WHITEFIELD

ANNUAL REPORT 2009

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MANAGEMENT

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WHITEFIELD LIMITED

ABN 50 000 012 895

REGISTERED OFFICE:

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Sydney NSW 2000
Phone: (02) 8215 7900
Fax: (02) 8215 7901

SHARE REGISTRY:

Computershare
Investor Services Pty Ltd
Level 2, 60 Carrington Street
Sydney NSW 2000 Australia
Phone: 1300 850 505 (inside Australia)
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Fax: (03) 9473 2500

DIRECTORS:

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

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

Graeme J. Gillmore, C.A., B.Com, LLB

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

COMPANY SECRETARY:

Peter A. Roberts, B.Bus, C.A.

CHIEF EXECUTIVE OFFICER:

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

AUDITORS:

MNSA (Formerly Grosvenor Schiliro)
Level 2, 333 George Street
Sydney NSW 2001

STOCK EXCHANGE LISTING:

Australian Stock Exchange

OTHER INFORMATION:

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

CEO'S REVIEW

Notwithstanding the poor near term economic outlook, the prices of many shares in the Australian market are extremely cheap relative to their intrinsic value. The selective purchase of investments during the more extreme points of market weakness are likely to provide investors with a favourable rate of investment return over the medium and longer term.

Operating Results

Whitefield reports an Operating Profit after Tax (before realised (losses)/gains and impairment) on investment holdings) of $11,864,370 in the year to 31st March 2009. This outcome represents a decrease of 1% on the outcome for the prior financial year.

After allowing for movements in share capital over this period, earnings per share (before realised (losses)/ gains and impairment on investments) dropped to 17.38 cents per ordinary share, a decrease of 4.40%.

Over recent months a growing number of companies have announced reductions to their dividends. As a consequence Whitefield's investment income growth slowed and ultimately fell during the second half of its financial year. In the light of the current economic climate we would expect the trend of dividend reductions to continue into the 2009/10 year.

Whitefield's investment portfolio generated a return of (31.12%) for the financial year. This return was similar to the return of the All Industrials Accumulation Index of (30.95%) over the same period.

Strongest investment outcomes across the year were generated from the company's holdings in the healthcare sector via investments in CSL, Cochlear and Resmed, staple retailing stocks Woolworths, Metcash and Lion Nathan, financials IAG, QBE, Computershare, Commonwealth Bank and Westpac Bank, and utility AGL.

For accounting purposes Whitefield has recorded an impairment charge in the financial year in accordance with applicable accounting standards. This accounting entry has no impact on the company's underlying profit from operations, nor on the value of our investments or asset backing. Whitefield's investments are revalued daily to market value, and all movements in market values are fully reflected in the company's investment returns, balance sheet and the company's asset backing which is reported to the market at each month end.

Net Asset Backing

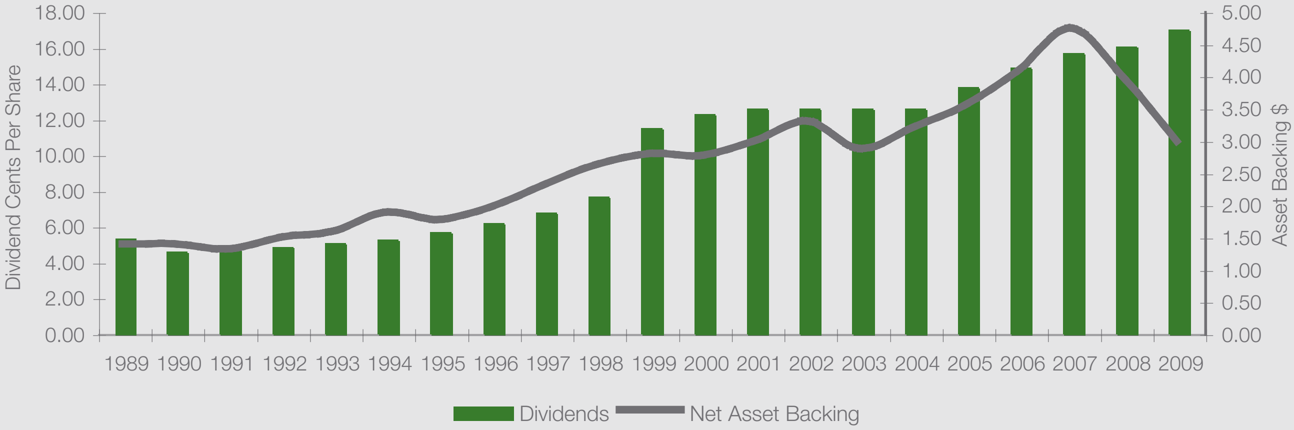
The gross asset backing for each of the company's ordinary shares amounted to $2.73 at 31st March 2009 compared to $4.03 at the same time one year ago. The net asset backing per ordinary share [which includes investments at market value but is after a deduction or addition for a capital gains tax expense (or benefit) which would arise in the event that the entire portfolio was realised] at year end amounted to $2.96 compared to $3.94 one year ago.

Investment Transactions

Significant investment transactions undertaken by the company during the year involved:

- Establishing / expanding our holdings in Cochlear, Resmed and Suncorp
- Reducing our holdings in Aristocrat, Asciano, Brambles, Crown, Telstra, Qantas and the major banks
- Exiting our holdings in Coca Cola Amatil, Metcash and Transurban

Dividends Per Share And Net Asset Backing After Tax



Outlook

The near term economic outlook remains difficult. In the US, Europe, Asia and Australia unemployment is high and is likely to continue to rise as the year progresses. Commercial construction activity will weaken significantly throughout 2009. Residential construction activity is already soft and likely to remain at levels near present lows.

With consumers suffering under the combined weight of weak asset prices and rising unemployment, it is highly probable that retail sales will continue to fall across the year. Inter-company spending will also soften, with the majority of businesses deferring or cancelling new capital projects and discretionary expenditure.

The solvency of global financial institutions remains fragile. The further escalation in corporate bad debts which is expected to emerge over 2009/10 suggests that credit conditions are likely to be problematic for some time to come.

The many supportive initiatives announced by governments around the world are certainly of benefit to consumers and businesses. Reductions in price pressure, inflation and official interest rates should also be viewed as a positive development. Notwithstanding this, we should appreciate that government spending initiatives and falling interest rates are likely to provide only a limited offset to the broadly based economic slowdown.

Further, while official interest rates have been cut significantly, in practice the additional costs of finance for companies and consumers remains high, and access to credit continues to be difficult.

We highlight that an essential precursor for a meaningful recovery is the stabilisation and enhancement of the financial well-being of consumers and businesses. This process takes time. In the short term, with economic conditions deteriorating, consumer and business finances are unlikely to show the improvement that many investors are expecting. It is far more probable that economies will move through a slow and extended period of progressive consolidation and ultimately recovery.

In this environment, we expect to see the market move through alternating bouts of optimism and pessimism on the back of emerging news flow on company earnings and economic data points. With investors eager to anticipate a recovery, there is a significant potential for the market to run ahead of itself. As a result, the market in 2009/10 may exhibit sharp upwards price rallies, followed by extended periods of time when prices meander or retreat.

Notwithstanding the poor near term economic outlook, the prices of many shares in the Australian market are extremely cheap relative to their intrinsic value. The selective purchase of investments during the more extreme points of market weakness are likely to provide investors with a favourable rate of investment return over the medium and longer term. With financial risk remaining extremely high, Whitefield considers a cautious approach to investment is likely to be beneficial at this time. Across the 2009/10 year Whitefield will continue to carefully apply its investment capital into the most suitable investment opportunities as they arise.

CEO'S REVIEW

As noted at the commencement of this report, with many companies cutting their dividend payments, and economic conditions continuing to deteriorate, we would expect Whitefield's dividend income to fall by a moderate degree in the 2009/10 financial year. This fall would represent a temporary reduction in earnings, and we would expect our operating earnings to progressively return to previous levels over subsequent years.

Capital Management

To ensure that sufficient liquidity for Whitefield shares existed in the difficult market conditions during 2008/9, Whitefield ran an on-market buyback during this time. The company bought back and cancelled approximately 8% of its issued capital. The shares bought back were purchased at a price below the company's asset backing, and this action has provided a positive increase in earnings per share and asset backing per share for all ongoing shareholders. The company is continuing to run this buyback in the current financial year.

Dividends to Shareholders

The Board of Whitefield has declared a final fully franked dividend to ordinary shareholders of 8.5 cents per ordinary share. This brings total dividends on ordinary shares which relate to the 2009 financial year to 17.0 cents per share, an increase of 5.6% on the prior year.

As indicated in our comments on outlook above, the company expects its earnings per share to decrease in the 2009/10 financial year. Whitefield has a moderately large reserve of retained profits and realised capital gains which provide it with some ability to continue to pay dividends notwithstanding the expected decrease in operating income. At this time Whitefield intends to maintain its dividends to shareholders in the 2009/10 year at a rate which is no less than the prior year.

Angus Gluskie
Chief Executive Officer

WHITEFIELD AND ITS INVESTMENT STRATEGY

Whitefield

Whitefield is a listed investment company which was founded in 1923. Whitefield provides investors with (a) exposure to a professionally managed portfolio of industrial shares listed on the Australian Stock Exchange (b) a tax efficient investment structure and (c) a low, wholesale management expense ratio.

Investment Objective

Whitefield aims to generate an investment return which is in excess of the market return over the longer term from investment in a diversified portfolio of industrial securities listed on the Australian Stock Exchange that are capable of generating dividend income and growth in dividends in current and future years.

Investment Strategy & Process

Whitefield seeks to hold a diversified portfolio of shares whose realistically achievable future earnings can be acquired at sufficiently attractive prices to provide a satisfactorily high rate of investment return.

Whitefield's investment management team aim to obtain a qualitative and quantitative portrait of the short, medium and long term earnings which are realistically achievable for each stock, as well as the risks or certainty associated with those earnings. This portrait of achievable earnings is compared to the future earnings captured in the stock's current share price and the portfolio structured accordingly.

This process is undertaken through a disciplined routine of research and analysis examining a range of factors which may include the natural demand for each company's products or services, new markets available, competitive advantage, distribution techniques, competitive positioning, pricing power, strategic actions, competitive positioning of significant suppliers, return on equity, management quality and financial position.

Whitefield's Management Expense Ratio

Whitefield aims to provide investors with a cost-efficient investment vehicle. Whitefield's management expenses currently amount to only 0.35% per annum of the average value of its gross investment assets.

Whitefield does not pay performance fees to its managers or executives and has no share or option plans for Directors or executives.

Management expenses on managed investment vehicles vary from the wholesale rates offered by some LICs (usually less than 0.50%pa) to the higher costs charged by a range of other LICs and managed funds which in many cases may be as much as 3.00% pa.

The benefit of a low management expense, such as that offered by Whitefield, can be seen in the graph below. Assuming investment returns are similar, after 25 years an investor's ultimate investment value (after tax) is nearly 40% higher in a low management expense vehicle as compared to a vehicle with a 2% higher management expense.

Whitefield's Tax Status

Whitefield pays income tax on its net taxable investment income at the company tax rate, and is entitled to the benefit of franking credits it receives.

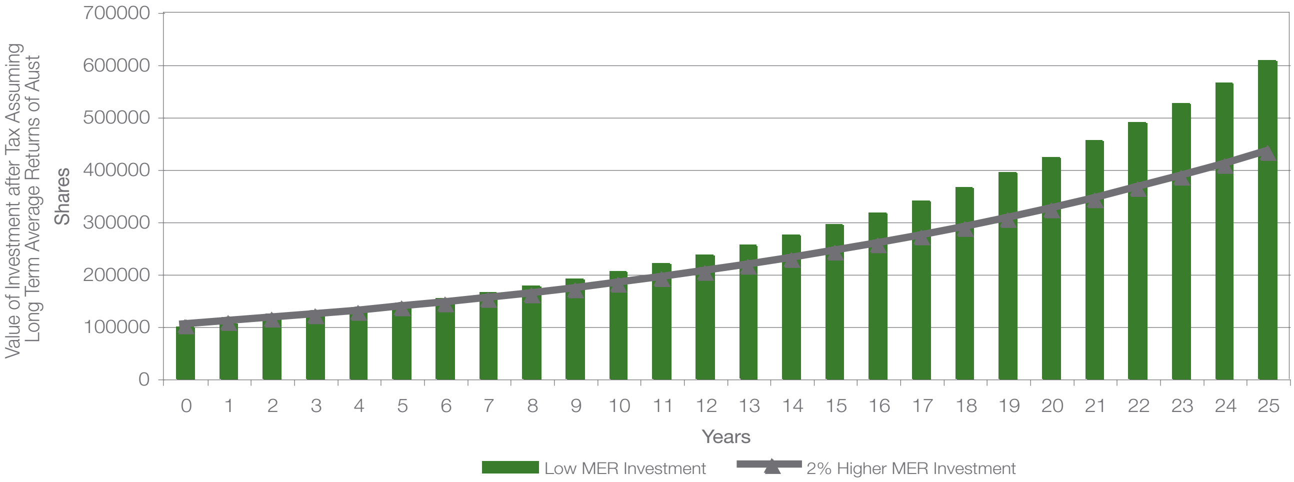
While Whitefield pays tax at the company rate on any net realised capital gains it makes, as an investor with a long term investment horizon, seeking to generate operating profit through current and future dividend earnings, Whitefield obtains the benefit of LIC Discount Capital Gains status on a large percentage of its capital gains.

In this way qualifying discount capital gains made by Whitefield may be passed through to Whitefield's underlying shareholders so that individual shareholders become entitled to the usual 50% capital gains tax discount. (Superannuation fund shareholders are entitled to their usual 1/3rd capital gains tax discount).

WHITEFIELD AND ITS INVESTMENT STRATEGY

Benefit of A Low MER Investment Vehicle

(Over 25 years the value of an investment in a low MER vehicle is 39% higher than in a 2% higher MER vehicle – all other things being equal).



For example, a shareholder with a marginal tax rate of 46.5% pays tax on qualifying realised capital gains made by Whitefield at the effective rate of 23.25%.

Capital gains made by Whitefield which are not qualifying discount capital gains, are subject to tax in the normal way at company tax rates.

Controlling Risk Through Diversity

Whitefield seeks to control risk not only through the company's process of research and analysis, but also through the maintenance of a diversified portfolio of investments. Whitefield's current investment portfolio is spread across 50 stocks, and a broad range of industries.

While Whitefield's investment strategy aims to generate strong long term returns, investment markets are inherently uncertain, and unexpected events do occur. Whitefield's diverse spread of investments constrains the impact on the portfolio as a whole of adverse outcomes on an individual investment.

Whitefield's spread of investments and industry exposures are shown in full elsewhere in this report.

Dividend Policy

Whitefield aims to pay dividends in each year which are approximately equal to its net operating profit after tax, excluding realised gains on investments. When Whitefield realises LIC Discount Capital Gains it will seek to pass the tax status of those gains to underlying shareholders to the extent possible at appropriate points of time.

KEY PERSONNEL

David J. Iliffe

Non-Executive Chairman, Member of Audit, Nomination and Remuneration Committees

Age, 64

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 and is a Fellow of the Institute of Chartered Accountants and a Fellow of the Taxation Institute of Australia. David also holds positions as Chairman of Sylvastate Ltd and Van Eyk Three Pillars Ltd, and is a Director of Employers Mutual Ltd.

Graeme J. Gillmore

Non-Executive Director, Chairman of Audit Committee, Member of Audit, Nomination and Remuneration Committees

Age, 49

John is a practicing Chartered Accountant and Solicitor, appointed as a Director of Whitefield Ltd since November 1995. John holds a Bachelor of Commerce and a Bachelor of Laws, and is a Director of Sylvastate Ltd.

Martin J. Fowler (Appointed 29th May 2008)

Non-Executive Director, Member of Audit, Nomination and Remuneration Committees

Age, 38

Martin has over 19 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. Martin is a Partner and Director of Moore Stephens Sydney.

Angus J. Gluskie

Chief Executive Officer, Director, Member of Nomination and Remuneration Committees

Age, 42

Angus has been Chief Executive Officer of Whitefield Ltd since 1996 and was appointed as a Director in 2003. Angus has over 20 years experience in the fields of funds management and financial services. Angus is a member of the Institute of Chartered Accountants and an Associate of the Securities Institute of Australia, and holds a Bachelor of Economics and a Graduate Diploma in Applied Finance & Investment. Angus is Chief Executive Officer of Sylvastate Ltd, and Managing Director of White Funds Management Pty Ltd.

John V.C. Green (Retired 29th May 2008)

Non-Executive Director, Member of Audit, Nomination and Remuneration Committees

Age, 64

John was appointed as a Director of Whitefield Ltd in 1983. John holds a Bachelor of Engineering and a Master of Business Administration, and is a consultant and lecturer in computer science and software development.

Peter A. Roberts

Company Secretary

Age, 39

Peter was appointed Company Secretary in 2003 and has over 15 years experience in the fields of chartered accountancy and specialised back office services to the funds management community. Peter is Managing Director of White Outsourcing Services Pty Ltd and Company Secretary of Ironbark Capital Ltd, Sylvastate Ltd and Van Eyk Three Pillars Ltd. Peter holds a Bachelor of Business and is a Member of the Institute of Chartered Accountants.

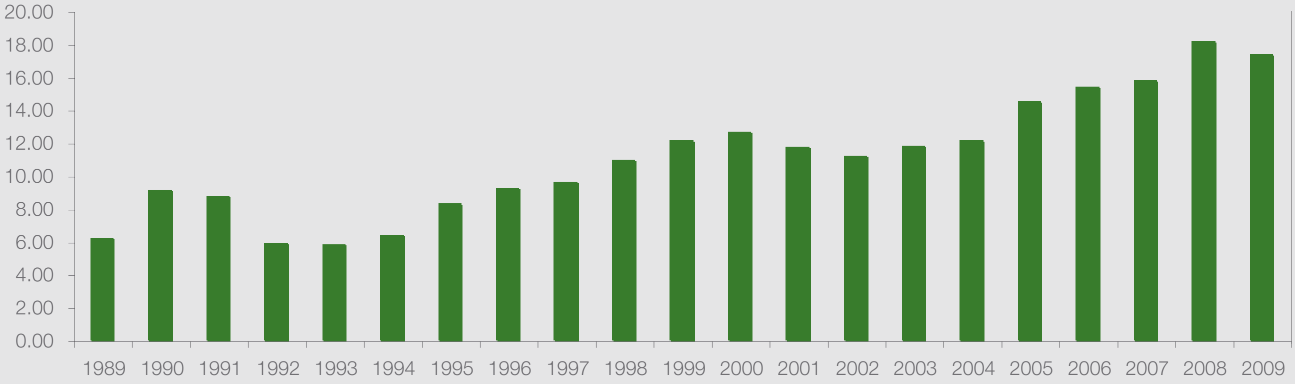
INVESTMENT PORTFOLIO

For the Year Ended 31st March, 2009

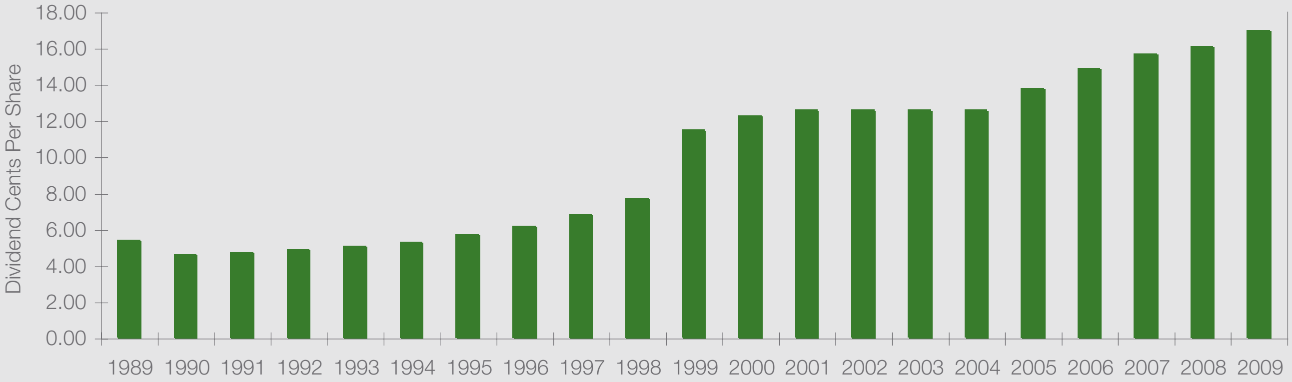
Code	Name	Shares	Market Value	Whitefield %
	Consumer Discretionary			
ALL	Aristocrat Leisure Limited	164,400	560,604	0.36%
CMJ	Consolidated Media Holdings Limited	727,800	1,455,600	0.92%
CWN	Crown Limited	240,200	1,525,270	0.97%
FXJ	Fairfax Media Limited	5,155,200	5,232,528	3.32%
HVN	Harvey Norman Holding Limited	205,300	527,621	0.33%
NSW	News Corporation Limited	208,450	2,340,894	1.49%
NSWLV	News Corporation Limited	358,050	3,498,148	2.22%
SEV	Seven Network Limited	744,700	4,386,283	2.78%
TAH	Tabcorp Holdings Limited	78,000	507,000	0.32%
TTS	Tatts Group Limited	566,200	1,568,374	1.00%
			21,602,322	13.71%
	Consumer Staple			
LNN	Lion Nathan Limited	83,900	677,912	0.43%
MTS	Metcash Limited	150,990	613,019	0.39%
WES	Wesfarmers Limited	264,215	4,980,453	3.16%
WOW	Woolworths Limited	654,717	16,408,200	10.42%
			22,679,584	14.40%
	Banks			
ANZ	ANZ Banking Group Limited	610,828	9,620,541	6.11%
CBA	Commonwealth Bank of Australia	304,551	10,577,056	6.71%
NAB	National Australia Bank	608,738	12,235,634	7.77%
WBC	Westpac Banking Corporation	715,271	13,654,523	8.67%
			46,087,754	29.26%
	Financials ex Banks			
AMP	AMP Limited	519,151	2,440,010	1.55%
ASX	ASX Limited	62,000	1,819,700	1.16%
CGF	Challenger Financial Services Group	1,133,950	1,655,567	1.05%
HFA	HFA Limited	5,999,361	779,917	0.50%
IAG	Insurance Australia Group Limited	570,481	1,996,685	1.27%
LLC	Lend Lease Limited	96,200	624,338	0.40%
MQG	Macquarie Group Limited	285,550	7,724,128	4.90%
PPT	Perpetual Trustees Australia Limited	11,236	302,698	0.19%
QBE	QBE Insurance Group Limited	135,818	2,617,213	1.66%
SUN	Suncorp-Metway Limited	410,289	2,461,734	1.56%
			22,421,990	14.24%
	Health Care			
CLV	Clover Corporation Limited	375,000	67,500	0.04%
COH	Cochlear Limited	25,700	1,287,570	0.82%
CSL	CSL Limited	202,996	6,595,340	4.19%
RMD	ResMed Inc	529,300	2,805,290	1.78%
			10,755,700	6.83%
	Industrials			
AIO	Asciano Group Limited	1,505,380	1,369,896	0.87%
BXB	Brambles Limited	1,450,107	6,960,514	4.42%
MAP	Macquarie Airports	1,263,500	2,293,253	1.46%
MCG	Macquarie Communications Infrastructure	433,176	991,973	0.63%
MIG	Macquarie Infrastructure Group	4,428,000	6,509,160	4.13%
QAN	Qantas Airways Limited	739,265	1,290,017	0.82%
TOL	Toll Holdings Limited	749,380	4,683,625	2.97%
VBA	Virgin Blue Holdings Limited	749,380	191,092	0.12%
			24,289,529	15.42%
	Information Technology			
ALU	Altium Limited	1,303,050	521,220	0.33%
CPU	Computershare Limited	146,700	1,288,026	0.82%
			1,809,246	1.15%
	Telecommunication Services			
TLS	Telstra Limited	1,827,820	5,867,302	3.72%
			5,867,302	3.72%
	Utilities			
AGL	AGL Energy Limited	118,514	1,772,969	1.13%
			1,772,969	1.13%
	Other			
SYL	Sylvastate Limited	71,164	212,780	0.14%
			212,780	0.14%
	TOTAL		157,499,176	100.00%

FINANCIAL STATISTICS

Net Operating Profit After Tax Per Share Excluding Realised Gains on Investments



Dividends (Cents Per Share)



Performance of Whitefield's Investment Portfolio

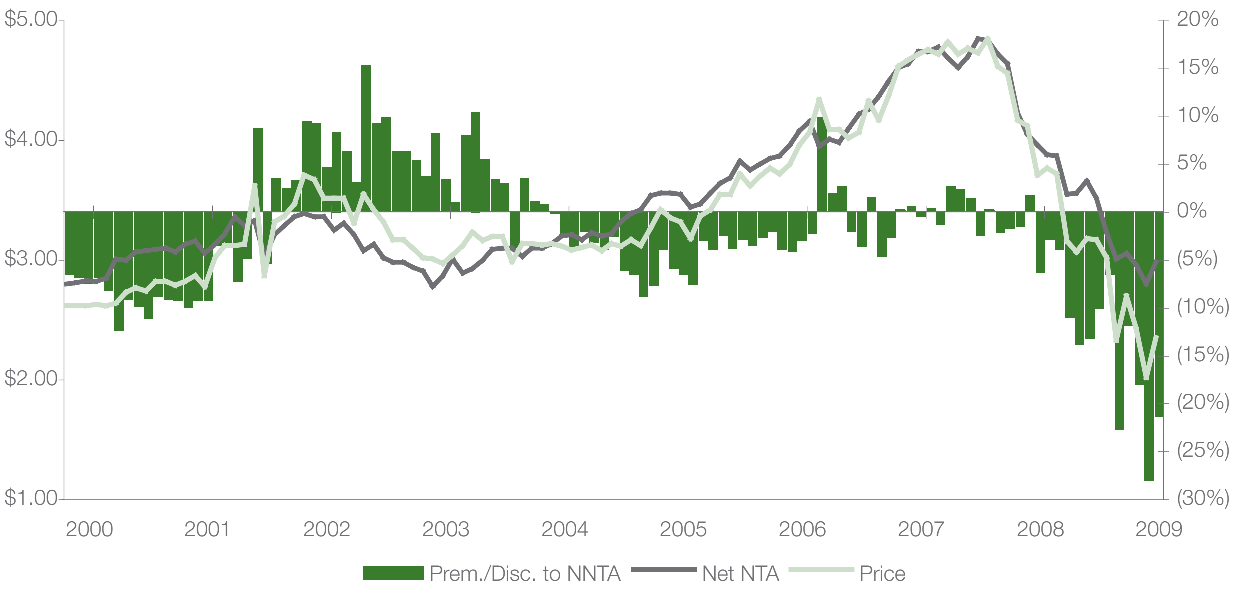
Whitefield as at 31 March 2009	3m	1yr	3yr	5yr	10yr
Portfolio	(5.394%)	(31.119%)	(10.527%)	1.666%	4.170%
Benchmark (ASX200 Industrials)	(5.641%)	(30.950%)	(10.020%)	1.980%	3.847%

FINANCIAL STATISTICS

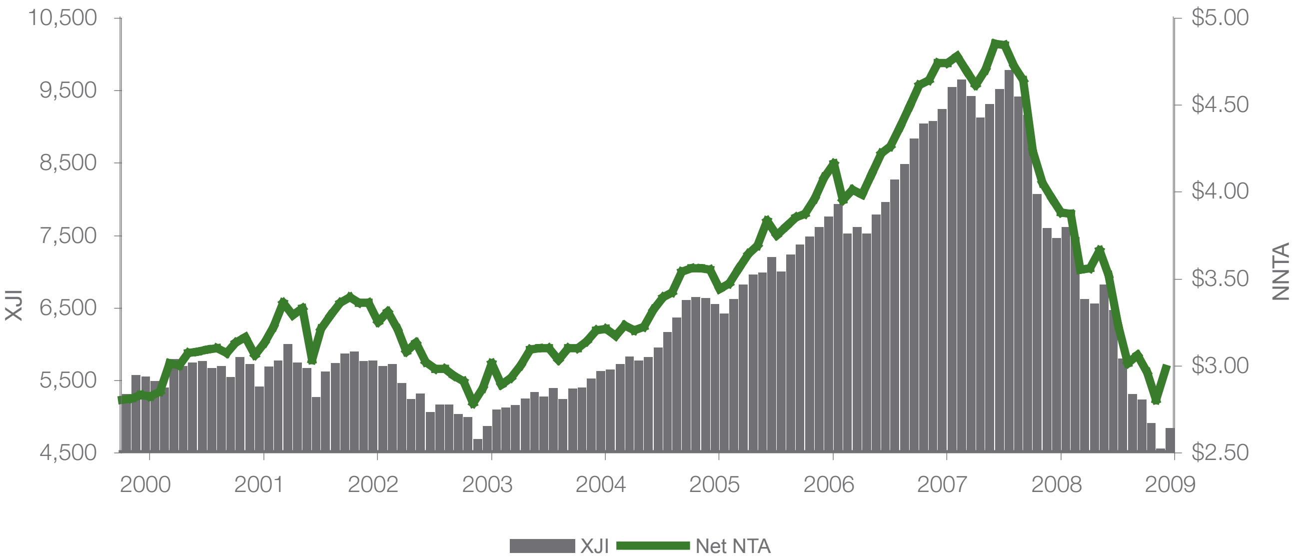
For the Year Ended 31st March, 2009

Net Tangible Assets as at 31 March 2009	
NTA	$196,397,261
Shares on Issue	66,323,391
NTA per share (pre-tax)	$2.73
NTA per share (post tax)	$2.96
Share Price	$2.33
(Discount)/Premium to NTA (pre-tax)	(14.65%)
(Discount)/Premium to NTA (post-tax)	(21.28%)

Whitefield Ltd Premium/(Discount) to Net NTA and Share Price



Whitefield Ltd NTA vs XJI



WHITEFIELD 20 YEAR FINANCIAL HISTORY

Year Ended	Ord Shares Issued	Capital Raised $	Issued Capital Preference $	Issued Capital Ordinary $	Operating After Tax Before Realised Gains $	Dividends Paid $	Shareholders' Equity $	Dividends Per Ordinary Share cps	Operating Profit After Tax per Share Before Realised Gains cps	NTA after Tax Per Ordinary Share $
1987	Bonus 1/5	-	200,000	7,885,056	1,248,473	160,559	44,211,310	0.39	3.21	1.18
1988	Bonus 15/4	-	200,000	37,454,016	1,550,314	765,080	45,926,742	2.00	3.99	1.22
1989	-	-	23,790	37,630,226	2,382,705	2,040,984	51,444,004	5.42	6.13	1.37
1990	-	-	23,790	37,630,226	3,495,228	1,732,893	51,458,020	4.60	8.99	1.37
1991	-	-	23,790	37,630,226	3,364,564	1,770,524	48,463,571	4.70	8.66	1.29
1992	-	-	23,790	37,630,226	2,263,820	1,845,785	55,289,228	4.90	5.82	1.47
1993	-	-	23,790	37,630,226	2,230,864	1,921,045	58,774,189	5.10	5.74	1.56
1994	-	-	23,790	37,630,226	2,452,813	1,996,305	70,087,106	5.30	6.31	1.86
1995	-	-	23,790	37,630,226	3,184,646	2,146,826	65,802,669	5.70	8.19	1.75
1996	-	-	23,790	37,630,226	3,543,244	2,334,977	73,145,190	6.20	9.12	1.94
1997	-	-	23,790	37,630,226	3,684,365	2,560,759	86,126,915	6.80	9.48	2.29
1998	-	-	23,790	37,630,226	4,188,379	2,899,431	98,008,523	7.70	10.78	2.60
1999	-	-	23,790	37,630,226	4,644,801	4,329,379	104,416,178	11.50	11.95	2.77
2000	-	-	23,790	37,630,226	4,854,287	4,630,421	103,324,176	12.30	12.49	2.75
2001	-	-	23,790	37,630,226	4,492,141	4,743,311	111,768,388	12.60	11.56	2.97
2002	-	-	23,790	37,630,226	4,296,005	4,743,311	123,252,523	12.60	11.05	3.27
2003	-	-	23,790	37,630,226	4,524,517	2,371,655	107,228,234	12.60	11.64	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	11.96	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	14.27	3.53
2006	DRP, SPP	13,187,620	23,790	51,236,819	7,873,034	6,805,255	207,894,752	14.90	15.26	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	15.81	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	18.18	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	17.38	2.96

Note: Shareholders' Equity includes 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 abnormal profits or losses arising from the sale of investments. Per share calculations have been adjusted for bonus issues where appropriate.

CORPORATE GOVERNANCE STATEMENT

For the Year Ended 31st March, 2009

This statement outlines the main corporate governance practices in place throughout the financial year, which comply with the ASX Corporate Governance Principles and Recommendations (2nd Edition, August 2007) unless otherwise stated.

Board of Directors and Its Committees

Role of the Board

The Board's primary role is the protection and enhancement of long-term shareholder value. To fulfil this role the Board seeks to address (a) the prudential control of the company's operations, (b) the resourcing, review and monitoring of executive management, (c) the timeliness and accuracy of reporting to shareholders and (d) the determination of the company's broad objectives.

Board Processes

The Board has established a number of Board Committees including a Nomination Committee, a Remuneration Committee and an Audit Committee. These committees have written mandates and operating procedures which are reviewed on a regular basis. The Board has also established a range of policies which govern its operation.

The Board currently holds four scheduled meetings each year plus any other strategic meetings as and when necessitated by the company's operations. The agenda for meetings is prepared through the input of the Chairman, Chief Executive Officer and Company Secretary. Standing items include matters of Compliance and Reporting, Financials, Shareholder Communications and Investment Strategy and Outcomes. Submissions are circulated in advance. In respect of the current financial year all necessary performance evaluations of the Board, its Committees and Directors have taken place in the reporting period in accordance with the processes disclosed herewith.

Composition of the Board

The names of the directors of the company in office at the date of this Statement and their period of office are set out in the Directors' Report. The qualifications, experience and special responsibilities of the Directors are shown on page 7 of this Annual Financial Report.

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

- A minimum of three directors;
- An independent, non-executive director as Chairman;
- A majority of non-executive directors;
- One Director being the Chief Executive Officer.

An independent director is considered to be a director (a) who is not a member of management and (b) who has not within the last three years been employed in an executive capacity by the company or been a principal of a professional adviser or consultant to the company (c) is not a significant supplier to the company (d) has no material contractual relationship with the company other than as a director and (e) is free from any interest or business or other relationship which could materially interfere with the director's ability to act in the best interests of the company.

No Directors other than the Chief Executive Officer hold office for a period in excess of three years or until the third AGM following his appointment without submitting himself for re-election.

Nomination Committee

The Nomination Committee oversees the selection and appointment process for directors. The Committee annually reviews the composition of the Board and makes recommendations on the appropriate skill mix, personal qualities, expertise and diversity required. Where a vacancy exists the Committee develops selection criteria and generates a list of potential candidates, for review, determination of an order of preference and ultimate selection by the Board.

The Nomination Committee meets annually unless otherwise required. The Committee met once during the year. Full details of Committee attendance can be found in the Directors' Report.

The Nomination Committee comprised the following members during the year:

- **David J. Iliffe (Chairman)** – Independent Non-Executive
- **Graeme.J.Gillmore** – Independent Non-Executive
- **Martin J. Fowler** – Independent Non-Executive (Appointed 29th May 2008)
- **Angus.J.Gluskie** – Chief Executive Officer
- **John V. C. Green** – Independent Non-Executive (Retired 29th May 2008)

The terms and conditions of the appointment and retirement of non-executive directors are set out in a letter of appointment. The Committee is responsible for the performance review of the Board and its Committees. Individual directors are subject to continuous review by the Chairman. Directors whose performance is unsatisfactory are asked to retire.

In addition, the performance of service providers (ANZ Custodians, White Outsourcing Services Pty Ltd and White Funds Management Pty Ltd) is the subject of continuous oversight by the Chairman and the Board as a whole.

Director Dealing in Company Shares

Directors and senior management may acquire shares in the Company, but are prohibited from dealing in Company shares (a) between the close of a month and the release of the company's net asset backing to the ASX or (b) whilst in possession of price-sensitive information.

Independent Professional Advice and Access to Company Information

Each director has the right of access to all relevant company information and to the Company's executives and subject to prior consultation with the Chairman, may seek independent professional advice at the entity's expense. A copy of advice received by the director is made available to all other members of the board.

Remuneration Committee

The Remuneration Committee reviews and makes recommendations to the Board on remuneration of the directors themselves.

The members of the Remuneration Committee during the year were:

- **David J. Iliffe (Chairman)** – Independent Non-Executive
- **Graeme J. Gillmore** – Independent Non-Executive
- **Martin J. Fowler** – Independent Non-Executive (Appointed 29th May 2008)
- **Angus J. Gluskie** – Chief Executive Officer
- **John V. C. Green** – Independent Non-Executive (Retired 29th May 2008)

The Remuneration Committee meets annually unless otherwise required. The Committee met once during the year. Full details of Committee attendance can be found in the Directors' Report.

The company provides no equity based remuneration, such as share or option plans, to Directors.

Full details on Directors' remuneration are provided in the Directors' Report.

Audit Committee

The Audit Committee has a documented Charter, approved by the Board. All members must be non-executive directors. The Chairman is not the Chairman of the Board. The Committee is responsible for considering the effectiveness of the systems of internal control and financial reporting.

The members of the Audit Committee during the year were:

- **Graeme J. Gillmore (Chairman)** – Independent Non-Executive
- **David J. Iliffe** – Independent Non-Executive
- **Martin J. Fowler** – Independent Non-Executive (Appointed 29th May 2008)
- **John V. C. Green** – Independent Non-Executive (Retired 29th May 2008)

CORPORATE GOVERNANCE STATEMENT

Continued

The Audit Committee meets at least two times per year. The Audit Committee met two times in the last year. These meetings included meeting two times with the external auditor, without management being present. Full details of Committee attendance can be found in the Directors' Report.

The responsibilities of the Audit Committee are to ensure that:

- Relevant, reliable and timely information is available to the Board to monitor the performance of the company;
- External reporting is consistent with committee members' information and knowledge and is adequate for shareholder needs;
- Management process support external reporting in a format which facilitates ease of understanding by shareholders and institutions;
- The external audit arrangements are adequate to ensure the maintenance of an effective and efficient external audit. This involves (a) reviewing the terms of engagement, scope and auditor's independence (b) recommendations as to the appointment, removal and remuneration of an auditor and (c) reviewing the provision of non-audit services provided by the external auditor ensuring they do not adversely impact on audit independence;
- Review the company's risk profile and assess the operation of the company's internal control system; and
- Conduct an annual review of the Chief Executive Officer's performance.

The Auditor is invited to attend the Annual General Meeting of the company. In respect of the current financial year performance review was conducted for the Chief Executive Officer during the reporting period in accordance with the process disclosed.

Risk Management Policy

The Board acknowledges that it is responsible for the overall system of internal control but recognises that no cost effective internal control system will preclude all errors and irregularities. The Board has delegated responsibility for reviewing the risk profile and reporting on the operation of the internal control system to the Audit Committee.

The external auditor is required to attend the Annual General Meeting and is available to answer shareholder questions.

The Audit Committee (a) requires executive management to report annually on the operation of internal controls, (b) reviews the external audit of internal controls and liaises with the external auditor and (c) conducts any other investigations and obtains any other information it requires in order to report to the Board on the effectiveness of the internal control system. In respect of the current financial year all necessary declarations have been submitted to the Board.

The Board identifies the following business risks as having the potential to significantly or materially impact the company's performance (a) administrative risks including operational, compliance and financial reporting (b) market related risks.

Administrative Risks

The Chief Executive Officer is responsible for recognising and managing administrative risks including (a) operational, (b) compliance and (c) financial reporting. However, the Company has outsourced its administrative functions to service providers, ANZ Custodians (custody), White Outsourcing Pty Limited (accounting and Company Secretarial) and White Funds Management Pty Limited (investment management) accordingly risk issues associated with these activities are handled in accordance with the service providers policies and procedures.

The Chief Executive Officer and the Company Secretary provide declaration to the Board twice annually, to certify that the company's financial statements and notes present a true and fair view, in all material respects, of the company's financial condition and operational results and that they have been prepared and maintained in accordance with relevant Accounting Standards and the Corporations Act 2001. In respect of the current financial year all necessary declarations have been submitted to the Board.

In addition, the Chief Executive Officer and White Outsourcing Pty Ltd (Administration Manager) will confirm half-yearly in writing to the Board that the declaration provided above is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks. The Chief Executive Officer is also required to confirm half-yearly that all material business risks have been effectively managed.

Market Risks

The Board is primarily responsible for recognising and managing market related risks. By its nature as a Listed Investment Company, the Company will always carry investment risk because it must invest its capital in securities which are not risk free. However, the Company seeks to reduce this investment risk by a policy of diversification of investments across industries and companies operating in various sectors of the market.

White Funds Management Pty Ltd (Investment Manager), is required to act in accordance with the Board approved investment management agreement and reports to the Board quarterly on the portfolio's performance, material actions of the investment manager during that quarter and an explanation of the investment manager's material proposed actions for the upcoming quarter. In addition, the investment manager is required to report half-yearly that White Funds Management Pty Ltd have invested the Company's assets in accordance with the approved Investment Mandate and complied with the Investment Management agreement requirements during the reporting period. In respect of the current financial year all necessary declarations have been submitted to the Board.

In assessing the Company's risk tolerance level the Board considers any instance which materially affects the Company's monthly Net Tangible Asset backing announcement released to the ASX.

Executive Management

The Chief Executive Officer is responsible for Whitefield's day to day operations. These operations are conducted through White Funds Management Pty Ltd (Investment Manager) and White Outsourcing Pty Ltd (Administration Manager). These entities incorporate the specialist wholesale investment and administration personnel who directly, or via their predecessors, have undertaken the company's executive operations since inception.

Whitefield has contracted with White Funds Management Pty Ltd to provide investment management services until 31st August 2017. The fee payable to the Investment Manager amounts to 0.25% of gross assets per annum. The Chief Executive Officer receives no fees as an individual but is a Director and Shareholder of White Funds Management Pty Ltd. Whitefield has contracted with White Outsourcing Pty Ltd to provide ongoing administration services on normal commercial terms. The Company Secretary receives no fees as an individual but is a Director and Shareholder of White Outsourcing Pty Ltd.

The company provides no equity based remuneration, such as share or option plans, to executives.

Whitefield's executive management arrangements have been structured to provide investors with an extremely cost efficient investment vehicle and access to a significant depth of professional resources.

Ethical Standards

The Board expects all executive and non-executive directors to act professionally in their conduct and with the utmost integrity and objectivity. All executive and non-executive directors must comply with the company's Code of Conduct and Ethics.

Shareholder Communications

The Board informs shareholders of all major developments affecting the company's state of affairs as follows:

- Quarterly reports will be mailed to shareholders at the close of each quarter, with the exception of the year-end;
- The default option for receiving annual reports is via the Company website. Information on accessing online annual reports is provided in Notice of Meeting and Proxy Mail Packs. Shareholders have the option of receiving a printed version of the annual report or alternatively receiving all shareholder communications via email;
- Net asset backing per share is released to the ASX by the 14th day following each month-end;
- Any information of a material nature affecting the company is disclosed to market through release to the ASX as soon as the company becomes aware of such information, in accordance with the ASX Continuous Disclosure requirements;
- All announcements made to the ASX are also available from the company's website (www.whitefield.com.au);
- The Board, Audit Committee, Nomination Committee and Remuneration Committee Charters and Company Policies are available on the company's' website.

DIRECTORS' REPORT

For the Year Ended 31st March 2009

The Directors present their report together with the financial report of Whitefield Limited ("the Company") for the year ended 31st March, 2009 and the auditor's report thereon.

Principal Activity

The principal activity of the Company is investment in the publicly listed equities of Australian companies. No change in this activity took place during the year or is likely in the future.

Operating and Financial Review

Net profit after tax (before realised gains) amounted to $11,864,370 (2008: $11,981,188).

A full review of operations and results is included in the accompanying Chief Executive Officer's Review.

Dividends

Dividends paid or recommended for payment out of the profits since the end of the previous financial year were:

In respect of last year's report:		
(a)	Final dividend paid 19th May 2008, proposed in last year's report	
	8.1 cents per ordinary share, fully franked	
	100% attributable to discount capital gains	$5,653,295
	4.0 cents per preference share, fully franked	
	100% attributable to discount capital gains	$951
In respect of the current financial year:		
(b)	Interim dividend paid 28th November 2008	
	8.5 cents per ordinary share, fully franked	$5,754,824
	100% attributable to discount capital gains	
	4.0 cents per preference share, fully franked	
	100% attributable to discount capital gains	$951
(c)	Final dividend declared by the Directors, not provided,	
	To be paid 10th June 2009	
	8.5 cents per ordinary share, fully franked,	$5,653,295
	0% attributable to discount capital gains	
	4.0 cents per preference share, fully franked,	
	0% attributable to discount capital gains	$951

State Of Affairs

Significant changes in the state of affairs of the company during the financial year were as follows:

Fully paid ordinary share capital moved during the year as follows:

	2009 $'000
– 19th May 2008 – Dividend Reinvestment of 237,872 shares at $3.53 per share to provide additional working capital of $839,756	839
– 28th November 2008 – Dividend Reinvestment of 300,639 shares at $2.81 per share to provide additional working capital of $844,790	845
– 25th March 2008 – 24th March 2009 - Share Buyback of 4,407,853 shares to reduce working capital of $12,723,892	(12,724)
Decrease in fully paid share capital	(11,040)

Events Subsequent To Balance Date

The final dividend as declared by the directors will be paid subsequent to balance date and is not provided for in the Balance Sheet.

Other than the matters discussed above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of material and unusual nature likely, in the opinion of the directors of the Company, to significantly affect the operations of the entity, the results of those operations, or the state of affairs of the entity, in future financial years.

Likely Developments

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.

Directors Names

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

	Period of Directorship
David J. Iliffe (Independent Chairman)	15th March 1990 to current
Angus J. Gluskie (Chief Executive Officer)	4th February 2003 to current
John V.C. Green	31st March 1983 to 29th May 2008
Graeme J. Gillmore	1st November 1995 to current
Martin J. Fowler	29th May 2008 to current

The Directors have been in office since the start of the financial period to the date of this report unless otherwise stated. No other Directors held office during the financial year.

The qualifications, experience and special responsibilities of the Directors are shown on page 7 of this Annual Financial Report. Particulars of the interest of Directors in the issued capital of the Company are shown on pages 34 and 35 of this Annual Report.

The Company Secretary is Mr. Peter A. Roberts. The Company Secretary has been in office since the start of the financial period to the date of this report unless otherwise stated. The qualifications and experience of the Company Secretary are shown on page 7 of this Annual Report.

Environmental Issues

The company's operations are not subject to any significant environmental regulations under the law of the Commonwealth and State. To the extent that any environmental regulations may have incidental impact on the Company's operation, the Directors' of the Company are not aware of any breach by the Company of those regulations.

Directors' Meetings

During the year the Company held 5 Directors' Meetings, 2 Audit Committee meetings, 2 Remuneration Committee meetings and 2 Nomination Committee meetings. Attendance by each Director during the year was as follows:

	Directors' Meetings Attended	Audit Committee Meetings Attended
G.J.Gillmore	5	2
A.J. Gluskie	5	-
J.V.C. Green	0	0
D.J.Iliffe	5	2
M.J. Fowler	5	2

	Nomination Committee Meetings Attended	Remuneration Committee Meetings Attended
G.J.Gillmore	2	2
A.J. Gluskie	2	2
J.V.C. Green	0	0
D.J.Iliffe	2	2
M.J. Fowler	2	2

Remuneration Report

This report outlines the remuneration arrangements for directors and executives of Whitefield Limited.

Remuneration Policy

The Board determines 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 as well as directors' length of service, particular experience and qualifications. 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.

The company pays no direct remuneration to executives. Mr A.J. Gluskie is a shareholder and officer of White Funds Management Pty Ltd and a shareholder of White Outsourcing Pty Ltd. Mr P.A. Roberts is a shareholder and employee of White Outsourcing Pty Ltd. White Funds

DIRECTORS' REPORT

Continued

Management Pty Ltd and White Outsourcing Pty Ltd are contracted by the company as the Investment Manager and Administrator respectively. Those entities receive 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 the nature and amount of each director and senior executives' emoluments from the Company in respect of the year to 31 March 2009 were:

Directors' and Senior Executives' Emoluments

	Base Emoluments	Super	Other	Total
M.J Fowler	8,089	728		8,817
Mr J.V.C Green	1,544	139		1,683
G.J.Gillmore	9,633	867		10,500
D.J.Iliffe	9,633	867		10,500
A.J. Gluskie P.A. Roberts			$736,755[1]	736,755

[1] Mr A.J. Gluskie is a shareholder and officer of White Funds Management Pty Ltd. Mr P.A. Roberts is a shareholder and employee of White Outsourcing Pty Ltd. During the year, White Funds Management Pty Ltd and White Outsourcing Pty Ltd received fees of $736,755 (2008: $913,621) for the management of the Company, out of which costs of accounting, administration and investment management are paid. Mr A.J. Gluskie and Mr P.A. Roberts received no fees as individuals.

Indemnification and Insurance of Officers

Since the end of the previous year, the company has paid insurance premiums in respect of a directors' and officers' liability policy which covers the directors and officers of Whitefield Limited. The terms of the policy prohibit disclosure of details of the amount of insurance cover and the nature of the liability insured against.

Proceedings on Behalf of The Company

No persons have applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceeding to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceeding during the year.

Directors' and Executives Benefits

No director or executive since the end of the previous financial year has received or become entitled to receive a benefit, (other than emoluments shown in the financial statements or notes thereto), by reason of a contract made by the Company or a related company with the Director, Executive or with a firm of which a Director or Executive is a member or with a company in which he has a substantial financial interest.

Non-Audit Services

The directors' of the Company are satisfied that the general standard of independence for auditors imposed by the Corporation Act 2001 have been met as there has been no provision of non-audit Services By The External Auditor.

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 31 March 2009 has been received and can be found on page 19 of this Annual Report.

Signed in accordance with a resolution of the Directors.

David Iliffe, Director
Signed at Sydney this 14th day of May, 2009

AUDITOR'S INDEPENDENCE / DIRECTORS' 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 2009 there have been:

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

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

MNSA

Mark Schiliro, Partner
Signed at Sydney this 14th day of May 2009
Address: Level 2, 333 George Street Sydney

The Directors of the Company declare that:

1. The financial statements and notes set out on pages 24 to 38, are in accordance with the Corporations Act 2001, including:

   (a) giving a true and fair view of the financial position of the company as at 31st March 2009 and of its performance as represented by the results of its operations and cashflows for the year ended on that date; and

   (b) complying with Accounting Standards in Australia and the Corporations Regulations 2001.

2. On behalf of Whitfield Limited, Peter Roberts, as a person who performs the chief executive functions for the purpose of the Act declared that:

   a) the financial records of the company for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;

   b) the financial statements and notes for the financial year comply with the Accounting standards; and

   c) the financial statements and notes for the financial year give a true and fair view.

3. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:

David Iliffe, Director
Signed at Sydney this 14th day of May 2009

INCOME STATEMENT

For the Year Ended 31st March, 2009

	Notes	Year ended 31-Mar 2009 $	Year ended 31-Mar 2008 $
Investment Revenue from ordinary activities	3	13,453,075	13,614,315
Administrative expenses		(762,715)	(1,098,169)
Directors' fees		(31,501)	(23,250)
Listing fees		(39,848)	(39,840)
Audit fees	4	(15,000)	(13,970)
Operating Profit before income tax expense and realised gains on investments		12,604,011	12,439,086
Income tax benefit/(expense)	5(c)	(739,641)	(457,898)
Operating profit before realised (losses)/ gains on investments		11,864,370	11,981,188
Realised (losses)/gains on investments		(10,481,556)	31,753,953
Impairment losses on investments	2(b)	(10,594,415)	-
Income tax benefit/(expense)		9,891,063	(8,187,613)
Profit attributable to members of the company		679,462	35,547,528
		2009 cents	2008 cents
Basic and diluted earnings per share (excluding realised (losses)/gains on investments)	8	17.38	18.18
Basic and diluted earnings per share (including realised (losses)/gains on investments)	8	1.00	53.93

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

BALANCE SHEET

For the Year Ended 31st March, 2009

	Notes	Year ended 31-Mar 2009 $	Year ended 31-Mar 2008 $
Current Assets			
Cash and cash equivalents		15,414,938	13,122,664
Trade and other receivables	9	1,669,008	2,701,022
Current tax asset	5(e)	42,651	-
Other	10	70,588	79,187
Total Current Assets		17,197,185	15,902,873
Non-Current Assets			
Deferred tax assets	5(g)	21,974,662	636,536
Investment portfolio - available for sale	11	157,499,176	273,484,431
Total Non-Current Assets		179,473,838	274,120,967
Total Assets		196,671,023	290,023,840
Current Liabilities			
Trade and other payables	12	102,775	353,681
Current tax liabilities	5(d)	-	7,639,301
Total Current Liabilities		102,775	7,992,982
Non-Current Liabilities			
Deferred tax liabilities	5(f)	153,557	6,464,295
Total Non-Current Liabilities		153,557	6,464,295
Total Liabilities		256,332	14,457,277
Net Assets		196,414,691	275,566,563
Equity			
Share capital	13	149,926,994	160,978,314
Investment portfolio revaluation reserve	14(a)	(67,755,665)	(10,385,672)
Realised capital profits reserve	14(b)	100,000,766	103,769,583
Retained profits	15	14,242,596	21,204,338
Total Equity		196,414,691	275,566,563

The Balance Sheet should be read in conjunction with the accompanying Notes to the Financial Statements.

STATEMENT OF CHANGES IN EQUITY

For the Year Ended 31st March, 2009

	Share Capital $	Investment Portfolio Revaluation Reserve / Realised Capital Profits Reserve $	Retained Earnings $	Total $
As at 1 April 2007				
Direct equity adjustments	116,497,587	148,726,300	19,373,565	284,597,452
Investment portfolio				
Net unrealised gains on investments	-	(85,525,484)	-	(85,525,484)
Tax on unrealised gains on investment	-	30,183,095	-	30,183,095
Total direct equity adjustments	-	(55,342,389)	-	(55,342,389)
Profit for the year (excluding realised gains)	-	-	11,981,188	11,981,188
Transactions with shareholders				
Dividends paid from retained earnings	-	-	(10,150,415)	(10,150,415)
Issue of shares	45,858,005	-	-	45,858,005
Shares bought back	(317,526)	-	-	(317,526)
Transaction costs arising from share issue	(1,059,752)	-	-	(1,059,752)
As at 31 March 2008	116,497,587	93,383,911	21,204,338	275,566,563
Direct equity adjustments				
Investment portfolio				
Net unrealised losses on investments	-	(93,445,125)	-	(93,445,125)
Impairment loss recognised in income statement	-	10,594,415	-	10,594,415
Tax on unrealised losses on investments		21,711,900	-	21,711,900
Total direct equity adjustments	-	(61,138,810)	-	(61,138,810)
Profit for the year (excluding realised gains)				
Operating profit before realised gains on investments	-	-	11,864,370	11,864,370
Other movements in investments net of tax	-	-	(7,416,091)	(7,416,091)
Total profit for the year (excluding realised gains)	-	-	4,448,279	4,448,279
Transactions with shareholders				
Dividends paid from retained earnings	-	-	(11,410,021)	(11,410,021)
Issue of shares	1,684,546	-	-	1,684,546
Shares bought back	(12,723,892)	-	-	(12,723,892)
Transaction costs arising from share issue	(11,974)	-	-	(11,974)
As at 31 March 2009	149,926,994	32,245,101	14,242,596	196,414,691

This Statement of Changes in Equity should be read in conjunction with the Notes to the Financial Statements which follow.

CASH FLOW STATEMENT

For the Year Ended 31st March, 2009

	Year ended 31 March 2009 $	Year ended 31 March 2008 $
Cash flows from operating activities		
Dividends and trust distributions received	13,920,445	11,899,170
Interest received	564,643	461,419
Payments for administrative and general expenses	(853,361)	(1,051,127)
Income tax paid	(7,755,263)	(3,845,661)
Net cash provided by operating activities	5,876,464	7,463,801
Cash flows from investing activities		
Proceeds from sale of investments	50,690,875	145,500,381
Payments for purchase of investments	(31,571,633)	(193,556,382)
Net cash provided by/(used in) investing activities	19,119,242	(48,056,001)
Cash flows from financing activities		
Proceeds from issue of shares	-	44,412,500
Payments for share buyback	(12,964,280)	(79,299)
Transaction costs from the issue of shares	(13,615)	(1,513,933)
Dividends paid	(9,725,537)	(8,704,910)
Unclaimed dividends	-	(42,824)
Net cash (used in) / provided by financing activities	(22,703,432)	34,071,534
Net increase/(decrease) in cash and cash equivalents held	2,292,274	(6,520,666)
Cash and cash equivalents at beginning of the financial year	13,122,664	19,643,330
Cash and cash equivalents at end of the financial year	15,414,938	13,122,664

Notes to Cash Flow Statement

(i) **Reconciliation of cash –**		
For the purpose of the cash flow statement, cash includes cash at bank and at call with a cash management trust. Cash at the end of the year shown in the cash flow statement is reconciled to the Balance Sheet as follows:-		
Cash (interest bearing)	15,414,938	13,122,664
(ii) **Reconciliation of profit from ordinary activities after income tax and realised (losses)/gains on investments to net cash provided by operating activities.**		
Operating profit from ordinary activities after income tax and after realised (losses)/gains on investments	679,462	35,547,528
Deduct:		
Net realised gains on investments classified as investing activities	3,768,817	(23,566,340)
Impairment loss net of Income Taxes	7,416,091	-
Net cash Provided by Operating Activities before change in assets and liabilities	11,184,908	(23,566,340)
Decrease in Income Taxes Payable	(7,015,622)	(3,387,763)
(Decrease)/Increase in Payables	(12,896)	124,102
Decrease/(Increase) in Receivables and Prepayments	1,040,612	(1,253,726)
Net Cash Provided by Operating Activities	5,876,464	7,463,801

The credit risk exposure of the company in relation to cash is the carrying amount and any accrued unpaid interest.

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

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st March, 2009

1 Reporting Entity

Whitefield is a company domiciled in Australia. The address of Whitefield Limited's registered office is Level 7, 20 Hunter Street, Sydney NSW, 2000. The financial statements of Whitefield Limited are as at and for the year ended 31 March 2009. The company is primarily involved in the operations of the financial sector of Australia, making investments and deriving revenue and investment income from listed securities and unit trusts.

2 Statement of Significant Accounting Policies

(a) Basis of Accounting

This general purpose financial report has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report covers Whitefield Limited which is a listed public company, incorporated and domiciled in Australia. The financial report has been prepared on an accrual basis, with the exception of the valuation of investments as described in note 2(b) below.

The accounting policies are consistent with those of the previous year. In order to reflect changing market values the Directors have adopted a policy to revalue all investments on a daily basis. Apart from this policy, the Financial statements have been prepared on the basis of historical cost.

The financial report of the company complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

The following is a summary of the material accounting policies adopted by the Company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Australian equivalents to International Financial Reporting Standards

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards ("AIFRS").

Compliance with AIFRS ensures that the financial report of the Company complied with International Financial Reporting Standards.

(b) Investments

Classification

Investments are classified as available-for-sale in accordance with the AIFRS definition. Financial instruments are initally measured at fair value on trade date at fair value, which includes transaction costs. Subsequent to initial recognition these instruments are measured as set out below.

Trade date accounting is adopted for financial assets that are delivered within time established by market place conventions.

Gains or losses on available-for-sale investments are recognised as a separate component of equity until the investment is sold, collected or otherwise disposed of, or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in the income statement.

Determination of Fair Value

AIFRS defines fair value for the purpose of valuing holdings of securities that are listed or traded on an exchange to be based on quoted "bid" prices for securities prevailing at the close of business on the balance date.

Impairment

At each reporting date, the company assesses whether there is objective evidence that a financial instrument has been impaired.

A financial asset is impaired and an impairment loss incurred if and only if there is objective evidence of impairment as a result of one or more events that impact sufficiently adversely on the estimated future cash flows of the financial asset.

(c) Taxation

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using the applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax assets and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the assets is realised or the liability is settled, based on tax rates enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investment in subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective assets and liabilities will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Investment Portfolio

A tax provision is made for the unrealised gain or loss on securities valued at fair value through the Investment Portfolio Revaluation Reserve.

The expected tax on disposal of securities in the investment portfolio is recognised directly in equity and as a deferred tax liability. Where the Company disposes of such securities, tax is calculated on gains made according to the particular parcels allocated to the sale for tax purposes offset against any capital losses carried forward. At this time the tax recognised directly in equity is transferred to Net Profit and adjusted to actual tax expense. The associated deferred tax liability is similarly adjusted and transferred to tax payable.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st March, 2009

2. Statement of Significant Accounting Policies (cont)

(d) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are included in the cash flow statement on a gross basis. The GST components of cash flows arising from investing activities which are recoverable from, or payable to, the ATO are classified as cash flows from operating cash flows

(e) Revenue recognition

(i) Dividend Income – dividends and distributions are brought to account when the company's right to receive a dividend is established.

(ii) Interest income – interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

(iii) Other income – other revenue is recognised to the extent that it is probably that the economic benefits will flow to the Company and when the revenue can be reliably measured.

(f) Cash and cash equivalents

Cash and cash equivalents include cash on hand deposits held at call with banks, other short-term highly liquid investments, with an original maturity of three months or less, and bank overdrafts that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of any outstanding bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

(g) Operating Segments

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

(h) Dividends

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

The Company may pay dividend from profits, dividends and interest income it receives from its investments to the extent permitted by law and prudent business practices. Dividends will be franked to the extent that available imputation credits permit. Dividends that are paid from the realisation of capital gain may be passed onto the shareholders.

(i) Earnings per share

Basic and diluted earnings per share including realised profits and losses on the investment portfolio are calculated by dividing profit attributable to members of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for any bonus element.

(j) Receivables

Receivables may include amounts for dividends, interest and securities sold. Dividends are receivable when they have been declared and are legally payable. Interest is accrued at the period end from the time of last payment. Amounts received for securities sold are recorded when a sale has occurred. Amounts are generally received within 30 days of being recorded as a receivable.

(k) Payables

Payables represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid at the reporting date. Payables are unsecured and are usually paid within 30 days of recognition.

(l) New standards and interpretations not yet adopted

There have been new Australian Accounting Standards and Australian Accounting Interpretations issued or amended and are applicable to the Company but not yet effective. The Company's assessment of the impact of these new standards and interpretations have been completed with no material effect on the Company's financial report. They have not been adopted in the preparation of the financial report at reporting date.

(m) Fair value of Financial Assets and Liabilities

The fair value of cash and cash equivalents, and non-interest bearing monetary financial assets and liabilities of the Company approximates their carrying value. The fair value for assets that are actively traded on market is defined by AASB 139 as 'last bid price'.

(n) Share capital

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

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st March, 2009

		Year Ended 31 March 2009 $	Year Ended 31 March 2008 $
3.	Investment revenue from ordinary activities		
	Dividends received	11,084,061	11,606,457
	Net interest received	559,204	499,025
	Trust distributions and other income	1,809,810	1,508,833
		13,453,075	13,614,315
4.	Auditor's remuneration		
	Audit and review of the financial reports		
	Grosvenor Schiliro / MNSA	15,000	13,970
		15,000	13,970
5.	Income tax expense		
(a)	Income tax expense recognised in the Income Statement		
	Current income (benefit)/expense		
	On operating profit before realised gains on investments	739,641	457,898
	On impairment losses on investments	(3,178,324)	-
	On realised (losses)/gains on investments	(6,712,739)	8,187,613
	Total Income tax (benefit)/expense	(9,151,422)	8,645,511
(b)	Income tax recognised directly in equity		
	The following current and deferred amounts were charged directly to equity during the period:		
	Current tax		
	Share-issue expenses	190,390	197,759
	Deferred tax		
	Revaluation of investment portfolio	21,711,900	(30,183,095)
		21,902,290	(29,985,336)
(c)	Income tax expense		
	The prima facie income tax expense on pre-tax accounting profit (before realised (losses)/gains on investments) reconciles to income tax (benefit)/expense as follows:		
	Prima facie income tax expense calculated at 30% on the operating profit before realised (losses)/gains on investments	3,781,203	3,731,726
	Imputation gross up on dividends received	1,380,247	1,197,695
	Franking credits on dividends received	(4,600,823)	(3,992,316)
	Timing differences	219,226	(280,210)
	Over provided in prior year	(40,212)	(198,997)
	Income tax (benefit)/expense (excluding realised gains on investments)	739,641	457,898
	The applicable weighted average effective tax rates are as follows:	5.87%	3.68%

		Year Ended 31 March 2009 $	Year Ended 31 March 2008 $
(d)	**Current tax liability**		
	Current tax liability	-	7,639,301
(e)	**Current tax asset**		
	Current tax asset	42,651	-
(f)	**Deferred tax liabilities**		
	Provision for deferred income tax comprises the estimated expense at current income tax rates of 30% on the following items:		
	Provision for capital gains tax on unrealised investments	-	6,342,544
	Temporary Differences	153,557	121,751
		153,557	6,464,295
(g)	**Deferred tax assets**		
	Current tax assets comprises the estimated expense at current income tax rates on the following items:		
	Temporary Differences	450,757	636,536
	Provision for capital losses on unrealised investments	15,369,351	-
	Realised capital losses on investments	3,379,564	-
	Franking credits on dividends received to be utilised next period	2,774,990	-
		21,974,662	636,536
(h)	**The overall movement in the net deferred tax asset and liability account is as follows:**		
	Opening balance	5,827,759	36,173,348
	(Charge)/credit to income statement	(49,360,764)	(162,494)
	Charge to equity	21,711,900	(30,183,095)
		(21,821,105)	5,827,759

6. Dividends paid or provided

	Year Ended 31 March 2009 $	Year Ended 31 March 2008 $
Final – Ordinary Shares	5,653,295	4,760,631
Final – Preference Shares	951	951
Interim – Ordinary Shares	5,754,824	5,387,882
Interim – Preference Shares	951	951
Total Dividends For Financial Year	11,410,021	10,150,415

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st March, 2009

	Dividend Rate	Total Amount $	Date of Payment	% Franked	% Discount Cap Gain
2009					
Preference Shares Interim	4.0 cps	951	28/11/08	100%	100%
Ordinary Shares Interim	8.5 cps	5,754,824	28/11/08	100%	100%
2008					
Preference Shares Final	4.0 cps	951	19/5/08	100%	100%
Ordinary Shares Final	8.1 cps	5,653,295	19/5/08	100%	100%

No unfranked dividends have been declared or paid during the year.

Subsequent Events

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

	Dividend Rate	Total Amount $	Date of Payment	% Franked	% Discount Cap Gain
Preference Shares Final	4.0 cps	951	10/6/09	100%	0%
Ordinary Shares Final	8.5 cps	5,653,295	10/6/09	100%	0%
		5,654,246			

The financial effect of these dividends have not been brought to account in the financial statements for the year ended 31 March 2009 and will be recognised in subsequent financial reports.

The financial report was authorised for issue on 14th May 2009 by the Board of Directors.

	Year Ended 31 March 2009 $	Year Ended 31 March 2008 $
7. Franking account		
Franking credits available to shareholders for subsequent financial years	29,626,443	14,593,588
Franking credits that will arise from the payment of income tax payable as at the end of the financial year	-	7,639,301
(a) franking credits which will arise from the payment of income tax provided for in the financial statements; Franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date	499,759	983,651
(b) franking debits that will arise from the payment of dividends recognised as a liability at year-end; Adjusted franking account balance	30,126,202	23,216,540
(c) franking credits that will arise from the receipt of dividends recognised as receivables at year-end; 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	(2,423,248)	(2,423,248)
	27,702,954	20,793,292

No unfranked dividends have been declared or paid during the year.

		Notes	Year Ended 31 March 2009 $	Year Ended 31 March 2008 $
8.	Earnings per share			
	Basic and diluted earnings per share (excluding Realised (losses)/gains on investments)		17.38 Cents	18.18 Cents
	Basic and diluted earnings per share (including Realised (losses)/gains on investments)		1.00 Cents	53.93 Cents
	Weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share:		68,262,560	65,908,273
	There is no contingent issue of shares which would dilute earnings per share.			
9.	Current Assets – Trade and other receivables			
	Dividend income receivable		1,636,842	2,663,416
	Interest receivable		32,166	37,606
			1,669,008	2,701,022

Receivables are non-interest bearing and unsecured. Outstanding settlements are on the terms operating in the securities industry, which usually require settlement within three days of the date of a transaction.

The credit risk exposure of the Company in relation to receivables is the carrying amount.

		Notes	2009 $	2008 $
10.	Current Assets – Other			
	Prepayments		17,916	29,493
	Other debtors		52,672	49,694
			70,588	79,187
11.	Non-current assets – Investment portfolio			
	Subject to capital gains tax if realised and recorded at fair value			
	Shares & Equities in Listed Companies		157,499,176	273,484,431
			157,499,176	273,484,431
12.	Current Liabilities – Trade and other payables			
	Trade payables		102,775	353,681
			102,775	353,681

Payables are non-interest bearing and unsecured. Outstanding settlements are on the terms operating in the securities industry, which usually require settlement within three days of the date of a transaction.

		Notes	2009 $	2008 $
13.	Share Capital			
	66,323,391 (2008: 70,192,733) ordinary shares, fully paid	13(a)	149,903,204	160,954,524
	23,790 (2008: 23,790) 8cps preference shares, fully paid		23,790	23,790
	Total Share Capital		149,926,994	160,978,314

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st March, 2009

(a) Movement in Ordinary Share Capital

	2009		2008	
Shares issued during the year	No. Shares	$	No. Shares	$
Balance at the beginning of the year	70,192,733	160,954,524	60,263,443	116,473,797
Shares issued under the Dividend Reinvestment Plan	538,511	1,684,546	319,342	1,445,505
Shares issued under Share Purchase Plan	-		2,759,382	12,500,000
Share placement	-		6,937,500	31,912,500
Share buyback	(4,407,853)	(12,723,892)	(86,934)	(317,526)
Transaction costs on issue		(11,974)	-	(1,059,752)
	66,323,391	149,903,204	70,192,733	160,954,524

Preference shares carry the right to cumulative dividends of 8.0 cents per share per annum, are not redeemable and carry no further right to participate in profits. There were no arrears of dividend at balance date.

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

		Notes	Year Ended 31 March 2009 $	Year Ended 31 March 2008 $
14.	Reserves			
	Investment portfolio revaluation reserve	14(a)	(67,755,665)	(10,385,672)
	Realised capital profits reserve	14(b)	100,000,766	103,769,583
			32,245,101	93,383,911
(a)	Investment Portfolio Revaluation Reserve			
	Balance at beginning of financial year		(10,385,672)	68,523,057
	Revaluation of Investments (net of tax)		(61,138,810)	(55,342,389)
	Transfer of Realised Surpluses to Income Statement		3,768,817	(23,566,340)
	Balance at end of financial year		(67,755,665)	(10,385,672)
(b)	Realised Capital Profits Reserve			
	Balance at beginning of financial year		103,769,583	80,203,243
	Transfer from Income Statement		(3,768,817)	23,566,340
	Balance at end of financial year		100,000,766	103,769,583

(c) Nature and Purpose of Reserves

For a description of the nature and purpose of the Investment Portfolio Revaluation Reserve and Realised Capital Profits Reserve refer to note 2(b).

	Year Ended 31 March 2009 $	Year Ended 31 March 2008 $
15. Retained Profits		
Balance at beginning of financial year	21,204,338	19,373,565
Profit attributable to members of the company	679,462	35,547,528
(including Net Realised (losses)/gains on investments)		
Dividends provided for or paid	(11,410,021)	(10,150,415)
Transfer of net gains to Realised Capital Profits Reserve on realisation	3,768,817	(23,566,340)
Balance at end of financial year	14,242,596	21,204,338

16. Related Party Information

(a) Key Management Personnel

The names of persons who were the key management personnel of the Company during the financial year were:

- D.J. Iliffe
- G.J. Gillmore
- A.J. Gluskie
- M.J. Fowler (appointed 29 May 2008)
- J.V.C Green (resigned 29 May 2008)

(b) Directors' and Executive Officer's Remuneration

Details of the remuneration of Whitefield key management personnel and their related entities is set out as below:

2009	Short-term Employee Benefit	Post-Employment Benefit	Other Benefit	
	Cash Salary & Fees $	Super-annuation $	Related party $	Total $
Mr D.J. Iliffe (Chairman)	9,633	867	-	10,500
Mr G.J. Gillmore (Non-executive director)	9,633	867	-	10,500
Mr M.J Fowler (Non-executive director)*	8,089	728	-	8,817
Mr J.V.C Green (Non-executive director)**	1,544	139	-	1,683
Mr A.J. Gluskie (Chief Executive Officer)	-	-	736,755	736,755
	28,899	2,601	736,755	768,255

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st March, 2009

16. Related Party Information Cont

2008	Short-term Employee Benefit	Post-Employment Benefit	Other Benefit	
	Cash Salary & Fees $	Super-annuation $	Related party $	Total $
Mr D.J. Iliffe (Chairman)	7,110	640	-	7,750
Mr G.J. Gillmore (Non-executive director)	7,110	640	-	7,750
Mr J.V.C. Green (Non-executive director)**	7,110	640	-	7,750
Mr A.J. Gluskie (Chief Executive Officer)	-	-	913,621	913,621
	21,330	1,920	913,621	936,871

*Mr Martin J Fowler accepted an invitation to join the board of Whitefield Ltd as a non-executive Director effective 29th May 2008

**Mr John V.C Green announced his retirement from the position of non-executive Director of the board of Whitefield Ltd effective 29th May 2008

Mr A.J. Gluskie is a member and officer of White Funds Management Pty Ltd and a member of White Outsourcing Pty Ltd. Mr P.A. Roberts is a member and employee of White Outsourcing Pty Ltd. During the year, White Funds Management Pty Ltd and White Outsourcing Pty Ltd received fees of $736,755 (2008: $913,621) for the management of the Company, out of which costs of accounting, administration and investment management are paid. Mr A.J. Gluskie and Mr P.A. Roberts received no fees as individuals.

Management fees are calculated as 0.25% of investment assets.

The Remuneration Committee of the Board of Directors of Whitefield Ltd is responsible for determining and reviewing compensation arrangements for the directors. The remuneration Committee assesses the appropriateness of the nature and amount of emoluments of each director on a periodic basis by reference to workload and market conditions. The overall objective is to ensure maximum stakeholder benefit from the retention of a high quality board whilst constraining costs.

The fees paid to White Outsourcing Pty Limited and White Funds Management Pty Ltd are set in accordance with market rates for the services provided.

(c) Shareholdings of Key management personnel (and their Related Entities)

2009	Balance at 1 April 2008	Shares acquired / (disposed)	Shares no longer deemed to be Director related	Balance at 31 March 2009
Ordinary Shares				
Mr D.J. Iliffe (Chairman)	1,548,491	-	-	1,548,491
Mr G.J. Gillmore (Non-executive director)	292,808	(49,742)	-	243,066
Mr J.V.C Green (Non-executive director)**	1,152,146	-	(1,152,146)	-
Mr A.J. Gluskie (Chief Executive Officer)	547,060	50,000	-	597,060
Mr M.J Fowler (Non-executive director)*	-	-	-	-
Preference Shares				
Mr D.J. Iliffe (Chairman)	1,300	-	-	1,300
	3,541,805	258	(1,152,146)	2,389,917

2008	Balance at 1 April 2007	Shares acquired / (disposed)	Shares no longer deemed to be Director related	Balance at 31 March 2008
Ordinary Shares				
Mr D.J. Iliffe (Chairman)	1,544,079	4,412	-	1,548,491
Mr G.J. Gillmore (Non-executive director)	292,808	-	-	292,808
Mr J.V.C. Green (Non-executive director)**	1,152,146	-	-	1,152,146
Mr A.J. Gluskie (Chief Executive Officer)	511,307	35,753	-	547,060
Preference Shares				
Mr D.J. Iliffe (Chairman)	1,300	-	-	1,300
	3,501,640	40,165	-	3,541,805

* Mr Martin J Fowler accepted an invitation to join the board of Whitefield Ltd as a non-executive Director effective 29th May 2008

** Mr John V.C Green announced his retirement from the position of non-executive Director of the board of Whitefield Ltd effective 29th May 2008

There were no shares granted during the reporting period as compensation.

17. Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, trading and investment portfolio, accounts receivable and payable.

AASB 7 Financial Instruments: Disclosures identify three types of risk associated with financial instruments (i.e. the Company's investments, receivables and payables):

(i) 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 balance sheet and notes to the financial statements.

There are no other material amounts of collateral held as security at 31 March 2009.

Credit risk is managed as noted in the Notes to the Cash Flow Statement and Note 9 with respect to cash and receivables. None of these assets are over-due or considered to be impaired.

(ii) 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 trading account taking into account upcoming dividends, tax payments and trading activity.

The Company's inward cash-flows depend upon the level of dividend and distribution revenue received. 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 or readily tradeable securities which can be sold on-market if necessary.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st March, 2009

(iii) Market Risk

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

By its nature as a Listed Investment Company that invests, the Company can never be free of market risk as it invests its capital in securities which are not risk free - the market price of these securities can fluctuate.

A general fall in market prices of 10 per cent and 30 per cent, if spread equally over all assets in the investment portfolio would lead to a reduction in the Company's equity of $11 million and $33 million respectively, assuming a flat tax-rate of 30 per cent.

The Investment Portfolio Revaluation Reserve at 31 March 2009 is negative $68 million. It would require an increase in the value of the portfolio of 61% to reverse this decrement. In accordance with Accounting Standards, any further falls in value would continue to be recognised in equity as unrealised losses, thereby impacting the shareholders' equity of the Company. However in case of a prolonged decline in the value of instruments the Board of Directors will determine if impairment is required; impairment losses will be recognised in the Income statement.

For the year ended 31 March 2009 the company transferred an impairment loss of $10.6 million from the Investment Portfolio Revaluation Reserve into the Income Statement.

The Company seeks to manage and constrain market risk by diversification of the investment portfolio across multiple stocks and industry sectors.

17. Financial Risk Management (cont.)

The Company's investments are spread across sectors as at 31 March 2009 as below:

	2009 %	2008 %
Consumer discretionary	13.71	18.90
Consumer staple	14.40	11.59
Financials	43.64	38.94
Healthcare	6.83	4.08
Industrials	15.42	20.48
Information technology	1.15	0.75
Telecommunications services	3.72	4.78
Utilities	1.13	0.48
	100.00	100.00

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

	2009 %
Woolworths Limited	10.42
Westpac Banking Corporation	8.67
National Australia Bank Limited	7.77
Commonwealth Bank of Australia	6.71
ANZ Banking Group Limited	6.11
	39.68

No other security represents over 5 per cent of the Company's investment and trading portfolios.

The Company is also not directly exposed to currency risk as all its investments are quoted in Australian dollars.

(iv) 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.

As at 31 March 2009, the Company's exposure to interest rate risk and the effective weighted average interest rate for each class of financial asset and financial liability is set out in the table below:

Year ended 31 March 2009	Weighted average interest rate (% pa)	Floating interest rate $	Non-interest bearing $	Total $
Financial assets				
Cash and cash equivalents	5.92%	15,414,938	-	15,414,938
Trade and other receivables		-	1,721,680	1,721,680
Available for sale investment portfolios		-	157,499,176	157,499,176
		15,414,938	159,220,856	174,635,794
Financial liabilities				
Trade and other payables		-	102,775	102,775
Current Tax Liabilities		-	-	-
		-	102,775	102,775
Net financial assets		15,414,938	159,118,081	174,533,019
Year ended 31 March 2008				
Financial assets				
Cash and cash equivalents	6.76%	13,122,664	-	13,122,664
Trade and other receivables		-	2,750,716	2,750,716
Available for sale investment portfolios		-	273,484,431	273,484,431
		13,122,664	276,235,147	289,357,811
Financial liabilities				
Trade and other payables		-	353,681	353,681
Current Tax Liabilities		-	7,639,300	7,639,300
		-	7,992,981	7,992,981
Net financial assets		13,122,664	268,242,166	281,364,830

The majority of the Company's financial assets are non-interest bearing. As a result, the Fund is subject to limited exposure to fair value interest rate risk due to fluctuations in the prevailing levels of market interest rates.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st March, 2009

(V) Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor and market confidence.

To achieve this the Board of Directors monitor the monthly NTA results, investment performance, the Company's management expense ratio (MER) and share price movements.

The Company announced to the market in March 2009 the introduction of an on-market share buy-back of approximately 6,648,078 of the Company shares. The buy-back commenced 25th March 2009 for a duration of approximately twelve months.

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

18. Investment Transactions

The total number of contract notes that were issued for transactions in securities during the financial year were 67 (2008: 196). Each contract note may involve multiple transactions.

The total brokerage paid on these contract notes was $181,885 (2008: $819,001).

19. Events Subsequent to Balance Date

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

Other than the matter discussed above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of material and unusual nature likely, in the opinion of the directors of the Company to significantly affect the operations of the entity, the results of those operations, or the state of affairs of the entity, in future financial years.

20. Segment Reporting

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

21. Contingent Liabilities

The Investment Management Agreement entered into by the company with White Funds Management Limited expires in September 2017.

22. Company details

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

Level 7, 20 Hunter Street
Sydney NSW 2000

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF WHITEFIELD LIMITED

WHITEFIELD LIMITED ABN 50 000 012 895

Report on the Financial Report

We have audited the accompanying financial report of Whitefield Limited, which comprises the balance sheet as at 31 March 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration for Whitefield Limited.

We have also audited the remuneration disclosures contained in the directors' report. As permitted by the Corporations Regulations 2001, the company has disclosed information about the remuneration of directors and executives (remuneration disclosures), required by Accounting Standard AASB 124: Related Party Disclosures, under the heading 'Remuneration Report' on pages 17 and 18 of the directors' report.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 2 the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards (IFRS) ensures that the financial report, comprising the financial statements and notes, complies with IFRS.

The directors of the company also are responsible for preparation and presentation of the remuneration disclosures contained in the directors' report in accordance with the Corporations Regulations 2001.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement and that the remuneration disclosures in the directors' report comply with Accounting Standard AASB 124.

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

Our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the financial report.

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

Independence

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

Auditor's Opinion

In our opinion:

a. the financial report of Whitefield Limited is in accordance with the Corporations Act 2001, including:

   i. giving a true and fair view of the company's financial position as at 31 March 2009 and of its performance for the year ended on that date; and

   ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;

b. the financial report also complies with International financial Reporting Standards as disclosed in Note 2, and

c. the remuneration disclosures that are contained on pages 17 and 18 of the directors' report comply with Accounting Standard AASB 124.

MNSA

Mark N Schiliro
Partner
Dated at Sydney this 14th day of May, 2009

DETAILS OF SHAREHOLDERS

Statement Of Shareholdings

At the date of this Report, 31st March, 2009, 3,745 members held 66,323,391 ordinary shares in the Company and 22 members held 23,790, 8% Cumulative Preference shares in the Company. The twenty largest ordinary shareholdings were equivalent to 36.5% of the 66,323,391 ordinary shares issued, and the twenty largest preference shareholdings were equivalent to 99% of the total 23,790 preference shares issued. The distribution of shares was as follows:-

No. of Ordinary Shares Held	No. of Ordinary Shareholders	No. of Preference Shares Held	No. of Preference Shareholders
1 – 1,000	407	1 – 1,000	16
1,001 – 5,000	1,402	1,001 – 5,000	4
5,001 – 10,000	875	5,001 – 10,000	2
10,001 – 100,000	985	10,001 – 100,000	0
100,001 and over	76	100,001 and over	0

Directors Shareholdings

The Directors of the Company as at 31st March, 2009 held the following shares or relevant interest in shares:-

Director	Ord Shares Acquired / (Disposed) During Year	Ord Shares Held at 31/3/09	Pref. Shares Acquired / (Disposed) During Year	Pref Shares Held at 31/3/09
G.J.Gillmore	(49,742)	243,066	0	0
A.J.Gluskie	50,000	595,957	0	0
M.J Fowler	0	0	0	0
D.J.Iliffe	0	1,548,491	0	1,300

Substantial Shareholders

Notice has been received of substantial shareholdings as follows:

Shareholder	Ordinary Shares	Preference Shares
Caithness Nominees Pty Limited	4,269,692	-
L.J.Gluskie	13,439,684	200
S.C.Gluskie	13,439,684	-

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 preference shares

Investment Transactions

The total number of contract notes that were issued for transactions in securities during the financial year was 67. Each contract note may involve multiple transactions. The total brokerage paid on these contract notes was $181,885.

Registered Office

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

Level 7, 20 Hunter Street
Sydney NSW 2000 Australia
Phone: (02) 8215 7900
Fax: (02) 8215 7901

Share Registry

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

Level 2, 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.

Buy-Back

The Company has approved an on-market share buy-back. This action allows the Company to become a buyer of its own shares through their normal trading on the Australian Stock Exchange and as a result to purchase and cancel up to 10% of its issued capital over a twelve month period.

TOP TWENTY SHAREHOLDERS

	Shareholder	Units	% of Units
1	Caithness Nominees Pty Ltd	4,269,692	6.44%
2	Sylvastate Limited	3,254,340	4.91%
3	Laurence J Gluskie	3,155,764	4.76%
4	Shane Carolyn Gluskie	3,000,000	4.52%
5	Clyde Green Pty Ltd	1,145,132	1.73%
6	Nelrose Investments Pty	1,140,386	1.72%
7	Merran K Dunlop	909,542	1.37%
8	Neville Ward Super Pty Limited <The Nw Ward Super Fund A/C>	820,483	1.24%
9	Jean Mary Deck	788,093	1.19%
10	Mrs Margaret Elizabeth Dobbin	784,063	1.18%
11	Glengarnock Super Fund A/C	711,263	1.07%
12	Jean Price	650,407	0.98%
13	Pards Pty Limited	589,480	0.89%
14	Fiducio Pty Ltd	541,517	0.81%
15	Pont Pty	482,956	0.73%
16	Penson Holdings Pty Ltd	481,853	0.73%
17	Allan L Holden	454,512	0.68%
18	Patterson Carriers Pty Ltd	410,000	0.62%
19	Humana Pty Ltd <Nekon Superannuation A/C>	324,000	0.49%
20	Merrill Lynch (Australia) Nominees Pty Limited	321,071	0.48%
	Total Top 20 Shareholders	24,234,554	36.54%
	Total Remaining Holders Balance	42,088,837	63.46%
	Total Shares On Issue	66,323,391	100.00%

WHITEFIELD

ABN 50 000 012 895

LEVEL 7 | 20 HUNTER STREET | SYDNEY NSW 2000
PHONE 61 2 8215 7900 | FAX 61 2 8215 7901