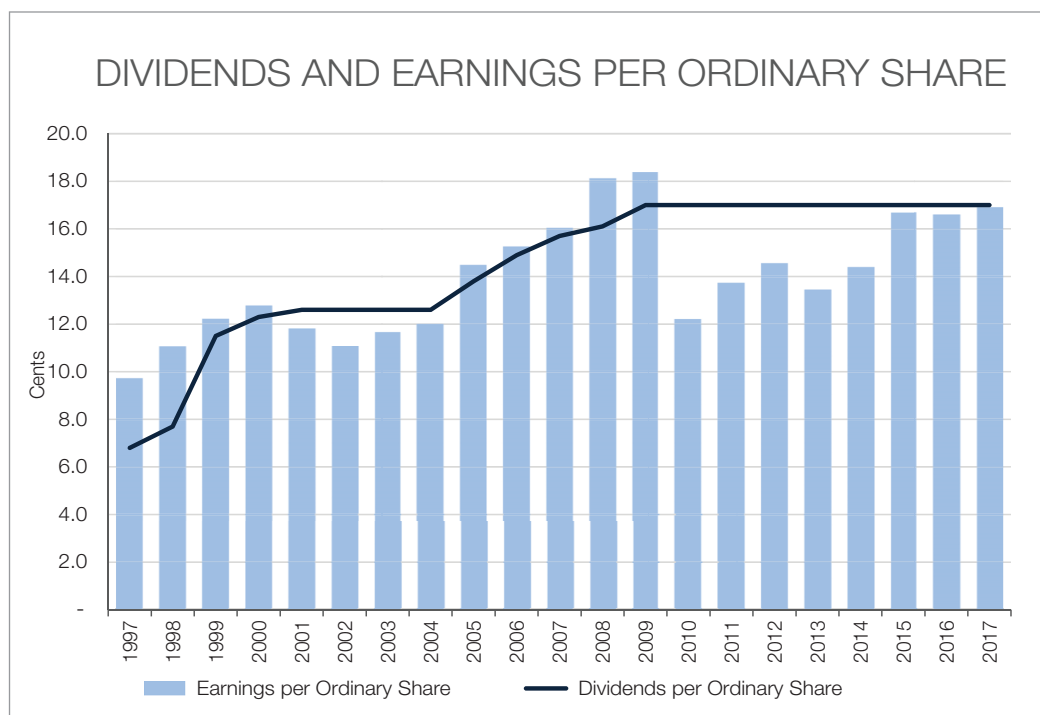
Overall, the positive underlying economic momentum is favourable for the earnings of many companies in the Australian market and we expect to see some benefit from this in our dividend and distribution income across 2017/18. Equity markets have the potential to experience some volatility as the issues of political uncertainty and policy direction are addressed, however the removal of uncertainty is ultimately a development that would be welcomed by investors.

In this environment we will continue to position our portfolio in accordance with our disciplined investment assessment framework to emphasise stocks and sectors capable of delivering improvements in their future earning capability, while seeking to avoid or limit our investment where risks are rising or earnings unsustainable.

Angus Gluskie
Chief Executive Officer

FINANCIAL STATISTICS

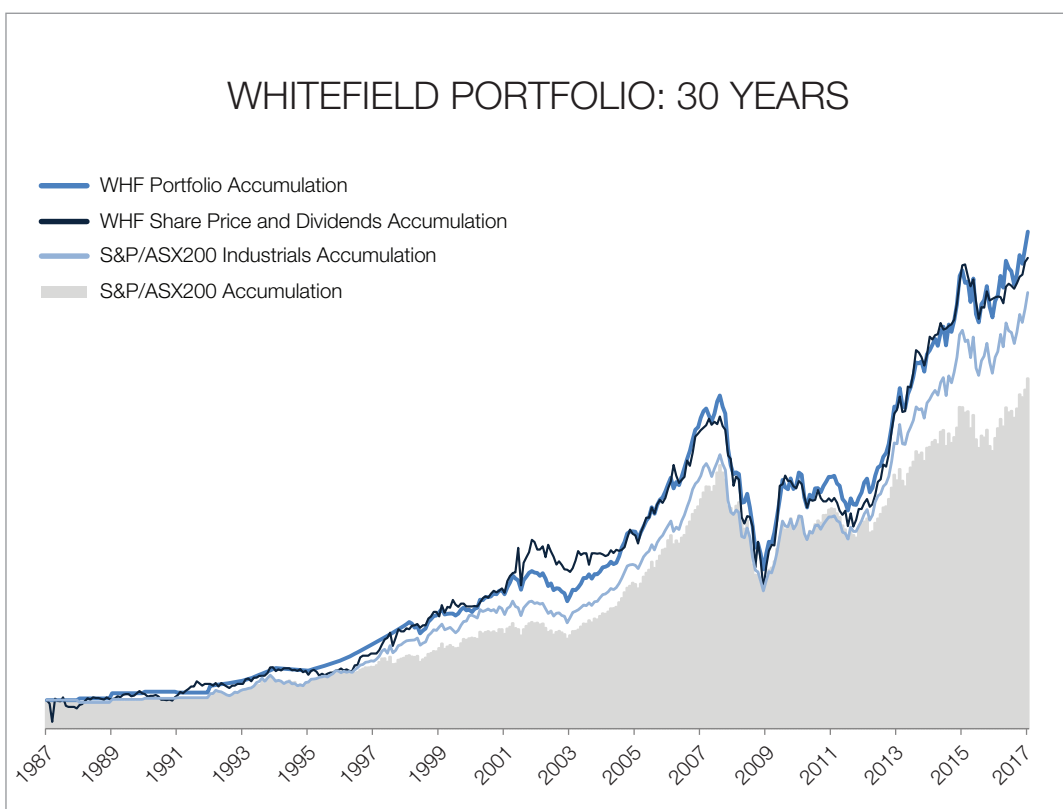
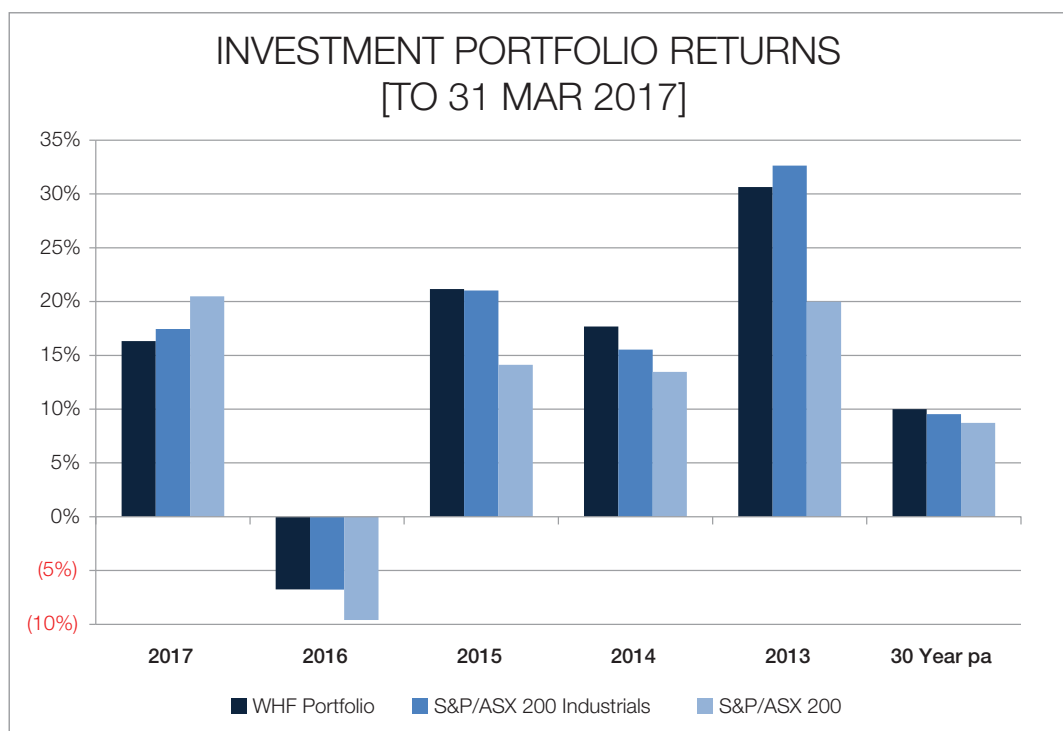
EARNINGS AND DIVIDENDS



INVESTMENT PORTFOLIO RETURNS

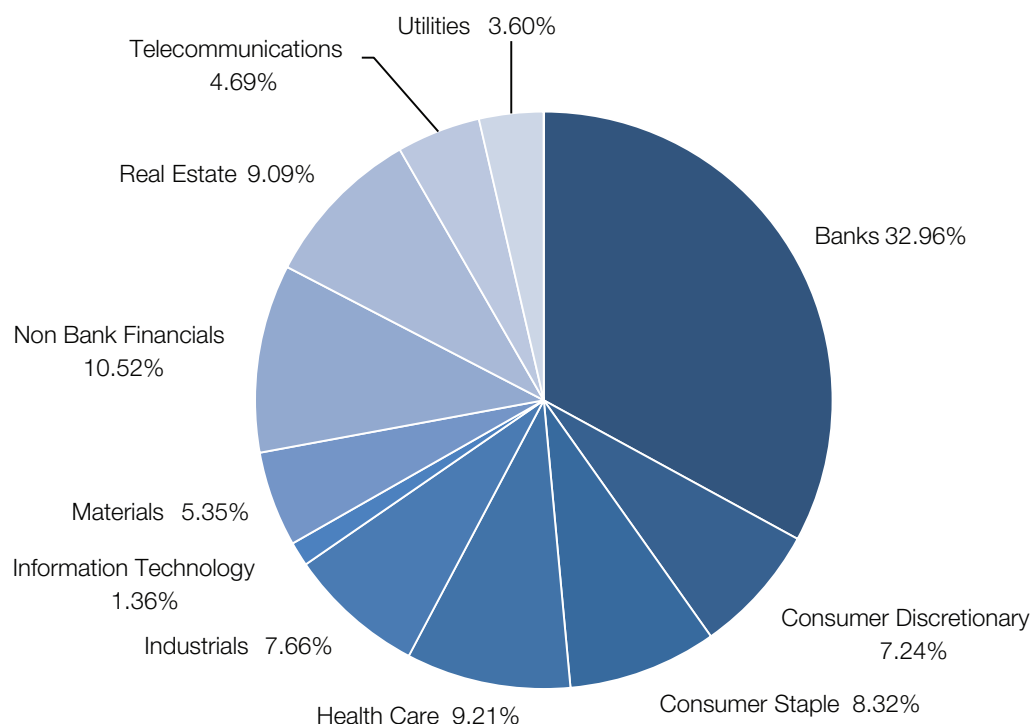
| | 2017 | 2016 | 2015 | 2014 | 2013 | 30 Years* |
|----------------------------------|--------|---------|--------|--------|--------|-----------|
| Whitefield Portfolio | 16.33% | (6.75%) | 21.17% | 17.68% | 30.64% | 10.01% |
| ASX 200 Industrials Accumulation | 17.45% | (6.77%) | 21.02% | 15.53% | 32.65% | 9.53% |
| ASX 200 Accumulation | 20.49% | (9.59%) | 14.13% | 13.46% | 19.98% | 8.73% |

* Annualised



PORTFOLIO COMPOSITION BY INDUSTRY SECTOR

As at 31 March 2017



CONTRIBUTORS AND DETRACTORS TO PERFORMANCE

Financial Year Ended 31 March 2017

Top Contributors to Portfolio Performance 1 Year*

| | |
|---------------------------------------|-------|
| 1 ANZ Banking Group Limited | 2.34% |
| 2 Commonwealth Bank of Australia | 2.09% |
| 3 National Australia Bank Limited | 1.93% |
| 4 Westpac Banking Corporation Limited | 1.76% |
| 5 CSL Limited | 0.93% |

Top Performance Attribution Basis 1Yr**

| | |
|-------------------------------|-------|
| 1 Aristocrat Leisure Limited | 0.20% |
| 2 AGL Energy Limited | 0.17% |
| 3 AMP Limited | 0.15% |
| 4 Westfield Corporation | 0.15% |
| 5 QBE Insurance Group Limited | 0.13% |

Top Detractors to Portfolio Performance 1 Year*

| | |
|--------------------------------------|---------|
| 1 TPG Telecom Limited | (0.30%) |
| 2 Telstra Corporation Limited | (0.29%) |
| 3 Brambles Limited | (0.23%) |
| 4 Flight Centre Travel Group Limited | (0.22%) |
| 5 Vocus Group Limited | (0.17%) |

Bottom Performance Attribution Basis 1Yr**

| | |
|--------------------------------------|---------|
| 1 Macquarie Group Limited | (0.31%) |
| 2 Flight Centre Travel Group Limited | (0.12%) |
| 3 Charter Hall Group | (0.10%) |
| 4 Downer EDI Limited | (0.09%) |
| 5 Woolworths Limited | (0.09%) |

*Portfolio Weight x Stock Return

** (Portfolio Weight - Benchmark Weight) x Stock Return

20 YEAR HISTORY

WHITEFIELD 20 YEAR FINANCIAL HISTORY

| | | | Issued Shares | | | | | | | | |
|------------|--------------------------------|-------------------|---------------|------------------------------------|------------|-------------------------------|--|--|----------------------------------|--|-------------------------------------|
| | | | | | | | | | | | |
| Year Ended | Ordinary Shares Issued | Capital Raised \$ | 8% Preference | Convertible Resetttable Preference | Ordinary | Operating Profit After Tax \$ | Dividends Paid on Ordinary & 8% Pref Shares \$ | Ordinary & 8% Preference Shareholders' Equity \$ | Dividends per Ordinary Share cps | Operating Profit After Tax per Share cps | NTA after Tax per Ordinary Share \$ |
| 1997 | - | - | 23,790 | | 37,630,226 | 3,684,365 | 2,560,759 | 86,126,915 | 6.80 | 9.73 | 2.29 |
| 1998 | - | - | 23,790 | | 37,630,226 | 4,188,379 | 2,899,431 | 98,008,523 | 7.70 | 11.06 | 2.60 |
| 1999 | - | - | 23,790 | | 37,630,226 | 4,644,801 | 4,329,379 | 104,416,178 | 11.50 | 12.27 | 2.77 |
| 2000 | - | - | 23,790 | | 37,630,226 | 4,854,287 | 4,630,421 | 103,324,176 | 12.30 | 12.82 | 2.75 |
| 2001 | - | - | 23,790 | | 37,630,226 | 4,492,141 | 4,743,311 | 111,768,388 | 12.60 | 11.86 | 2.97 |
| 2002 | - | - | 23,790 | | 37,630,226 | 4,296,005 | 4,743,311 | 123,252,523 | 12.60 | 11.12 | 3.27 |
| 2003 | - | - | 23,790 | | 37,630,226 | 4,524,517 | 2,371,655 | 107,228,234 | 12.60 | 11.71 | 2.85 |
| 2004 | 1:10 Rights, DRP, Public Issue | 13,564,135 | 23,790 | | 42,555,648 | 4,984,418 | 4,967,050 | 135,419,974 | 12.60 | 12.04 | 3.18 |
| 2005 | 1:8 Rights, DRP | 14,318,181 | 23,790 | | 47,496,613 | 6,467,049 | 5,499,662 | 167,544,179 | 13.80 | 14.51 | 3.53 |
| 2006 | DRP, SPP | 13,187,620 | 23,790 | | 51,236,819 | 7,873,034 | 6,805,255 | 207,894,752 | 14.90 | 15.28 | 4.06 |
| 2007 | DRP, SPP, Placement | 38,837,006 | 23,790 | | 60,263,443 | 8,518,559 | 7,952,691 | 284,597,452 | 15.70 | 16.05 | 4.72 |
| 2008 | DRP, SPP, Placement | 45,858,006 | 23,790 | | 70,192,733 | 11,981,188 | 11,043,079 | 276,278,441 | 16.10 | 18.12 | 3.94 |
| 2009 | DRP, Buy-Back | (11,021,158) | 23,790 | | 66,323,391 | 11,864,370 | 11,410,021 | 196,414,691 | 17.00 | 18.37 | 2.96 |
| 2010 | DRP, Buy-Back | (3,758,754) | 23,790 | | 65,193,933 | 8,120,642 | 11,229,188 | 237,242,675 | 17.00 | 12.26 | 3.64 |
| 2011 | DRP, SPP, Buy-Back | (12,411,338) | 23,790 | | 61,176,470 | 8,518,170 | 15,749,249 | 206,452,551 | 25.50 | 13.77 | 3.37 |
| 2012 | DRP, Merger | 45,214,414 | 23,790 | | 75,596,171 | 10,899,489 | 6,407,119 | 247,793,379 | 8.50 | 14.58 | 3.28 |
| 2013 | DRP, CRPS Issue | 29,772,389 | 23,790 | 300,000 | 75,938,622 | 10,228,821 | 12,868,685 | 289,587,611 | 17.00 | 13.49 | 3.81 |
| 2014 | DRP | 929,742 | 23,790 | 400,000 | 76,196,891 | 11,986,286 | 12,920,839 | 317,019,745 | 17.00 | 15.75 | 4.16 |
| 2015 | DRP | 1,083,190 | 23,790 | 400,000 | 76,467,723 | 12,702,722 | 12,963,201 | 359,678,893 | 17.00 | 16.69 | 4.70 |
| 2016 | DRP, BSP, SPP | 14,708,886 | 23,790 | 400,000 | 80,208,773 | 13,198,884 | 11,288,714 | 342,464,700 | 17.00 | 16.60 | 4.27 |
| 2017 | DRP, BSP, SPP | 13,230,714 | 23,790 | 400,000 | 83,808,193 | 14,028,677 | 12,603,600 | 389,450,754 | 17.00 | 16.90 | 4.65 |

Note: Shareholders' Equity included the unrealised market value of publicly listed shares and notes in Australian companies and Trusts, less tax which would be payable on realisation of all investments and the estimated cost of such realisation. Operating Profit in this summary excludes gains or losses arising from the sale of investments. Per share calculations have been adjusted for bonus issues where appropriate.

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST MARCH 2017

Your Directors present their report on the Company for the year ended 31 March 2017.

Directors

The following persons held office as Directors of Whitefield Limited during the financial year:

David J. Iliffe

Graeme J. Gillmore (resigned 15 May 2017)

Angus J. Gluskie

Martin J. Fowler

William R. Seddon (appointed 15 May 2017)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

During the year, the principal activity of the Company was investing in companies and trusts listed on the Australian Securities Exchange.

There was no significant change in the nature of the activity of the Company during the year.

Dividends

Dividends paid to members since the end of the previous financial year were as follows:

| | Dividend Rate cps | Total Amount \$ | Date of Payment | % Franked |
|--|-------------------------|-----------------------|--------------------|-----------|
| 2017 | | | | |
| 8% Preference shares - interim | 4.0 | 951 | 12/12/2016 | 100 |
| Ordinary shares - interim | 8.5 | 6,894,573 | 12/12/2016 | 100 |
| Convertible Resetable Preference Shares - Six-Monthly | 350.0 | 1,400,000 | 12/12/2016 | 100 |
| 2016 | | | | |
| 8% Preference shares - final | 4.0 | 951 | 14/06/2016 | 100 |
| Ordinary shares - final | 8.5 | 5,709,027 | 14/06/2016 | 100 |
| Convertible Resetable Preference Shares - Six-Monthly | 350.0 | 1,400,000 | 14/06/2016 | 100 |

In addition to the above dividends, since the end of the financial year the Directors have announced:

- A final ordinary dividend of 8.5 cents per fully paid share (2016: 8.5 cents per fully paid share), and a final dividend on 8% preference shares of 4.0 cents per 8% preference share (2016: 4.0 cents per 8% preference share) to be paid on 13 June 2017 out of retained earnings at 31 March 2017;
- A six-monthly dividend on Convertible Resetable Preference Shares of 350.0 cents per convertible resettable preference share (2016: 350.0 cents per convertible resettable preference share) to be paid on 13 June 2017.

Review of operations and financial position

Information on the operations and financial position of the Company and its business strategies and prospects is set out in the Chief Executive Officer's review on page 5 of this Annual Report.

The profit from ordinary activities after income tax amounted to \$14,028,677 (2016: \$13,198,884). Total comprehensive income amounted to \$46,360,842 after taking account of the net revaluation after tax on investments (2016: \$20,632,463 loss).

Net asset backing per ordinary share at 31 March 2017 amounted to \$5.08 (2016: \$4.54) before deferred tax and \$4.65 (2016: \$4.27) after deferred tax, while net assets amounted to \$389,450,754 (2016: \$342,464,700).

Significant changes in the state of affairs

Directors are not aware of any other significant changes in the state of affairs of the Company, other than the changes in the normal course of operations disclosed in this Report and the accompanying Financial Statements.

Matters subsequent to the end of the financial year

Apart from the dividends paid after year end, no other matter or circumstance has arisen since 31 March 2017 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.

Likely developments and expected results of operations

The Directors have no plans for new developments in the operations of the Company and propose to continue to invest available funds in the publicly listed equities of Australian companies. Further comments on the outlook for the Company are included in the Chief Executive Officer's Review.

Environmental regulation

The Company is not affected by any significant environmental regulation in respect of its operations.

To the extent that any environmental regulations may have an incidental impact on the Company's operations, the Directors of the Company are not aware of any breach by the Company of those regulations.

Information on directors

David J. Iliffe

Chair - Independent non-executive director

Experience and expertise

David has been a Director of Whitefield Ltd since March 1990, and was appointed Chairman in 2003. David has over 35 years experience as a Chartered Accountant, a Member of the Australian Institute of Company Directors and is a Fellow of the Institute of Chartered Accountants.

Other current directorships

None

Former directorships in last 3 years

Past director of Employers Mutual Ltd

Special responsibilities

Chairman, Member of Audit Committee, Nomination and Remuneration Committees

Interests in shares and options

2,216,218 Ordinary Shares
1,300 8% Preference Shares

Graeme J. Gillmore*Independent non-executive director (retired 15 May 2017)***Experience and expertise**

John has practiced as a Chartered Accountant and Solicitor for over 25 years, appointed as a Director of Whitefield Ltd since November 1995. John holds a Bachelor of Commerce and a Bachelor of Laws.

Other current directorships

None

Former directorships in last 3 years

None

Special responsibilities

Member of Audit, Nomination and Remuneration Committees

Interests in shares and options

572,171 Ordinary Shares

Angus J. Gluskie*Chief Executive Officer***Experience and expertise**

Angus has been Chief Executive Officer of Whitefield Ltd since 1996 and was appointed as a Director in 2003. Angus has over 30 years experience in the fields of funds management and financial services. Angus is a member of the Institute of Chartered Accountants and a Fellow of the Financial Services Institute of Australasia, and holds a Bachelor of Economics and a Graduate Diploma in Applied Finance & Investment.

Other current directorships

Managing Director of White Funds Management Pty Ltd

Former directorships in last 3 years

None

Special responsibilities

Chief Executive Officer, Member of Nomination Committee, Investment manager

Interests in shares and options

17,633,528 Ordinary Shares
200 8% Preference Shares

Martin J. Fowler*Independent non-executive director***Experience and expertise**

Martin has over 20 years experience in the field of financial analysis and specialises in personal investment advice. Martin is a Member of the Institute of Chartered Accountants and Fellow of Finsia. Martin holds a Bachelor of Business, a Graduate Diploma in Applied Finance & Investment and a Graduate Diploma in Financial Planning.

Other current directorships

Partner and Director of Pitcher Partners

Former directorships in last 3 years

None

Special responsibilities

Chairman of Audit Committee, Member of Nomination and Remuneration Committees

Interests in shares and options

Martin Fowler has no interests in Whitefield Limited

William R. Seddon

Executive director (appointed 15 May 2017) Independent non-executive director

Experience and expertise

Will has 14 years experience as a wholesale investment manager and analyst, including more than a decade working with Whitefield. Has been appointed a director in 2017. He has significant experience in the field of funds management. Will holds a Bachelor of Economics, is a Chartered Financial Analyst, a Senior Associate of the Financial Services Institute of Australasia and a Chartered Alternative Investment Analyst.

Other current directorships

Director of White Funds Management Pty Ltd

Former directorships in last 3 years

None

Special responsibilities

Member of Nomination Committee

Interests in shares and options

William Seddon has no interests in Whitefield Limited

Company secretary

The Company secretary is Stuart Madeley. Stuart has been Company Secretary since 2014. Stuart has over 24 years experience in the financial services industry in both Australia and the United Kingdom. Stuart has been involved in the executive management of the Company since 2005.

Meetings of directors

The numbers of meetings of the Company's board of Directors and of each board committee held during the year ended 31 March 2017, and the numbers of meetings attended by each Director were:

| | Full meetings of directors | Meetings of non-executive directors | Meetings of committees | | |
|--------------------|----------------------------|-------------------------------------|------------------------|------------|--------------|
| | | | Audit | Nomination | Remuneration |
| David J. Iliffe | 4 | - | 2 | 1 | 1 |
| Graeme J. Gillmore | 4 | - | 2 | 1 | 1 |
| Angus J. Gluskie | 4 | - | - | 1 | - |
| Martin J. Fowler | 4 | - | 2 | 1 | 1 |
| William R. Seddon | - | - | - | - | - |

Remuneration Report

This report details the nature and amount of remuneration for each Director and Key Management Person of Whitefield Limited in accordance with the *Corporations Act 2001*.

Remuneration Policy

The Board and Remuneration Committee determine the remuneration structure of Non-Executive Directors having regard to the scope of the Company's operations and other relevant factors including the frequency of Board meetings. The Board makes a recommendation to shareholders as to the level of Non-Executive Directors remuneration which is then put to shareholders at the Annual General Meeting for approval should the aggregate remuneration be subject to an increase.

The Company pays no direct remuneration to executives. Mr Angus J. Gluskie and Mr William R. Seddon are shareholders and officers of White Funds Management Pty Ltd. White Funds Management Pty Ltd is contracted by the Company as the Investment Manager and receives fees for service on normal commercial terms and conditions.

As the Company does not pay performance fees, nor provide share or option schemes to Directors and executives, remuneration of Executives and Non-executives is not explicitly linked to the Company's performance. Notwithstanding this, Board members and Company executives are subject to ongoing performance monitoring and regular performance reviews.

Details of remuneration

The following tables show details of the remuneration received by the Directors and the key management personnel of the Company for the current and previous financial year.

| 2017 | Short-term employee benefits | | Post-employment benefits | Total |
|--|------------------------------|----------|--------------------------|---------------|
| | Cash salary and fees | Other | Super-annuation | |
| Name | \$ | \$ | \$ | \$ |
| Non-executive Directors | | | | |
| David J. Iliffe | 12,176 | - | 1,157 | 13,333 |
| Graeme J. Gillmore | 12,176 | - | 1,157 | 13,333 |
| Martin J. Fowler | 12,177 | - | 1,157 | 13,334 |
| Sub-total non-executive directors | 36,529 | - | 3,471 | 40,000 |
| Executive Directors and Company Secretary | | | | |
| Angus J. Gluskie* | - | - | - | - |
| William R. Seddon* | - | - | - | - |
| Stuart A. Madeley* | - | - | - | - |
| Sub-total Executive Directors and Company Secretary | - | - | - | - |
| Total key management personnel compensation | 36,529 | - | 3,471 | 40,000 |

| 2016 | Short-term employee benefits | | Post-employment benefits | Total |
|--|------------------------------|----------|--------------------------|---------------|
| | Cash salary and fees | Other | Super-annuation | |
| Name | \$ | \$ | \$ | \$ |
| Non-executive Directors | | | | |
| David J. Iliffe | 12,176 | - | 1,157 | 13,333 |
| Graeme J. Gillmore | 12,176 | - | 1,157 | 13,333 |
| Martin J. Fowler | 12,177 | - | 1,157 | 13,334 |
| Sub-total Non-executive Directors | 36,529 | - | 3,471 | 40,000 |
| Executive Directors and Company Secretary | | | | |
| Angus J. Gluskie* | - | - | - | - |
| Stuart A. Madeley* | - | - | - | - |
| Sub-total Executive Directors and Company Secretary | - | - | - | - |
| Total key management personnel compensation | 36,529 | - | 3,471 | 40,000 |

* Mr Angus J. Gluskie, Mr William R. Seddon and Mr Stuart A. Madeley received no fees as individuals. Mr Angus J. Gluskie and Mr William R. Seddon are shareholders and officers of, and Mr Stuart Madeley an employee of, White Funds Management Pty Ltd. During the year, White Funds Management Pty Ltd received fees of \$1,125,229 (2016: \$953,321 inclusive of 10% GST) for the management of the Company, out of which costs of corporate and investment management are paid.

Shares under option

No options are on issue.

Insurance and indemnification of officers and auditors

During the financial year, the Company paid a premium in respect of a contract insuring the Directors of the Company, the Company Secretary and any related body corporate against liability incurred as such by a Director or Secretary to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

No indemnities have been given or insurance premiums paid during or since the end of the financial year, for any person who is or has been an auditor of the Company.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

Non-audit services

No non-audit services were performed by the auditors during the year ended 31 March 2017.

Details of the amounts paid to the auditors and their related parties are disclosed in Note 16 to the Financial Statements.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 18.

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



David J. Iliffe
Director

Sydney
16th May 2017

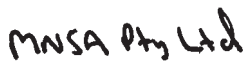
AUDITOR'S INDEPENDENCE DECLARATION

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 2017 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



Mark Schiliro
Director

Dated in Sydney this 16th day of May 2017

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31ST MARCH, 2017

| | Notes | 31 March 2017 \$ | 31 March 2016 \$ |
|--|-------|---------------------|---------------------|
| Investment income from ordinary activities | 4 | 19,663,825 | 18,546,435 |
| Expenses | | | |
| Management fees | | (1,048,508) | (888,322) |
| Directors' fees | | (40,000) | (40,000) |
| Audit fees | | (26,655) | (25,960) |
| Other expenses | | (503,845) | (523,779) |
| Finance costs - Convertible Resetable Preference Shares | | (2,971,394) | (2,956,564) |
| Operating result before income tax | | 15,073,423 | 14,111,810 |
| Current tax | 5 | (1,044,746) | (912,926) |
| Profit for the year | | 14,028,677 | 13,198,884 |
| Other comprehensive income | | | |
| <i>Items that may not be reclassified to profit or loss</i> | | | |
| Net unrealised gains/(losses) on investments taken to equity | | 38,948,388 | (68,660,264) |
| Income tax relating to net unrealised (gains)/losses on investments taken to equity | | (11,605,412) | 20,444,455 |
| Net realised gains/(losses) on investments taken to equity | | 7,393,298 | 20,500,571 |
| Income tax relating to net realised (gains)/losses on investments taken to equity | | (2,404,109) | (6,116,109) |
| Other comprehensive income/(loss) for the year, net of tax | | 32,332,165 | (33,831,347) |
| Total comprehensive income/(loss) for the year | | 46,360,842 | (20,632,463) |
| 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 | 16.90 Cents | 16.60 Cents |
| Diluted earnings per share | 22 | 16.90 Cents | 16.60 Cents |

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

STATEMENT OF FINANCIAL POSITION

AS AT 31ST MARCH, 2017

| | Notes | 31 March 2017 \$ | 31 March 2016 \$ |
|---|-------|---------------------|---------------------|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | 6 | 9,064,935 | 5,455,632 |
| Trade and other receivables | 7 | 2,539,334 | 2,498,983 |
| Other current assets | | 17,472 | 17,493 |
| Total current assets | | 11,621,741 | 7,972,108 |
| Non-current assets | | | |
| Financial assets at fair value through other comprehensive income | 3, 8 | 456,575,930 | 398,111,557 |
| Deferred tax assets | 9 | 7,628,308 | 10,832,196 |
| Total non-current assets | | 464,204,238 | 408,943,753 |
| Total Assets | | 475,825,979 | 416,915,861 |
| LIABILITIES | | | |
| Current liabilities | | | |
| Trade and other payables | | 192,648 | 258,402 |
| Total current liabilities | | 192,648 | 258,402 |
| Non-current Liabilities | | | |
| Deferred tax liabilities | 10 | 44,577,124 | 32,758,700 |
| Other financial liabilities | 11 | 41,605,453 | 41,434,059 |
| Total non-current liabilities | | 86,182,577 | 74,192,759 |
| Total liabilities | | 86,375,225 | 74,451,161 |
| Net assets | | 389,450,754 | 342,464,700 |
| EQUITY | | | |
| Issued capital | 12 | 205,686,889 | 192,456,175 |
| Reserves | 13 | 160,583,938 | 128,251,773 |
| Retained earnings | | 23,179,927 | 21,756,752 |
| Total equity | | 389,450,754 | 342,464,700 |

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

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2017

| | Notes | Issued capital \$ | Reserves \$ | Retained earnings \$ | Total equity \$ |
|--|-------|----------------------|---------------------|-------------------------|---------------------|
| 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 |
| Balance at 1 April 2016 | | 192,456,175 | 128,251,773 | 21,756,752 | 342,464,700 |
| Profit for the year | | - | - | 14,028,677 | 14,028,677 |
| Other comprehensive income/(losses) for the year | | | | | |
| Net unrealised gains on investments taken to equity | | - | 38,948,388 | - | 38,948,388 |
| Income tax on net unrealised (gains)/losses on investments taken to equity | | - | (11,605,412) | - | (11,605,412) |
| Net realised gains on investments taken to equity | | - | 7,393,298 | - | 7,393,298 |
| Income tax on net realised (gains)/losses on investments taken to equity | | - | (2,404,109) | - | (2,404,109) |
| Total other comprehensive loss for the year, net of tax | | - | 32,332,165 | - | 32,332,165 |
| Total comprehensive income for the year | | - | 32,332,165 | 14,028,677 | 46,360,842 |
| Transactions with owners in their capacity as owners: | | | | | |
| Contributions of equity, net of transaction costs and tax | 12 | 13,230,714 | - | - | 13,230,714 |
| Dividends provided for or paid | 14 | - | - | (12,605,502) | (12,605,502) |
| | | 13,230,714 | - | (12,605,502) | 625,212 |
| Balance at 31 March 2017 | | 205,686,889 | 160,583,938 | 23,179,927 | 389,450,754 |

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST MARCH, 2017

| | Notes | 31 March 2017 \$ | 31 March 2016 \$ |
|---|-------|---------------------|---------------------|
| Cash flows from operating activities | | | |
| Dividends and trust distributions received | | 19,543,805 | 19,229,099 |
| Interest received | | 76,538 | 78,383 |
| Payments for other expenses | | (1,665,873) | (1,300,114) |
| Income taxes paid | | (13,951) | - |
| Net cash inflow from operating activities | 20 | 17,940,519 | 18,007,368 |
| Cash flows from investing activities | | | |
| Proceeds from sale of financial assets at fair value through other comprehensive income | | 117,637,828 | 161,893,045 |
| Payments for financial assets at fair value through other comprehensive income | | (129,760,516) | (182,328,339) |
| Net cash outflow from investing activities | | (12,122,688) | (20,435,294) |
| Cash flows from financing activities | | | |
| Proceeds from issues of shares | | 12,066,104 | 13,656,500 |
| Share issue and buy-back transaction costs | | (112,466) | (131,586) |
| Dividends paid to Company's shareholders | | (11,362,166) | (10,146,120) |
| Dividends paid on convertible resettable preference shares | | (2,800,000) | (2,800,000) |
| Net cash (outflow)/inflow from financing activities | | (2,208,528) | 578,794 |
| Net increase/(decrease) in cash and cash equivalents | | 3,609,303 | (1,849,132) |
| Cash and cash equivalents at the beginning of the year | | 5,455,632 | 7,330,634 |
| Effects of exchange rate changes on cash and cash equivalents | | - | (25,870) |
| Cash and cash equivalents at the end of year | 6 | 9,064,935 | 5,455,632 |

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2017

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 2017. 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 agency 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 | 2017 (%) | 2016 (%) |
|------------------------------|---------------|---------------|
| Information technology | 1.36 | 1.42 |
| Financials | 43.48 | 38.63 |
| Healthcare and biotechnology | 9.21 | 9.13 |
| Consumer staples | 8.32 | 7.99 |
| Industrials | 7.66 | 10.07 |
| Consumer discretionary | 7.24 | 8.31 |
| Utilities | 3.60 | 3.53 |
| Materials | 5.35 | 5.30 |
| Telecommunications services | 4.69 | 7.13 |
| Real estate | 9.09 | 8.49 |
| Total | 100.00 | 100.00 |

Securities representing over 5 per cent of the investment portfolio at 31 March 2017 were:

| | 2017 (%) |
|---------------------------------|-------------|
| Commonwealth Bank of Australia | 10.58 |
| Westpac Banking Corporation | 8.40 |
| ANZ Banking Group Limited | 6.68 |
| National Australia Bank Limited | 6.34 |
| | 32.00 |

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE YEAR ENDED 31ST MARCH, 2017

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 |
| | 35.06 |

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:

| Index | Impact on other components of equity | |
|-----------------------|--------------------------------------|--------------|
| | 2017 \$ | 2016 \$ |
| Change in value - 10% | (31,960,315) | (27,867,809) |
| Change in value - 30% | (95,880,945) | (83,603,427) |

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.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE YEAR ENDED 31ST MARCH, 2017

Maturities of financial liabilities

Except for the CRPS which will mature between 1 and 2 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.

| At 31 March 2017 | Level 1 \$ | Level 2 \$ | Level 3 \$ | Total \$ |
|--|-----------------------|-----------------------|-----------------------|---------------------|
| Recurring fair value measurements | | | | |
| Financial assets | | | | |
| Financial assets at FVTOCI | | | | |
| Equity securities | 456,575,930 | - | - | 456,575,930 |
| Total financial assets | 456,575,930 | - | - | 456,575,930 |
| At 31 March 2016 | Level 1 \$ | Level 2 \$ | Level 3 \$ | Total \$ |
| 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 |

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.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE YEAR ENDED 31ST MARCH, 2017

(ii) Disclosed fair values

The Company also has Convertible Resetable 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.

| | 2017 \$ | 2016 \$ |
|-----------------|------------|------------|
| Carrying amount | 41,605,453 | 41,434,059 |
| Fair value | 43,840,000 | 44,960,000 |

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.

| | 2017 \$ | 2016 \$ |
|--|-------------------|-------------------|
| 4. Revenue | | |
| From continuing operations | | |
| Dividends on investments held at the end of the year | 15,561,068 | 15,623,503 |
| Dividends on investments sold during the year | 1,490,322 | 315,086 |
| Interest | 82,036 | 67,730 |
| Distributions | 2,530,399 | 2,540,116 |
| | 19,663,825 | 18,546,435 |
| 5. Income tax expense | | |
| (a) Income tax expense through profit or loss | | |
| Income tax expense | 1,044,746 | 912,926 |
| (b) Numerical reconciliation of income tax expense to prima facie tax payable | | |
| Profit from continuing operations before income tax expense | 15,073,423 | 14,111,810 |
| Tax at the Australian tax rate of 30.0% (2016 - 30.0%) | 4,522,027 | 4,233,543 |
| Tax effect of amounts which are not deductible (taxable) in calculating taxable income: | | |
| Franking credits on dividends received | (6,369,176) | (6,310,866) |
| Imputation gross up on dividends income | 1,920,289 | 1,900,545 |
| Timing differences | 921,318 | 1,074,515 |
| Permanent differences from adjustments to prior year income tax expense | 82,075 | 39,472 |
| Foreign tax credits on dividends received | (31,787) | (24,283) |
| Income tax expense | 1,044,746 | 912,926 |
| (c) Amounts recognised directly in equity | | |
| 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 | 33,739 | 39,476 |

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE YEAR ENDED 31ST MARCH, 2017

| | 2017 \$ | 2016 \$ |
|--|-------------|--------------|
| (d) Tax expense (income) relating to items of other comprehensive income | | |
| Net unrealised gains/(losses) on investments taken to equity | 11,605,412 | (20,444,455) |
| Net realised gains/(losses) on investments taken to equity | 2,404,109 | 6,116,109 |
| | 14,009,521 | (14,328,346) |
| 6. Current assets - Cash and cash equivalents | | |
| Current assets | | |
| Cash at bank and in hand | 9,064,935 | 5,455,632 |
| 7. Current assets - Trade and other receivables | | |
| Net other receivables | 87,221 | 91,486 |
| Dividends and distributions receivable | 2,413,606 | 2,375,622 |
| Interest receivable | 5,511 | 13 |
| GST receivable | 32,996 | 31,862 |
| | 2,539,334 | 2,498,983 |
| 8. Non-current assets - Financial assets at fair value through other comprehensive income | | |
| Investment in shares and equities | | |
| Listed securities | 456,575,930 | 398,111,557 |

The list showing investments treated as equity instruments and revalued through Other Comprehensive Income can be found on pages 46 - 49 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 \$117.6m (2016: \$161.9m). The cumulative gain on these disposals was \$7.4m for the year before tax (2016: \$20.5m), 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 \$519,235 (2016: \$827,831).

| | 2017 \$ | 2016 \$ |
|--|-------------|-------------|
| 9. Non-current assets - Deferred tax assets | | |
| Movements: | | |
| Opening balance | 10,832,196 | 17,747,732 |
| Charged/credited: | | |
| - to profit or loss | (833,518) | (838,903) |
| - to other comprehensive income | (2,404,109) | (6,116,109) |
| - directly to equity | 33,739 | 39,476 |
| | 7,628,308 | 10,832,196 |

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE YEAR ENDED 31ST MARCH, 2017

| | 2017 \$ | 2016 \$ |
|--|------------|--------------|
| 10. Non-current liabilities - Deferred tax liabilities | | |
| Net unrealised gains/(losses) on investments taken to equity | 43,984,538 | 32,379,126 |
| Other temporary differences | 592,586 | 379,574 |
| | 44,577,124 | 32,758,700 |
| Opening balance | 32,758,700 | 53,129,132 |
| Charged/credited: | | |
| - profit or loss | 213,012 | 74,023 |
| - to other comprehensive income | 11,605,412 | (20,444,455) |
| | 44,577,124 | 32,758,700 |
| 11. Non-current liabilities - Other financial liabilities | | |
| Convertible Resetable Preference Shares | 41,605,453 | 41,434,059 |

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 a 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.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE YEAR ENDED 31ST MARCH, 2017

12. Issued capital

(a) Share capital

| | 31 March 2017 Shares | 31 March 2016 Shares | 2017 \$ | 2016 \$ |
|--|----------------------------|----------------------------|-------------|-------------|
| Ordinary shares - fully paid | 83,808,193 | 80,208,773 | 205,663,099 | 192,432,385 |
| 8% Non-redeemable preference shares - fully paid | 23,790 | 23,790 | 23,790 | 23,790 |
| | 83,831,983 | 80,232,563 | 205,686,889 | 192,456,175 |

(b) Movements in ordinary share capital

| Date | Details | Notes | Number of Shares | \$ |
|---------------|---|-------|---------------------|-------------|
| 1 April 2016 | Opening balance | | 76,467,723 | 177,723,499 |
| | Share purchase | | 2,943,611 | 13,656,500 |
| | Dividend reinvestment plan issue - final dividend | (f) | 129,279 | 575,292 |
| | Bonus share plan - final dividend | (e) | 257,957 | - |
| | Dividend reinvestment plan issue - interim dividend | (f) | 140,198 | 569,204 |
| | Bonus share plan - interim dividend | (e) | 270,005 | - |
| | Less: Transaction costs arising on share issue - DRP, BSP & SPP | | - | (92,110) |
| 31 March 2016 | Balance | | 80,208,773 | 192,432,385 |
| | Share purchase | | 2,979,704 | 12,066,026 |
| | Dividend reinvestment plan issue - final dividend | (f) | 143,988 | 594,670 |
| | Bonus share plan - final dividend | (e) | 268,459 | - |
| | Dividend reinvestment plan issue - interim dividend | (f) | 156,305 | 648,666 |
| | Bonus share plan - interim dividend | (e) | 50,964 | - |
| | Less: Transaction costs arising on share issue - DRP, BSP & SPP | | - | (78,648) |
| 31 March 2017 | Balance | | 83,808,193 | 205,663,099 |

(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 8% 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.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE YEAR ENDED 31ST MARCH, 2017

(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.

(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.

| | Notes | 2017 \$ | 2016 \$ |
|--|-------|--------------|--------------|
| 13. Reserves | | | |
| Movements: | | | |
| Investment portfolio revaluation reserve | | | |
| Opening balance | | 20,471,419 | 68,687,227 |
| Net unrealised gains/(losses) on investments (excluding transfer) | | 43,937,577 | (54,275,802) |
| Transfer to investment portfolio realised gains/(losses) reserve | | (4,989,189) | (14,384,462) |
| Income tax on these items | 5, 10 | (11,605,412) | 20,444,455 |
| Balance 31 March | | 47,814,395 | 20,471,418 |
| Investment portfolio realised gains/losses reserve | | | |
| Opening balance | | 107,780,354 | 93,395,893 |
| Transfer from investment portfolio revaluation reserve | | 4,989,189 | 14,384,462 |
| Balance 31 March | | 112,769,543 | 107,780,355 |
| Total | | 160,583,938 | 128,251,773 |

Nature and purpose of reserves

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

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE YEAR ENDED 31ST MARCH, 2017

| | 2017 \$ | 2016 \$ |
|---|-------------------|-------------------|
| 14. Dividends | | |
| (a) Ordinary shares | | |
| Final dividend - prior year (8.5 cents per fully paid ordinary share, fully franked based on tax paid at 30%, paid 14/06/2016 and 12/06/2015, respectively) | 5,709,027 | 5,653,744 |
| Interim dividend - current year (8.5 cents per fully paid ordinary share, fully franked based on tax paid at 30%, paid 12/12/2016 and 11/12/2015, respectively) | 6,894,573 | 5,634,970 |
| | 12,603,600 | 11,288,714 |
| (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 |
| | 1,902 | 1,902 |
| Total dividends provided for or paid | 12,605,502 | 11,290,616 |
| (c) Convertible Resettable Preference Shares | | |
| Dividends on CRPS - six-monthly (350.0 cents per fully paid ordinary share, fully franked based on tax paid at 30%, paid 14/06/2016 and 12/06/2015, 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 12/12/2016 and 11/12/2015, respectively) | 1,400,000 | 1,400,000 |
| | 2,800,000 | 2,800,000 |

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

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

| | 2017 \$ |
|--|------------|
| 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 13 June 2017 out of retained earnings at 31 March 2017, but not recognised as a liability at year end, is | 7,124,647 |

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE YEAR ENDED 31ST MARCH, 2017

(e) Dividend franking account

| | 2017 \$ | 2016 \$ |
|--|-------------|-------------|
| Opening balance of franking account | 16,265,644 | 16,998,470 |
| Franking credits on dividends received | 6,369,176 | 6,267,779 |
| Tax paid during the year | 12,319 | - |
| Franking credits on dividends paid | (7,168,169) | (7,000,605) |
| Closing balance of franking account | 15,478,970 | 16,265,644 |
| 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 | (3,653,420) | (3,521,891) |
| | 11,825,550 | 12,743,753 |

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.

| | Balance at the start of the year | Net movement | Other changes during the year | Balance at the end of the year |
|--|--|-----------------|--|--------------------------------------|
| 2017 | | | | |
| Name | | | | |
| Directors of Whitefield Limited | | | | |
| Ordinary shares | | | | |
| David J. Iliffe | 2,201,402 | 14,816 | - | 2,216,218 |
| Graeme J. Gillmore | 572,140 | 31 | - | 572,171 |
| Angus J. Gluskie | 17,404,509 | 229,019 | - | 17,633,528 |
| Martin J. Fowler | - | - | - | - |
| William R. Seddon | - | - | - | - |
| | 20,178,051 | 243,866 | - | 20,421,917 |
| 8% Preference shares | | | | |
| David J. Iliffe | 1,300 | - | - | 1,300 |
| Graeme J. Gillmore | - | - | - | - |
| Angus J. Gluskie | 200 | - | - | 200 |
| Martin J. Fowler | - | - | - | - |
| William R. Seddon | - | - | - | - |
| | 1,500 | - | - | 1,500 |

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE YEAR ENDED 31ST MARCH, 2017

| 2016 | Balance at the start of the year | Net movement | Other changes during the year | Balance at the end of the year |
|--|----------------------------------|--------------|-------------------------------|--------------------------------|
| Name | | | | |
| 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 |
| Martin J. Fowler | - | - | - | - |
| | 19,762,911 | 415,140 | - | 20,178,051 |
| 8% Preference shares | | | | |
| David J. Iliffe | 1,300 | - | - | 1,300 |
| Graeme J. Gillmore | - | - | - | - |
| Angus J. Gluskie | 200 | - | - | 200 |
| Martin J. Fowler | - | - | - | - |
| | 1,500 | - | - | 1,500 |

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

| | 31 March 2017 \$ | 31 March 2016 \$ |
|---|---------------------|---------------------|
| Audit and other assurance services | | |
| Audit and review of financial statements | 26,655 | 25,960 |
| Total remuneration for audit and other assurance services | 26,655 | 25,960 |

17. Contingencies

The Company had no contingent liabilities at 31 March 2017 (2016: nil).

18. Related party transactions

(a) Key management personnel

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

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE YEAR ENDED 31ST MARCH, 2017

(b) Transactions with other related parties

The following transactions occurred with related parties:

| | 31 March 2017 \$ | 31 March 2016 \$ |
|---------------------------------|---------------------|---------------------|
| Management fees paid or payable | 1,125,229 | 953,321 |
| Taxation services | 18,700 | 18,700 |
| | 1,143,929 | 972,021 |

Management fees and system reimbursement costs 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 the Chief Executive Officer, Company Secretary and other investment personnel. Executive Directors Mr Angus Gluskie and Mr William Seddon are also shareholders of White Funds Management Pty Ltd.

Taxation services are provided by Pitcher Partners 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:

| | 2017 \$ | 2016 \$ |
|---|------------|------------|
| Management fees payable (including GST) | 124,588 | 169,839 |

(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% and an expense reimbursement levy of 0.0012% of the average market value of the Portfolio over the month.

19. Events occurring after the reporting period

Apart from the dividends declared after year end, no other matter or circumstance has arisen since 31 March 2017 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.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE YEAR ENDED 31ST MARCH, 2017

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

| | 2017 \$ | 2016 \$ |
|--|------------|------------|
| Profit for the year | 14,028,677 | 13,198,884 |
| Net exchange differences | - | 25,870 |
| Finance cost on convertible resettable preference shares | 2,971,394 | 2,956,564 |
| Change in operating assets and liabilities: | | |
| (Increase)/decrease in trade and other receivables | (40,350) | 762,512 |
| Decrease in other current assets | 21 | 14,909 |
| (Decrease)/increase in trade and other payables | (65,753) | 135,703 |
| Increase in deferred taxes | 1,046,530 | 912,926 |
| Net cash inflow from operating activities | 17,940,519 | 18,007,368 |

21. Non-cash investing and financing activities

| | 2017 \$ | 2016 \$ |
|---|------------|------------|
| Dividends reinvested | 1,243,336 | 1,144,496 |
| Dividends foregone via Bonus Share Plan | 1,320,220 | 2,244,129 |
| | 2,563,556 | 3,388,625 |

22. Earnings per share

(a) Basic and diluted earnings per share

| | 2017 Cents | 2016 Cents |
|--|---------------|---------------|
| From continuing operations attributable to the ordinary equity holders of the company (excluding all net realised gains/losses on investments) | 16.90 | 16.60 |

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

| | 2017 Number | 2016 Number |
|--|----------------|----------------|
| Weighted average number of ordinary shares used as the denominator in calculating basic and diluted earnings per share | 82,995,124 | 79,483,821 |

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.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE YEAR ENDED 31ST MARCH, 2017

The financial statements were authorised for issue by the directors on 16 May 2017.

(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 2016 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.

(iv) New standards and interpretations not yet adopted

Certain new accounting standards and interpretations that have been published that are not mandatory for 31 March 2017 reporting period 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 | AASB 9 Financial Instruments |
| Nature of change | 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. |
| Impact | <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> |
| Mandatory application date/ Date of adoption by the Company | <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> |

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE YEAR ENDED 31ST MARCH, 2017

| | |
|--|---|
| Title of standard | AASB 15 Revenue from Contracts with Customers |
| Nature of change | <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> |
| Impact | 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. |
| Mandatory application date/ Date of adoption by the Company | Mandatory for financial years commencing on or after 1 January 2018. |

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.

(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.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE YEAR ENDED 31ST MARCH, 2017

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.

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.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE YEAR ENDED 31ST MARCH, 2017

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.

(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.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE YEAR ENDED 31ST MARCH, 2017

(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.

(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.

DIRECTORS' DECLARATION

In the Directors' opinion:

- (a) the financial statements and notes set out on pages 19 to 40 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 2017 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
16th May 2017

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF WHITEFIELD LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of Whitefield Limited, which comprises the statement of financial position as at 31 March 2017, 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.

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 2017 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.
- b. the financial report also complies with the International Financial Reporting Standards as disclosed in Note 23.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of Whitefield Limited in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of *Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Whitefield Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key Audit Matter | How Our Audit Addressed the Key Audit Matter |
|--|--|
| Valuation and Existence of Investments The investment portfolio at 31 March 2017 comprised of listed equity investments of \$457 million. We focused on the valuation and existence of investments because investments represent the principal element of the net asset value disclosed on the Balance Sheet in the financial statements. | We tested the valuation of a sample of listed investments by vouching the share prices to external market information to ensure they are fairly stated. We agreed the existence of a sample of listed investments by confirming shareholdings with supporting information. No differences were identified. |

INDEPENDENT AUDITOR'S REPORT - CONTINUED

TO THE MEMBERS OF WHITEFIELD LIMITED

| Key Audit Matter | How Our Audit Addressed the Key Audit Matter |
|--|---|
| Revenue from Investments ASAs presume there are risks of fraud in revenue recognition unless rebutted. We focused on the cut-off, accuracy and completeness of dividend revenue and dividend receivables. | <p>We assessed the accounting policy for revenue recognition for compliance with the accounting standards and performed testing to ensure that revenue had been accounted for in accordance with the accounting policy.</p> <p>We found that the accounting policies implemented were in accordance with the accounting standards, and that revenue has been accounted for in accordance with the accounting policy.</p> <p>We tested the accuracy and completeness of dividend revenue by agreeing the dividends and distributions of a sample of investments to supporting documentation obtained from share registries.</p> <p>We tested the cut-off of dividend revenue and dividend receivables by checking the dividend details of a sample of investments from external market information and ensured that dividends that were declared before, but payable after, the reporting date were recorded.</p> <p>No differences were identified.</p> |

Other Information

The directors of Whitefield Limited are responsible for the other information. The other information comprises the information in the annual report for the year ended 31 March 2017, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of Whitefield Limited are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) 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 gives a true and fair view and 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*, the financial statements comply with *International Financial Reporting Standards*.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT - CONTINUED

TO THE MEMBERS OF WHITEFIELD LIMITED

Auditor's Responsibilities for the Audit of the Financial Report

Our responsibility is to express an opinion on the financial report based on our audit. Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement 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 of the financial report that gives a true and fair view 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.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of 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 conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITOR'S REPORT - CONTINUED

TO THE MEMBERS OF WHITEFIELD LIMITED

Report on the Remuneration Report


Opinion on the Remuneration Report

We have audited the Remuneration Report included within the directors' report for the year ended 31 March 2017.

In our opinion the remuneration report of Whitefield Limited for the year ended 31 March 2017, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of Whitefield Limited are responsible for the preparation and presentation of the Remuneration Report in accordance with section 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.



Name of Firm: MNSA Pty Ltd



Name of Auditor: Mark Schiliro
Director

Address: Level 1, 283 George Street, Sydney NSW 2000

Dated this 16th day of May 2017

TABLE OF INVESTMENT HOLDINGS

| Code | Name | Shares | Market Value | Whitefield (%) |
|-------------------------------|------------------------------------|---------|-------------------|----------------|
| Consumer Discretionary | | | | |
| AAD | Ardent Leisure Group | 145,100 | 265,533 | 0.06% |
| AHG | Automotive Holdings Group Ltd | 98,700 | 406,644 | 0.09% |
| ALL | Aristocrat Leisure Ltd | 207,603 | 3,730,626 | 0.82% |
| APN | APN News & Media Ltd | 98,590 | 274,080 | 0.06% |
| APO | APN Outdoor Group Ltd | 53,000 | 302,100 | 0.07% |
| ARB | ARB Corp Ltd | 25,600 | 376,832 | 0.08% |
| BAP | Bapcor Ltd | 91,339 | 532,506 | 0.12% |
| BRG | Breville Group Ltd | 41,700 | 430,761 | 0.09% |
| CTD | Corporate Travel Management Ltd | 34,452 | 690,074 | 0.15% |
| CWN | Crown Resorts Ltd | 239,054 | 2,823,228 | 0.62% |
| DMP | Domino's Pizza Enterprises Ltd | 28,520 | 1,657,582 | 0.36% |
| FLT | Flight Centre Travel Group Ltd | 31,908 | 921,503 | 0.20% |
| FXJ | Fairfax Media Ltd | 731,868 | 750,165 | 0.16% |
| GEM | G8 Education Ltd | 131,699 | 537,332 | 0.12% |
| GUD | GUD Holdings Ltd | 27,400 | 324,416 | 0.07% |
| GXL | Greencross Ltd | 36,500 | 262,800 | 0.06% |
| HVN | Harvey Norman Holdings Ltd | 363,376 | 1,646,093 | 0.36% |
| IVC | InvoCare Ltd | 34,325 | 485,356 | 0.11% |
| JBH | JB Hi-Fi Ltd | 37,340 | 922,298 | 0.20% |
| MTR | Mantra Group Ltd | 86,000 | 251,120 | 0.06% |
| MYR | Myer Holdings Ltd | 260,796 | 316,867 | 0.07% |
| NEC | Nine Entertainment Co Holdings Ltd | 289,700 | 363,574 | 0.08% |
| NVT | Navitas Ltd | 120,800 | 535,144 | 0.12% |
| NWS | News Corp | 15,187 | 271,088 | 0.06% |
| NZM | NZME Ltd | 47,400 | 40,290 | 0.01% |
| PMV | Premier Investments Ltd | 50,100 | 717,432 | 0.16% |
| REA | REA Group Ltd | 42,874 | 2,543,714 | 0.56% |
| RFG | Retail Food Group Ltd | 52,500 | 279,825 | 0.06% |
| SGR | Star Entertainment Group Ltd | 613,233 | 3,354,385 | 0.73% |
| SKC | Skycity Entertainment Group Ltd | 212,749 | 806,319 | 0.18% |
| SKT | SKY Network Television Ltd | 125,700 | 441,207 | 0.10% |
| SUL | Super Retail Group Ltd | 63,500 | 650,875 | 0.14% |
| SWM | Seven West Media Ltd | 487,081 | 382,359 | 0.08% |
| SXL | Southern Cross Media Group Ltd | 241,900 | 338,660 | 0.07% |
| TAH | Tabcorp Holdings Ltd | 278,395 | 1,322,376 | 0.29% |
| TME | Trade Me Group Ltd | 127,500 | 594,150 | 0.13% |
| TTS | Tatts Group Ltd | 483,381 | 2,141,378 | 0.47% |
| WEB | Webjet Ltd | 32,750 | 375,970 | 0.08% |
| | | | 33,066,661 | 7.24% |

| Code | Name | Shares | Market Value | Whitefield (%) |
|----------------------------|---|-----------|--------------------|----------------|
| Consumer Staple | | | | |
| A2M | a2 Milk Company Ltd | 231,911 | 635,436 | 0.14% |
| AAC | Australian Agricultural Company Ltd | 171,600 | 284,856 | 0.06% |
| AHY | Asaleo Care Ltd | 194,800 | 342,848 | 0.08% |
| BAL | Bellamy's Australia Ltd | 30,736 | 129,091 | 0.03% |
| BGA | Bega Cheese Ltd | 49,100 | 310,803 | 0.07% |
| BKL | Blackmores Ltd | 5,443 | 612,555 | 0.13% |
| CCL | Coca-Cola Amatil Ltd | 248,447 | 2,688,197 | 0.59% |
| CGC | Costa Group Holdings Ltd | 101,000 | 439,350 | 0.10% |
| GNC | Graincorp Ltd | 73,800 | 670,842 | 0.15% |
| MTS | Metcash Ltd | 299,000 | 738,530 | 0.16% |
| TGR | Tassal Group Ltd | 46,900 | 212,457 | 0.05% |
| TWE | Treasury Wine Estates Ltd | 243,863 | 2,982,444 | 0.65% |
| WES | Wesfarmers Ltd | 370,546 | 16,700,508 | 3.66% |
| WOW | Woolworths Ltd | 423,455 | 11,221,558 | 2.46% |
| | | | 37,969,475 | 8.32% |
| Banks | | | | |
| ANZ | Australia and New Zealand Banking Group Ltd | 959,198 | 30,521,680 | 6.68% |
| BEN | Bendigo and Adelaide Bank Ltd | 152,650 | 1,853,171 | 0.41% |
| BOQ | Bank of Queensland Ltd | 120,732 | 1,468,101 | 0.32% |
| CBA | Commonwealth Bank of Australia | 562,393 | 48,315,183 | 10.58% |
| CYB | CYBG PLC | 233,142 | 1,053,802 | 0.23% |
| NAB | National Australia Bank Ltd | 868,445 | 28,953,956 | 6.34% |
| WBC | Westpac Banking Corp | 1,093,475 | 38,337,234 | 8.40% |
| | | | 150,503,127 | 32.96% |
| Non Bank Financials | | | | |
| AMP | AMP Ltd | 960,684 | 4,976,343 | 1.09% |
| ASX | ASX Ltd | 63,429 | 3,201,896 | 0.70% |
| BTT | BT Investment Management Ltd | 97,453 | 974,530 | 0.21% |
| CCP | Credit Corp Group Ltd | 15,200 | 262,808 | 0.06% |
| CGF | Challenger Ltd | 282,027 | 3,539,439 | 0.78% |
| ECX | Eclix Group Ltd | 86,788 | 339,341 | 0.07% |
| FXL | FlexiGroup Ltd | 121,510 | 280,688 | 0.06% |
| GMA | Genworth Mortgage Insurance Australia Ltd | 167,353 | 525,488 | 0.12% |
| HGG | Henderson Group PLC | 235,615 | 897,693 | 0.20% |
| IAG | Insurance Australia Group Ltd | 1,243,232 | 7,521,554 | 1.65% |
| IFL | IOOF Holdings Ltd | 96,500 | 823,145 | 0.18% |
| IRE | Iress Ltd | 55,332 | 647,938 | 0.14% |
| MFG | Magellan Financial Group Ltd | 56,112 | 1,325,927 | 0.29% |
| MPL | Medibank Private Ltd | 894,510 | 2,522,518 | 0.55% |
| MQG | Macquarie Group Ltd | 79,366 | 7,158,813 | 1.57% |
| PPT | Perpetual Ltd | 40,670 | 2,120,941 | 0.46% |
| PTM | Platinum Investment Management Ltd | 186,000 | 954,180 | 0.21% |
| QBE | QBE Insurance Group Ltd | 447,763 | 5,771,665 | 1.26% |
| SDF | Steadfast Group Ltd | 238,754 | 606,435 | 0.13% |
| SUN | Suncorp Group Ltd | 270,511 | 3,573,450 | 0.78% |
| | | | 48,024,792 | 10.52% |

| Code | Name | Shares | Market Value | Whitefield (%) |
|-------------------------------|---|---------|-------------------|----------------|
| Health Care | | | | |
| ANN | Ansell Ltd | 48,270 | 1,161,859 | 0.25% |
| API | Australian Pharmaceutical Industries Ltd | 156,000 | 318,240 | 0.07% |
| COH | Cochlear Ltd | 18,719 | 2,531,370 | 0.55% |
| CSL | CSL Ltd | 158,186 | 19,825,451 | 4.34% |
| EHE | Estia Health Ltd | 85,332 | 263,676 | 0.06% |
| FPH | Fisher & Paykel Healthcare Corporation Ltd | 182,634 | 1,614,485 | 0.35% |
| HSO | Healthscope Ltd | 569,611 | 1,293,017 | 0.28% |
| JHC | Japara Healthcare Ltd | 84,700 | 170,247 | 0.04% |
| MYX | Mayne Pharma Group Ltd | 490,438 | 698,874 | 0.15% |
| NAN | Nanosonics Ltd | 97,020 | 300,762 | 0.07% |
| PRY | Primary Health Care Ltd | 165,900 | 592,263 | 0.13% |
| REG | Regis Healthcare Ltd | 96,900 | 433,143 | 0.09% |
| RHC | Ramsay Health Care Ltd | 66,276 | 4,632,030 | 1.01% |
| RMD | Resmed Inc | 463,161 | 4,302,766 | 0.94% |
| SHL | Sonic Healthcare Ltd | 135,442 | 2,995,977 | 0.66% |
| SIP | Sigma Pharmaceuticals Ltd | 348,000 | 448,920 | 0.10% |
| SRX | Sirtex Medical Ltd | 18,700 | 334,730 | 0.07% |
| VRT | Virtus Health Ltd | 25,900 | 149,702 | 0.03% |
| | | | 42,067,512 | 9.21% |
| Industrials | | | | |
| ALQ | ALS Ltd | 164,235 | 1,008,403 | 0.22% |
| AZJ | Aurizon Holdings Ltd | 669,884 | 3,516,891 | 0.77% |
| BXB | Brambles Ltd | 289,689 | 2,708,592 | 0.59% |
| CIM | CIMIC Group Ltd | 105,865 | 3,803,729 | 0.83% |
| CWY | Cleanaway Waste Management Ltd | 503,750 | 604,500 | 0.13% |
| DOW | Downer EDI Ltd | 474,674 | 2,748,362 | 0.60% |
| GWA | GWA Group Ltd | 89,772 | 260,339 | 0.06% |
| IPH | IPH Ltd | 59,270 | 288,645 | 0.06% |
| MMS | Mcmillan Shakespeare Ltd | 26,900 | 355,618 | 0.08% |
| MND | Monadelphous Group Ltd | 24,053 | 296,573 | 0.06% |
| MQA | Macquarie Atlas Roads Group | 166,340 | 851,661 | 0.19% |
| QAN | Qantas Airways Ltd | 671,588 | 2,612,477 | 0.57% |
| QUB | Qube Holdings Ltd | 476,872 | 1,220,792 | 0.27% |
| RWC | Reliance Worldwide Corporation (Aust) Pty Ltd | 172,517 | 496,849 | 0.11% |
| SPO | Spotless Group Holdings Ltd | 353,600 | 383,656 | 0.08% |
| SVW | Seven Group Holdings Ltd | 89,878 | 962,593 | 0.21% |
| SYD | Sydney Airport Holdings Ltd | 741,870 | 5,022,460 | 1.10% |
| TCL | Transurban Group | 671,549 | 7,836,977 | 1.72% |
| | | | 34,979,119 | 7.66% |
| Information Technology | | | | |
| ACX | Aconex Ltd | 62,036 | 243,801 | 0.05% |
| ALU | Altium Ltd | 42,000 | 319,200 | 0.07% |
| CAR | Carsales.Com Ltd | 77,400 | 863,784 | 0.19% |
| CPU | Computershare Ltd | 159,249 | 2,239,041 | 0.49% |
| ISD | Isentia Group Ltd | 64,000 | 96,000 | 0.02% |
| LNK | Link Administration Holdings Ltd | 115,550 | 893,202 | 0.20% |
| MYO | Myob Group Ltd | 188,000 | 669,280 | 0.15% |
| NXT | NEXTDC Ltd | 91,220 | 372,178 | 0.08% |
| TNE | TechnologyOne Ltd | 100,100 | 513,513 | 0.11% |
| | | | 6,209,999 | 1.36% |

| Code | Name | Shares | Market Value | Whitefield (%) |
|-----------------------------------|--|-----------|--------------------|----------------|
| Materials | | | | |
| ABC | Adelaide Brighton Ltd | 215,278 | 1,222,779 | 0.27% |
| AMC | Amcor Ltd | 490,067 | 7,380,409 | 1.62% |
| BKW | Brickworks Ltd | 47,306 | 694,452 | 0.15% |
| BLD | Boral Ltd | 355,983 | 2,078,941 | 0.46% |
| CSR | CSR Ltd | 456,393 | 2,058,332 | 0.45% |
| FBU | Fletcher Building Ltd | 180,530 | 1,363,002 | 0.30% |
| IPL | Incitec Pivot Ltd | 552,811 | 2,078,569 | 0.46% |
| JHX | James Hardie Industries PLC | 40,086 | 824,569 | 0.18% |
| NUF | Nufarm Ltd | 85,700 | 831,290 | 0.18% |
| ORA | Orora Ltd | 388,300 | 1,149,368 | 0.25% |
| ORI | Orica Ltd | 230,637 | 4,059,211 | 0.89% |
| PGH | Pact Group Holdings Ltd | 95,200 | 666,400 | 0.15% |
| | | | 24,407,322 | 5.35% |
| Real Estate | | | | |
| ABP | Abacus Property Group | 181,279 | 587,344 | 0.13% |
| AOG | Aveo Group | 190,879 | 612,722 | 0.13% |
| BWP | BWP Trust | 227,046 | 647,081 | 0.14% |
| CHC | Charter Hall Group | 133,500 | 736,920 | 0.16% |
| CMW | Cromwell Property Group | 560,100 | 534,896 | 0.12% |
| DXS | DEXUS Property Group | 377,372 | 3,686,924 | 0.81% |
| GMG | Goodman Group Pty Ltd | 588,370 | 4,553,984 | 1.00% |
| GOZ | Growthpoint Properties Australia Ltd | 210,584 | 667,551 | 0.15% |
| GPT | GPT Group | 554,675 | 2,856,576 | 0.63% |
| GTY | Gateway Lifestyle Group | 80,000 | 167,200 | 0.04% |
| INM | Iron Mountain Inc | 15,867 | 727,661 | 0.16% |
| IOF | Investa Office Fund | 198,000 | 940,500 | 0.21% |
| LLC | LendLease Group | 65,987 | 1,028,077 | 0.23% |
| MGR | Mirvac Group | 748,521 | 1,639,261 | 0.36% |
| NSR | National Storage REIT | 165,172 | 236,196 | 0.05% |
| SCG | Scentre Group | 2,138,046 | 9,172,217 | 2.01% |
| SCP | Shopping Centres Australasia Property Group Re Ltd | 240,050 | 537,712 | 0.12% |
| SGP | Stockland Corporation Ltd | 777,219 | 3,606,296 | 0.79% |
| VCX | Vicinity Centres Re Ltd | 1,241,842 | 3,514,413 | 0.77% |
| VVR | Viva Energy Reit Ltd | 223,176 | 531,159 | 0.12% |
| WFD | Westfield Corp | 507,172 | 4,503,687 | 0.99% |
| | | | 41,488,378 | 9.09% |
| Telecommunication Services | | | | |
| SPK | Spark New Zealand Ltd | 591,136 | 1,879,812 | 0.41% |
| TLS | Telstra Corporation Ltd | 3,587,466 | 16,717,592 | 3.66% |
| TPM | TPG Telecom Ltd | 276,126 | 1,924,598 | 0.42% |
| VOC | Vocus Group Ltd | 203,754 | 880,217 | 0.19% |
| | | | 21,402,220 | 4.69% |
| Utilities | | | | |
| AGL | AGL Energy Ltd | 328,047 | 8,650,599 | 1.89% |
| APA | APA Group | 363,146 | 3,253,788 | 0.71% |
| AST | AusNet Services Ltd | 456,503 | 769,208 | 0.17% |
| DUE | DUET Group | 802,286 | 2,238,378 | 0.49% |
| IFN | Infigen Energy Ltd | 261,446 | 262,753 | 0.06% |
| SKI | Spark Infrastructure Group | 541,182 | 1,282,601 | 0.28% |
| | | | 16,457,328 | 3.60% |
| Total | | | 456,575,930 | 100.00% |

DETAILS OF SHAREHOLDERS

Distribution of Shareholdings

At 30 April 2017, 4,012 members held 83,808,193 ordinary shares in the Company, 22 members held 23,790, 8% Cumulative Preference shares in the Company and 689 members held 400,000 Convertible Resetable Preference Shares in the Company. The twenty largest ordinary shareholdings were equivalent to 35.03% of the 83,808,193 ordinary shares issued, the twenty largest 8% preference shareholdings were equivalent to 99.15% of the total 23,790 preference shares issued and the twenty largest Convertible Resetable Preference shareholdings were equivalent to 28.78% of the 400,000 Convertible Resetable Preference Shares Issued. The distribution of shares was as follows:

| No. of Ordinary Shares Held | No. of Ordinary Shareholders | No. of Preference Shareholders | No. of Convertible Resetable Preference Shares |
|-----------------------------|------------------------------|--------------------------------|--|
| 1 - 1,000 | 593 | 16 | 617 |
| 1,001 - 5,000 | 1,165 | 4 | 65 |
| 5,001 - 10,000 | 826 | 2 | 3 |
| 10,001 - 100,000 | 1,344 | 0 | 4 |
| 100,001 and over | 84 | 0 | 0 |
| Total | 4,012 | 22 | 689 |

Top Twenty Shareholders

The top twenty ordinary shareholders of Whitefield at 30 April 2017 were:

| Shareholder | Units | % of Units |
|---|------------|------------|
| 1 SHANE CAROLYN GLUSKIE | 5,321,920 | 6.35% |
| 2 LAURENCE JOHN GLUSKIE | 5,147,092 | 6.14% |
| 3 CAITHNESS NOMINEES PTY LTD | 4,984,124 | 5.95% |
| 4 FIDUCIO PTY LTD | 2,121,255 | 2.53% |
| 5 NELROSE INVESTMENTS PTY LTD | 1,723,180 | 2.06% |
| 6 MRS JEAN MARY DECK | 1,070,268 | 1.28% |
| 7 MERRAN K DUNLOP | 1,015,352 | 1.21% |
| 8 HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED | 908,662 | 1.08% |
| 9 MRS MARGARET ELIZABETH DOBBIN | 876,000 | 1.05% |
| 10 MR ALLAN LESLIE HOLDEN | 818,039 | 0.98% |
| 11 MR HERMAN ROCKEFELLER | 708,435 | 0.85% |
| 12 WILLPOWER INVESTMENTS PTY LTD <WOODLANDS SUPERFUND A/C> | 704,075 | 0.84% |
| 13 DATAWEAVE SOLUTIONS PTY LTD <SIROD SUPERANNUATION FUND AC> | 590,374 | 0.70% |
| 14 DRUMTOCHTY PTY LTD <JAMES BUTLER MED P/L S/F A/C> | 532,754 | 0.64% |
| 15 PATTERSON CARRIERS PTY LTD | 510,000 | 0.61% |
| 16 CLYDE GREEN PTY LTD | 503,161 | 0.60% |
| 17 PONT PTY | 482,956 | 0.58% |
| 18 DR RICHARD WOODLEY DAVIS + MRS PATRICIA MADGE DAVIS <RW & PM DAVIS SUPERFUND A/C> | 454,239 | 0.54% |
| 19 DAVID J ILIFFE | 442,278 | 0.53% |
| 20 MR PAUL KEARNES + MRS DIANE KEARNES <KEARNES FAMILY S/FUND A/C> | 442,040 | 0.53% |
| Total Top 20 Shareholders | 29,356,204 | 35.03% |
| Total Remaining Holders Balance | 54,451,9 | 64.97% |
| Total Shares On Issue | 83,808,193 | 100.00% |

Substantial Shareholders

Notice has been received of substantial shareholdings as follows:

| Shareholder | Ordinary Shares | Preference Shares |
|--|-----------------|-------------------|
| A.J.Gluskie, D.M.Gluskie, Fiducio Pty Ltd & Caithness Nominees Pty Ltd | 16,999,097 | - |
| L.J.Gluskie & S.C.Gluskie | 14,832,579 | 200 |

The Corporations Law requires shares in which an associate has a relevant interest to be included in each declaration of interest and as a result shareholdings may be included in the declarations of several different shareholders.

Voting Rights

On a show of hands, every member present has one vote and upon a poll, every member present in person or by proxy has one vote for each share held.

For voting purposes there is no distinction between Ordinary and 8% Cumulative Preference shares.

Convertible Resettable Preference Share (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.

OTHER

Registered Office

The address of the registered office and principal place of business of the Company is:

Level 22, MLC Centre, 19 Martin Place
Sydney NSW 2000 Australia

Phone: (02) 8215 7900

Fax: (02) 8215 7901

Share Registry

Share registry functions are maintained by Computershare Investor Services Pty Limited and their contact details are as follows:

Level 4, 60 Carrington Street
Sydney NSW 2000 Australia

Phone: 1300 850 505 (inside Australia)
(03) 9415 4000 (outside Australia)

Fax: (03) 9473 2500

Stock Exchange Listing

Quotation has been granted for all the ordinary shares of the Company on all Member Exchanges of the Australian Stock Exchange Limited (ASX).

Best Practice

The Company has followed all applicable best practice recommendations set by ASX Corporate Governance Council during the reporting period, unless otherwise stated.

DIRECTORY

Whitefield Ltd

ABN 50 000 012 895

Registered Office:

Level 22, MLC Centre 19 Martin Place

Sydney NSW 2000 Australia

Phone: (02) 8215 7900

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Fax: (03) 9473 2500

Directors:

David J. Iliffe, *F.C.A., Chairman*

Martin J. Fowler, *B.Bus, C.A., Graduate Diploma Applied Finance and Investment, F.Fin, Graduate Diploma in Financial Planning*

Angus J. Gluskie, *B.Ec, C.A., Graduate Diploma Applied Finance and Investment, F.Fin*

Lance Jenkins, *LLB, BCA (Vic), MBA (New York)*

Will R. Seddon, *B.Ec, CFA, CAIA, SAFin*

Company Secretary:

Stuart A. Madeley, *BA(hons), MBA.*

Chief Executive Officer:

Angus J. Gluskie, *B.Ec, C.A., Graduate Diploma Applied Finance and Investment, F.Fin*

Auditors:

MNSA Pty Limited

Level 1, 283 George Street

SYDNEY NSW 2000

Stock Exchange Listing:

Australian Securities Exchange

Other Information:

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

ABN 50 000 012 895

LEVEL 22, MLC CENTRE 19 MARTIN PLACE | SYDNEY NSW 2000
PHONE 61 2 8215 7900 | FAX 61 2 8215 7901