

Annual Report

LandMark White Limited and its Controlled Entities
For the year ended 30 June 2008

ABN 50 102 320 329



CHAIRMAN'S AND CEO'S REVIEW 2008



Glen White
Chairman

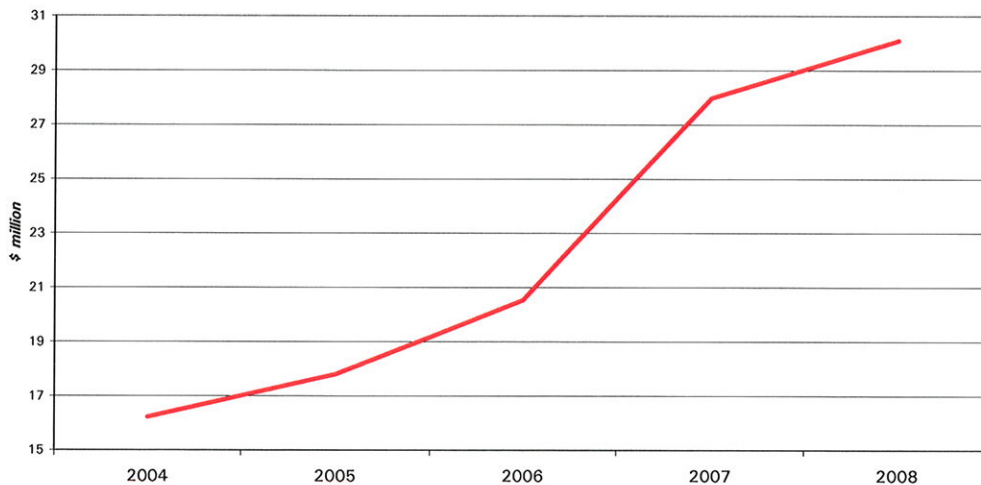
Brad Piltz
Chief Executive Officer

We are pleased to present our Annual Report for the year ended 30th June 2008.

Highlights

- Sales revenue increased to \$30.099M, up 7.5% from \$27.987M in 2007
- EBIT increased to \$3.01M up 17.84% from \$2.55M in 2007
- After tax profit increased to \$2.10M – up 22.3% from \$1.72M in 2007
- Earnings per share up at 7.66 cents (was 6.41 cents in 2007)
- Dividends increased at 5.8 cents a share – (up 11.54% on 5.2 cents in 2007)
- Final dividend of 3.3 cents per share payable 7 October 2008 (up 10% on 2007 final dividend)
- Dividends fully franked
- Remain debt free

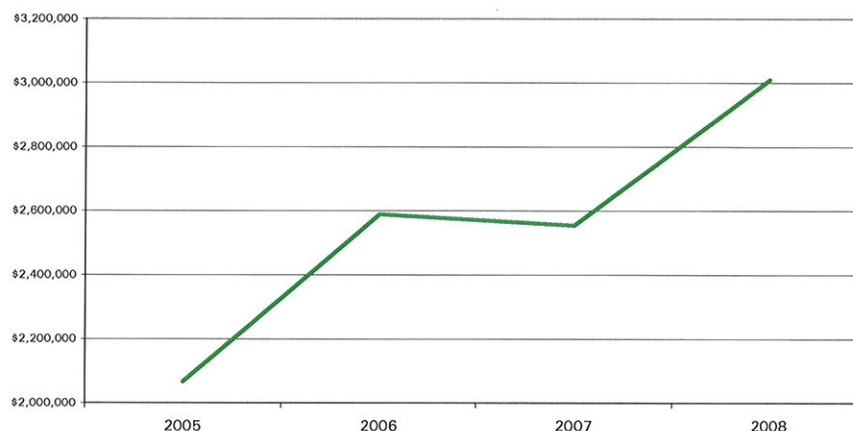
annual gross income (revenue)



In a year that will be remembered for the emergence of a global credit crisis, **LandMark White's** focus was on increasing profitability rather than turnover. Our emphasis on systems helped deliver improved productivity and strong increase of 22.3% in trading profit during 2008 to \$2.101M. Our improved results were assisted not only through our core commercial business **LandMark White** but also through improved contributions from our fully owned business units **LMW Residential** and **LMW Research**. At the same time we were able to provide an overall increase in professional remuneration.

CHAIRMAN'S AND CEO'S REVIEW 2008

annual EBIT

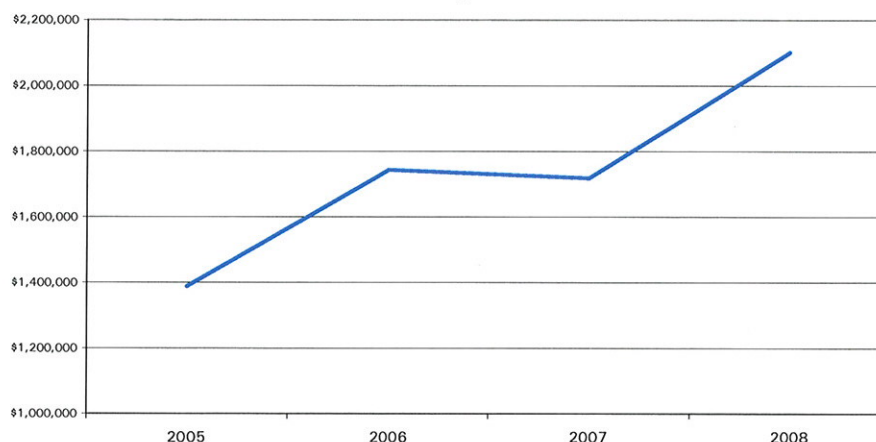


LMW Residential

Although 2008 was another difficult year for residential property with falling volumes around the country, our fully owned subsidiary **LMW Residential** produced a significantly improved result, providing a positive contribution to **LMW Group**. This was achieved through focusing on productivity, and the rationalisation of offices and staff.

LMW Residential has in the past relied heavily on mortgage work and as such has been detrimentally affected by the reduction in mortgage activity around Australia. While this will remain a core component of this business we are expanding into other non mortgage areas such as government, legal and residential property advice.

annual profit



LMW Research

As noted, **LMW Research** increased its contribution to our total revenue during the 2008 financial year.

The decline in the property market has been well publicised. In both the downward cycle and the inevitable upward swing, the need for quality property research becomes increasingly more important. **LMW Research** will continue to market its independent research services while continuing to provide in-house research to our diversified property companies. We have recognised an increasing need for property knowledge and as such specialist property research professionals will, during the 2009 financial year introduce additional research revenue lines to continue to build **LMW Research** as a respected and sought after advisory brand.

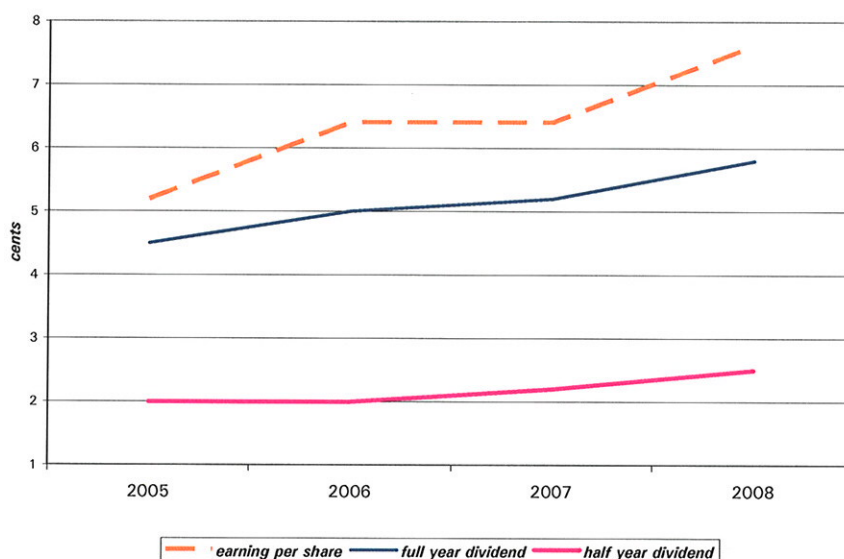
CHAIRMAN'S AND CEO'S REVIEW 2008

Other Activities

LMW Group has continued with its other property disciplines whilst **LMW Quantity Surveying** and **LMW Business Advisory** continue to consider opportunities to grow these businesses organically and/or through joint ventures.

While **LMW Business Advisory** is in its infancy we have expanded its property services to meet the needs of the wider business community. **LMW Business Advisory** provides advice, research and statistics to businesses enabling them to make better business decisions about their property related assets.

share information



Guardian Securities Limited

LMW Group acquired a 55% interest in the Gold Coast based mortgage manager Guardian Securities Limited in May 2007. At the time of writing Guardian did not have any non-performing loans, which in the current market is a good situation to be in.

While Guardian Securities did not contribute to **LMW Group's** profit, it has continued to widen its exposure and rationalise expenditure in this contracting market.

Within the current market, demand remains strong from developers but funding supply is becoming increasingly hard.

With banks restricting their lending (re-rating property risk) and second and third tier lenders suffering from lack of liquidity, opportunities exist:

- for both first and second mortgages
- to charge higher interest rates
- to reduce risk by carefully identifying and monitoring each loan
- to leverage off our existing knowledge of the property market to differentiate between deals, clients and mitigating risk
- to lower our exposure in any one deal as the need for equity in projects is becoming more apparent and accepted.

Funding supply has become more difficult in South East Queensland due to the number of Mortgage Funds either in receivership or with frozen redemptions, however, opportunities still exist and with the experience in lending that Guardian brings and **LMW Group's** experience in property to both assess and mitigate property risk, we are confident of the potential to increase our market share over the next few years.

CHAIRMAN'S AND CEO'S REVIEW 2008

LMW Invest Pty Limited

Since the end of the 2008 financial year, in addition to LandMark White's interest in the mortgage manager Guardian Securities Ltd, we announced our further expansion into the property funds management business through **LMW Invest Pty Ltd**.

The business will focus on creating investment opportunities for retail investors, with a bias towards the commercial property sector along with industrial, retail, development, tourism and infrastructure assets.

LandMark White currently provides a comprehensive range of independent, client focused valuation, property advice and research. Using these resources, together with leading property investment managers, our goal is to build leading diversified property portfolios.

LMW Invest will leverage off **LMW's** considerable insight and expertise in property to evaluate and invest opportunities across the property spectrum. We will be disciplined and utilise an institutional approach to investment to provide the retail market with traditional, conservative property investments.

It is important to note however, that while **LMW Invest** has access to the expertise and research capacity of the Group, it is an independent arm and as such will create no conflicts of interest with existing and future clients of the Group.

LandMark White comprises a team of true property professionals, whose dedication to the property asset class sets us apart and will in time serve our investors in **LMW Invest** very well.

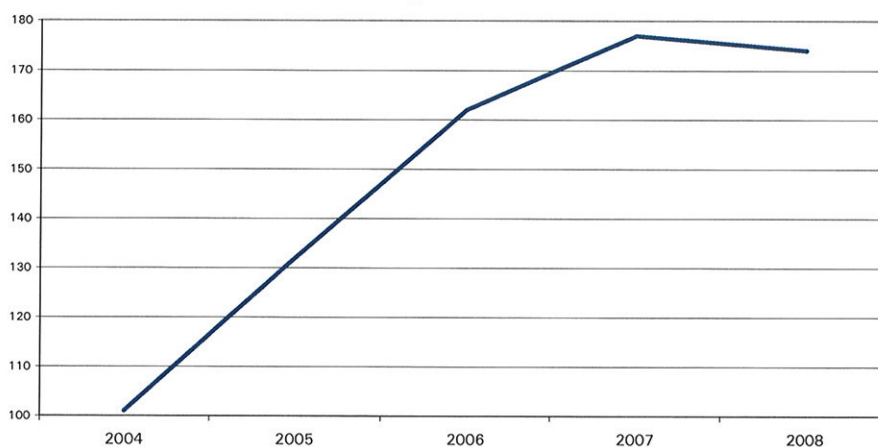
LMW Invest Appointment of Michael Este and Linden Toll

LMW is fortunate to have attracted two senior experienced professionals at this early stage to develop and manage this business.

Michael Este's primary responsibility is the establishment and running of **LMW Invest** funds. Michael has 20 years experience in the property and investment industries. Prior to joining **LMW Invest**, Michael held the position of fund manager of several unlisted property funds (retail and wholesale) with Investa Property Group. Michael has also held the role of fund manager of a property securities fund at Advance Funds Management, as well as Senior Investment Analyst and Property Consultant.

Linden Toll will be responsible for distribution and marketing having been responsible for the distribution business, planning and capital raising for firms such as Orchard Funds Management, Multiplex Capital and Real Estate Capital Partners – all specialising in property funds management. Linden is currently the President of the Australian Direct Property Investment Association (ADPIA), the peak industry body representing the \$29 billion direct property investment industry of some 200,000 investors.

LMW Group staff numbers



CHAIRMAN'S AND CEO'S REVIEW 2008

Systems and Procedures Development

Recognising the importance of systems to the **LMW Group's** existing management and future growth, we continue to develop, integrate and grow our information/data systems and procedures, maximizing data and research to all our business units and companies.

Recognizing that the co-ordination and integration of systems is critical to a diversified property company, Glen Coonan was appointed as Chief Operating Officer (COO) during 2008 from his previous position as Managing Director of **LMW Residential**.

Glen's role is the co-ordination and integration of **LMW Group's** existing systems and procedures, together with data management and systems development. This expansion of our information systems will assist the growth in all areas of **LMW Group's** current and future businesses.

Market Conditions and Outlook

Property, not only in Australia but globally, has followed a downward trend in 2008. The property market is cyclical and currently in a downturn phase. We are evidencing slowing markets with falling values and a national reduction in transaction volumes. It is likely we will remain in this part of the property cycle for another few years until yields return to "normal" levels determined not solely by investment returns but more importantly, by valuing/pricing risk.

Despite low market sentiment, our experience is that as the property markets fall there becomes a greater reliance on independent, informed, well researched, expert opinion. This is particularly relevant to our strong base of financial clients and had a significant impact on our fee level during the later part of the 2008 financial year trading. While some decline in work volumes has been experienced since the financial year end, alternate sources of revenue and increased instructions relating to distressed property should see a consistent level of work flow through during 2009.

As a listed diversified property company, **LMW Group** has yielded strong results, aided by being debt free and has not been directly affected by interest rate movements. Without the concerns of debt we can continue to manage our business and continue to concentrate on good business practices rather than defensively addressing gearing.

We would like to thank the dedication and commitment of management and staff in producing the significant improvement in results over the 2008 financial year.

Glen White
Brad Piltz
26 September 2008

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

ANNUAL REPORT
FOR THE YEAR ENDED 30 JUNE 2008

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LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2008

The Directors present their report together with the financial report of LandMark White Limited ("the Company") and of the Consolidated Entity, being the Company and its controlled entities, for the year ended 30 June 2008 and the auditor's report thereon.

DIRECTORS

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

Mr Glen J White – appointed 26 September 2002

Chairman

The co-founder of LandMark White's practice, Glen is a registered valuer with over 35 years extensive experience in the real estate industry throughout Queensland and New South Wales. Working in both the public and private sectors, Glen commenced his valuation career in 1968 and gained experience with the Queensland Lands Department, National Mutual Life Association and with a private valuation firm before working in the Queensland practice that has become LandMark White since the 1980s. A fellow of the Australian Property Institute, Glen has appeared in all courts as an expert witness, lectured in valuation and is highly experienced in rental determinations. Glen was appointed Chairman on 1 November 2005.

Mr Bradley J Piltz – appointed 26 September 2002

Executive Director (Chief Executive Officer)

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

Mr Norman P Craig – appointed 9 October 2003

Independent Non-Executive Director

As a non-executive director, Norman contributes great depth of experience in accounting and financial affairs to the board. A Chartered Accountant and auditor, he was a partner in the international accounting firm KPMG from 1972 to 1993, where he obtained substantial experience in management and the banking and finance industry. From 1978 to 1990, Norman was chairman of KPMG's banking practice and a member of the firm's international banking committee from 1984 to 1990. He was a Director of Citigroup Pty Ltd from 1995 to 2008 (and chairman of its Audit and Risk Committee), MEPC Limited from 1996 to 2001 and Allied Brands Limited from 2004 to 2006. He has been a member of the compliance committee for Deutsche Funds Management, the Challenger Group and Ausgrowth.

Mr Stuart C Gregory – appointed 9 October 2003

Independent Non-Executive Director

Stuart is a non-executive director of the board and until 30 June 2005 was Chief Executive Officer of McCullough Robertson, a Brisbane based law firm. Stuart held that position for 12 years. He has extensive experience in dealing with the broad range of issues unique to professional service organisations. Stuart is a Certified Practising Accountant who, during his career, has gained experience in financial services, investment banking, manufacturing and agribusiness. He has been a director of Australian Food & Fibre Limited from July 4, 2001 to July 17, 2004 and from June 6, 2005 to present. Stuart is also a director of Brisbane Housing Company Limited.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2008

DIRECTORS (CONTINUED)

Mr David P Hobart– appointed 1 May 2005

Independent Non-Executive Director

David is a non-executive director of the board and is currently Managing Director of IFC Capital Limited. David brings a wealth of property and financial experience outside that of main stream property valuation. His appointment reflects the board's commitment to expansion and development of property related services. David is a valuer, has a masters degree in Commerce, is an affiliate of FINSIA, an associate of the Australian Property Institute and a member of the Australian Institute of Company Directors.

COMPANY SECRETARY

Mr Ian Bangs was appointed Company Secretary and Chief Financial Officer on 20 May 2008. He has over 25 years experience in senior finance roles. He is also Company Secretary and CFO of IFC Capital Limited. He had 10 years as the CFO of the Regent Hotel in Sydney and has also been Finance Director for Hooper Bailie Industries and CFO of Consolidation Coal of Australia. He has a Bachelor of Commerce Degree and is a Fellow CPA.

DIRECTORS MEETINGS

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

Director	Board Meetings		Audit Committee Meetings		Remuneration Committee Meetings	
	Held	Attended	Held	Attended	Held	Attended
Mr G White	5	5	-	-	1	1
Mr B Piltz	5	5	-	-	-	-
Mr N Craig	5	4	4	4	-	-
Mr S Gregory	5	5	4	4	1	1
Mr D Hobart	5	5	-	-	1	1

COMPANY PARTICULARS

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

CORPORATE GOVERNANCE STATEMENT

In developing LandMark White's corporate governance policies, the board has been guided by the 'Corporate Governance Principles and Recommendations' published by the ASX Corporate Governance Council. This statement outlines the main corporate governance practices in place throughout the financial year, and the extent to which LandMark White follows the Best Practice Recommendation. Where the Company has not followed a recommendation, the recommendation is identified and the reasons are given for not following it.

Role of the Board

The board's primary role is the protection and enhancement of long-term shareholder value. The board is comprised of three independent and two non-independent directors.

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

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2008

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

The board has delegated responsibility for operation and administration of the Company to the Chief Executive Officer (CEO) and senior executives. Responsibilities are delineated by formal authority delegations. The performance of senior executives is reviewed annually by the CEO. The performance of the CEO is reviewed annually by the Chairman.

Board processes

To assist in the execution of its responsibilities, the board has established an Audit and Risk Management Committee and a Remuneration Committee. The committees have a written mandate and operating procedures, which are reviewed on a regular basis. The board does not have a nomination committee as this function is undertaken by the board.

The board has elected not to establish a Nominations Committee (Best Practice Recommendation 2.4 as set by the ASX Corporate Governance Council) on the basis that it is only a relatively small board and is able to efficiently carry out the functions that would otherwise be delegated to the Nominations Committee.

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

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

Director education

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

Independent professional advice and access to company information

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

Composition of the Board

The names of directors of the Company in office at any time during or since the end of the financial year are set out in the Directors' report on pages 7 and 8.

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

- a minimum of five directors, with a broad range of expertise
- a majority of directors having extensive knowledge of the Company's industry, and those who do not, have extensive expertise in significant aspects of auditing and financial reporting or operational and financial management of a professional services organisation
- a majority of independent directors

The current composition of the board meets these three principles.

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2008

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

The Chairman of the Company is Mr Glen White who is non-executive and non-independent. ASX Best Practice Recommendation 2.2 is that the Chairperson of the board should be independent however the board believes that its current composition is appropriate. Mr White is a co-founder of the group and brings over 35 years extensive experience in the valuation profession. In addition appropriate conflict of interest policies are in place to ensure material personal interests are disclosed and dealt with and the board is comprised of a majority of (three) independent directors

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

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

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

Audit Committee

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

The members of the Audit Committee during the year were:

- Mr Norman Craig, FCA (Chairman) – Independent Non-Executive
- Mr Stuart Gregory, CPA – Independent Non-Executive

The Audit Committee only comprises two members, which is not in line with the Best Practice Recommendation 4.3 set by the ASX Corporate Governance Council. Due to the size of the Company and the number of non-executive directors it is currently not possible to comply with Recommendation 4.3. The external auditors, the Chief Executive Officer and Chief Financial Officer are invited to Audit Committee meetings at the discretion of the committee. The committee met 4 times during the year and each member attended every meeting. The Chief Executive Officer and the Chief Financial Officer declared in writing to the board that the Company's financial reports for the year ended 30 June 2008 present a true and fair view, in all material respects, of the Company's financial condition and operational results and are in accordance with relevant accounting standards. This statement is required annually and is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the board.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2008

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

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

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

- reviewing the annual and half year financial reports and other financial information distributed externally. This includes approving new accounting policies to ensure compliance with Australian Accounting Standards and generally accepted accounting principles, and assessing whether the financial information is adequate for shareholder needs
- assessing corporate risk assessment processes
- assessing whether non-audit services provided by the external auditor are consistent with maintaining the external auditor's independence. The external auditor provides an annual declaration of independence which is consistent with Professional Statement F.1 of the Code of Professional Conduct as recognised by Australia's professional accounting bodies
- reviewing the nomination and performance of the external auditor
- assessing the adequacy of internal control framework and the Company's code of ethical standards
- monitoring the procedures to ensure compliance with the Corporations Act 2001 and the ASX Listing Rules and all other regulatory requirements
- addressing any matters outstanding with auditors, Australian Taxation Office, Australian Securities and Investments Commission, ASX and financial institutions.

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

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

Risk Management

Oversight of the risk management system

Management has established and implemented a fully comprehensive formal Risk Management System for assessing, monitoring and managing operational, financial reporting and compliance risks for the Consolidated Entity. The Chief Executive Officer and the Chief Financial Officer have declared, in writing to the board, that the financial reporting risk management and associated compliance and controls have been assessed and found to be operating efficiently and effectively in all material respects.

Risk management and compliance and control

The Consolidated Entity strives to ensure that its services are of the highest standard. Towards this aim it has undertaken a program to achieve AS/NZS ISO 9002 standards for each of its business segments.

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2008

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

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

Comprehensive practices have been established to ensure:

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

Financial reporting

Monthly actual results are reported against budgets approved by the directors and revised forecasts for the year are prepared regularly

Environmental regulation

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

Ethical Standards

All directors, managers and employees are expected to observe the highest standards of corporate and individual integrity and objectivity, striving at all times to enhance the reputation and performance of the Consolidated Entity. Every employee has a nominated supervisor to whom they may refer any issues arising from their employment. The board reviews the Directors' Code of Ethics and the Code of Conduct for Transactions in securities regularly and processes are in place to promote and communicate these policies. A formal code of conduct for employees has been given to all Directors and Employees.

Conflict of interest

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

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

Trading in general company securities by directors and employees

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

- identification of those restricted from trading – directors and all staff may acquire shares in the Company, but are prohibited from dealing in Company shares:
 - during the five week period preceding the announcement of half-year and annual results to the Australian Stock Exchange ("ASX")
 - whilst in possession of price sensitive information not yet released to the market
- requiring details to be provided of intended trading in the Company's shares and approval to be given
- details may be required to be provided of the subsequent confirmation of the trade

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2008

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

- identification of processes for unusual circumstances where discretion may be exercised in cases such as financial hardship.

The policy is reproduced in full on the Company's website.

Communication with shareholders

The board provides shareholders with information using a comprehensive Continuous Disclosure Policy which includes identifying matters on a timely basis that may have a material effect on the price of the Company's securities, ensuring the matters are factual and expressed in a clear and factual way, notifying the ASX, posting them on the Company's website, and issuing media releases. The Chief Executive Officer and Company Secretary of the Company are accountable for ensuring adherence to the Continuous Disclosure Policy. Details of the policy are available on the Company's website.

Consistent with the Continuous Disclosure Policy, LandMark White is committed to communicating with shareholders in an effective and timely manner, so as to provide them with ready access to information relating to LandMark White. LandMark White maintains an extensive website (www.lmw.com.au).

Shareholders are encouraged to attend and participate in general meetings of the Company. Shareholders are provided with details of any proposed meetings well in advance of the relevant dates. The external auditor will attend any Annual General Meeting and be available to answer questions from shareholders about the conduct of the audit and the preparation and content of the auditor's report.

REMUNERATION REPORT- AUDITED

Remuneration Committee

The role of the Remuneration Committee is to ensure that the remuneration policies and outcomes achieve an appropriate balance between the LandMark White shareholders and rewarding and motivating executives and employees in order to achieve their long term commitment to the Company.

The members of the Remuneration Committee during the year were:

- Mr Glen White (Chairman) – Non-independent and non-executive
- Mr David Hobart – Independent and non-executive
- Mr Stuart Gregory - Independent and non-executive

Remuneration policies

Remuneration levels are competitively set to attract and retain appropriately qualified and experienced directors and senior executives. Remuneration packages of executives and the Chief Executive Officer include a mix of fixed remuneration and performance-based remuneration.

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

The remuneration of the named senior executives includes a mix of fixed and performance based incentives. The fixed component consists of base remuneration, allowances and superannuation. The performance based component is a cash bonus based on a share of a fixed percentage of the level of profit of the executives' operational division.

The performance-based component of the remuneration of the Chief Executive Officer is based on a fixed percentage of the increase in the level of profit after tax of the consolidated group. The board considers that the performance-linked incentive is appropriate as it directly aligns the individuals reward with the consolidated entities performance.

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

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REMUNERATION REPORT- AUDITED (CONTINUED)

The board considers that the above performance-linked remuneration structure is generating the desired outcome. The evidence for this is continued profitability in the 2008 financial year which has allowed an increasing level of dividend return to shareholders.

In considering the Consolidated Entity's performance and benefits for shareholders wealth the board has regard to the following indices in respect of the current financial year and previous years.

	2008	2007	2006	2005
	\$	\$	\$	\$
Services Revenue	30,099,079	27,987,338	20,543,920	17,645,704
Net Profit	2,107,717	1,755,156	1,743,534	1,443,961
Dividends declared (per share)	\$0.058	\$0.052	\$0.05	\$0.045
Share price at the end of the period	\$0.62	\$0.65	\$0.65	\$0.63
Change in share price	(\$0.03)	-	\$0.02	(\$0.03)

Remuneration and other terms of employment for the executive directors and senior management are formalised in service contracts. Senior management contracts are for an unlimited period but are capable of termination on 3 months notice, or by making payment equal to 3 months pay in lieu of notice. Mr Bradley Piltz, chief executive officer, has a contract for an unlimited period which may be terminated with 24 months notice, or by making payment equal to 24 months pay in lieu of notice. The terms of remuneration are designed to align their compensation with the interests of shareholders by including performance related bonuses. These payments are linked to the achievement of individual objectives which are relevant to meeting LandMark White's overall goals. A major part of the bonus payments has been related to LandMark White's increase in earnings.

Non-executive directors are paid an annual fee for their service on the board and committees which is determined by the Remuneration Committee. Total remuneration for all non-executive directors is not to exceed \$400,000 per annum. The non-executive directors' total fees for the year were \$245,729. These fees include statutory superannuation. Non-executive directors do not receive bonuses nor are they currently entitled to be issued with further options on securities.

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FOR THE YEAR ENDED 30 JUNE 2008

REMUNERATION REPORT- AUDITED (CONTINUED)

Directors' and senior executive officers' remuneration

Details of the nature and amount of each major element of the remuneration of each Director of the Company and each of the five named executives of the Company and the Consolidated Entity receiving the highest remuneration are:

Directors	Year	Short term		Post-employment		Equity compensation		Total \$	Proportion of remuneration performance related (%)	Value of options as proportion of remuneration (%)
		Salary and fees \$	Bonus (B) \$	Superannuation benefits \$	Options issued (A) \$	Total \$	Proportion of remuneration performance related (%)			
Non-executive										
Mr G White, Chairman	2008	87,156	-	8,146	-	95,302	-	-	-	-
Mr N Craig	2008	41,284	-	3,858	-	45,142	-	-	-	-
Mr S Gregory	2008	41,284	-	3,858	-	45,142	-	-	-	-
Mr D Hobart	2008	55,046	-	5,097	-	60,143	-	-	-	-
Executive										
Mr B Piltz, CEO	2008	240,184	2,151	20,677	-	263,012	0.8%	-	-	-

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

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2008

REMUNERATION REPORT - AUDITED (CONTINUED)

Directors' and senior executive officers' remuneration (continued)

Executive officers	Year	Short term		Post-employment	Equity compensation		Other fees (C) \$	Total \$	Proportion of remuneration performance related	Value of options as proportion of remuneration
		Salary and fees \$	Bonus (B) \$		Superannuation benefits \$	Options issued (A) \$				
The Company										
Mr Glen Coonan, Chief Operating Officer (17/3/08)	2008	184,378	-	16,223	89,151	-	-	289,752	-	30.8%
Mr J Clements, Chief Financial Officer (1/7/2007 – 2/11/2007)	2008	49,259	-	4,895	-	-	-	54,154	-	-
Mr R Stewart-Moore, Chief Financial Officer (3/12/2007 – 21/5/2008)	2008	74,454	-	5,097	-	-	-	79,551	-	-
Mr I Bangs, Chief Financial Officer (21/5/2008 – 30/6/2008)	2008	923-	-	83	-	6,240	-	7,246	-	-
Consolidated										
Mr B McFarlane, Director, LandMark White (Brisbane) Pty Ltd	2008	184,462	288,991	42,586	-	-	-	516,039	56.0%	-
Mr J McEvoy, Director, LandMark White (Brisbane) Pty Ltd	2008	185,138	158,254	30,207	15,106	-	-	388,705	40.7%	3.9%
Mr F Bentley, Director, LandMark White (Brisbane) Pty Ltd	2008	184,693	159,404	30,581	-	-	-	374,678	42.5%	-
Mr John Muchall, Director, LandMark White (Gold Coast) Pty Ltd	2008	184,312	114,178	25,996	-	-	-	324,486	35.2%	-
Mr R Brandson, Director, LandMark White (NSW) Pty Ltd	2008	137,615	142,075	25,648	-	-	-	305,338	46.5%	-

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2008

REMUNERATION REPORT- AUDITED (CONTINUED)

Directors' and senior executive officers' remuneration (continued)

Directors	Year	Short term		Post-employment		Equity compensation		Total	Proportion of remuneration performance related (%)	Value of options as proportion of remuneration (%)
		Salary and fees \$	Bonus (B) \$	Superannuation benefits \$	Options issued (A) \$					
Non-executive										
Mr N Craig	2007	41,320	-	3,719	-	-	45,039	-	-	
Mr S Gregory	2007	41,284	-	3,716	-	-	45,000	-	-	
Mr D Hobart	2007	41,284	-	3,716	-	-	45,000	-	-	
Executive										
Mr B Piltz, CEO	2007	231,009	3,545	22,994	-	-	257,548	1.4%	-	
Mr G White, Chairman	2007	103,816	-	9,152	-	-	112,968	-	-	

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2008

REMUNERATION REPORT- AUDITED (CONTINUED)

Directors' and senior executive officers' remuneration (continued)

Executive officers	Year	Short term		Post-employment Superannuation benefits \$	Equity compensation		Total \$	Proportion of remuneration performance related (%)	Value of options as proportion of remuneration (%)
		Salary and fees \$	Bonus (B) \$		Options issued (A) \$				
The Company									
Mr J Clements, Chief Financial Officer	2007	118,449	4,587	11,087	-	-	134,123	3.4%	-
Consolidated									
Mr A Ellis, (Director, LandMark White (NSW) Pty Ltd)	2007	183,774	86,667	16,226	-	-	286,667	30.2%	-
Mrs P Forbes, (Director, LandMark White (NSW) Pty Ltd)	2007	184,477	86,667	15,523	-	-	286,667	30.2%	-
Mr F Bentley, (Director, LandMark White (Brisbane) Pty Ltd)	2007	129,447	173,750	11,229	-	-	314,426	55.3%	-
Mr J McEvoy , (Director, LandMark White (Brisbane) Pty Ltd)	2007	143,432	172,497	12,244	19,408	-	347,581	49.6%	5.6%
Mr B McFarlane, (Director, LandMark White (Brisbane) Pty Ltd)	2007	129,719	315,000	12,004	-	-	456,723	69.0%	-
Mr P Roberts , (Director, LandMark White (Brisbane) Pty Ltd)	2007	129,942	176,250	10,734	-	-	316,926	55.6%	-

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2008

REMUNERATION REPORT (continued)

Directors' and senior executive officers' remuneration (continued)

Notes in relation to the table of directors' and executives officers' remuneration

(A) Analysis of options included in remuneration

The fair value of the options is calculated at the date of grant using a Black-Scholes model and allocated to each reporting period evenly over the period from grant date to vesting date. The value disclosed is the proportion of the fair value of the options allocated to this reporting period. In valuing the options market conditions have been taken into account in both the current and prior periods.

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

Grant Date	Expiry Dates	Exercise price	Price of shares on grant date	Estimated volatility	Risk free interest rate	Dividend yield	Fair Value per option
2008							
30 December 2005 ¹	1 July 2011 to 1 July 2015	\$0.59	\$0.58	40%	6.75%	11.02%	\$0.04
30 August 2007 ²	30 June 2008	\$0.85	\$0.66	40%	6.75%	9.85%	\$0.09

¹ During the year, 400,000 options vested as a result of performance conditions being met.

² The 1,000,000 options granted on 30 August 2007 were forfeited during the year as performance conditions were not met.

(B) Analysis of bonuses included in remuneration

Details of the vesting profile of short-term incentive cash bonuses awarded as remuneration to each director of the Company and each of the five named executives of the Company and Consolidated Entity who received short term incentive bonuses is detailed below:

Short term incentive bonus

	Included in remuneration \$	% vested in year	% forfeited in year
Directors			
Mr Brad Piltz	2,151	100%	-
Executives			
Consolidated			
Mr F Bentley	159,404	100%	-
Mr J McEvoy	158,254	100%	-
Mr B McFarlane	288,991	100%	-
Mr J Muchall	114,178	100%	-
Mr R Bransden	142,075	100%	-

Amounts included in remuneration for the financial year represents the amount that vested in the financial year based on achievement of personal goals and satisfaction of specified performance criteria. No amounts vest in future financial years in respect of the short-term incentive bonus schemes for the 2008 financial year.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2008

REMUNERATION REPORT- AUDITED (continued)

(C) Analysis of other remuneration

Mr Ian Bangs is employed by IFC Capital Limited and the Consolidated Entity pays a monthly consultancy fee to IFC Capital Limited for services rendered in his role as Chief Financial Officer. Mr Ian Bangs is employed by the Consolidated Entity as Company Secretary.

Analysis of share based payments granted as remuneration

During the year, nil options have been granted as remuneration to directors of the Company.

1,000,000 options were issued to the Chief Operating Officer with a performance criteria relating to profitability of a business unit for the year ended 30 June 2008. As the performance criteria was not achieved the 1,000,000 options were forfeited at 30 June 2008. Further details of options on ordinary shares issued to key management personnel are outlined on page 25 '(A) Analysis of options included in remuneration'.

No other options were issued to the named executives of the Company and Consolidated Entity.

Analysis of movements in options

During the year, no options over ordinary shares in LandMark White Limited have been granted to a Company director or each of the five named executives of the Company and Consolidated Entity.

The value of the options that lapsed during the year represents the benefit forgone and is calculated at the date the option lapsed using a Black-Scholes model with no adjustments for whether the performance criteria have or have not been achieved.

Option Plan - Share Based Payments

The directors at their discretion allocate share options that entitle key management personnel and senior employees to purchase shares in the entity. The terms of the options including vesting conditions and performance criteria vary depending upon the incentive arrangements appropriate for key management personnel and senior employees

Contracted Commitment

Salary commitments under a non-cancellable employment contract for the CEO, Brad Piltz not provided for in the financial statements and payable as follows:

	\$
Within one year	260,000
One year or later and no later than five years	260,000
Later than five years	-
	<u>520,000</u>

For other named senior executives, the Consolidated Entity's liability for early termination of employment contracts, beyond normal termination notices are considered remote.

PRINCIPAL ACTIVITIES

The principal activity of the Company and Consolidated Entity during the course of the financial year was property valuation. On 3 September 2008, the company announced the launch of a new property funds management business, LMW Invest. The business will focus on creating investment opportunities for retail investors with a bias towards the commercial property sector along with industrial, retail, development, tourism and infrastructure assets.

There were no significant other changes in the nature of the activities of the Company and Consolidated Entity during the year.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2008

OPERATING AND FINANCIAL REVIEW

The consolidated profit for the 12 months ended 30 June 2008 from ordinary activities after income tax attributable to equity holders of the company amounted to \$2,107,717 which was an increase of \$352,561 over the previous year. A detailed review of operations is contained in the review from the Chairman and CEO included in this Annual Report.

DIVIDENDS

Dividends paid and payable by the Company since the end of the previous financial year were:

Type	Cents per share	Total Amount \$	Franked/ Unfranked	Date of payment
<i>Declared and paid during the year</i>				
	3.0	826,013	Franked at 30%	4 October 2007
	2.5	688,470	Franked at 30%	14 March 2008
<i>Declared after end of year:</i>				
	3.3	908,780	Franked at 30%	7 October 2008

The financial effect of the dividend declared after the end of year has not been brought to account in the financial statements for the year ended 30 June 2008.

EVENTS SUBSEQUENT TO REPORTING DATE

Since the end of the financial year, the directors have declared a final dividend of 3.3 cents per share, representing \$908,780 fully franked and payable on 7 October 2008. The financial effect of this transaction has not been brought to account in the financial statements for the year ended 30 June 2008.

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 a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity, in future financial years.

STATE OF AFFAIRS

On 3 September 2008, the company announced the launch of a new property funds management business, **LMW Invest**. The business will focus on creating investment opportunities for retail investors, with a bias towards the commercial property sector along with industrial, retail, development, tourism and infrastructure assets.

Other than the matters described above and in this report, there were no significant changes in the state of affairs of the Company or Consolidated Entity that occurred during the year under review.

LIKELY DEVELOPMENTS

Refer to the Chairman's and CEO's review included in this Annual Report.

DIRECTORS' INTERESTS

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

	Ordinary Shares	Options over Ordinary Shares
Mr G White	9,798,344	-
Mr B Piltz	6,813,369	350,000
Mr S Gregory	129,000	-
Mr N Craig	29,000	-
Mr D Hobart	-	-

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2008

SHARE OPTIONS

Employee Options

1,000,000 options were issued to an employee on 30 August 2007. Vesting of these options was subject to meeting certain profit criteria for a business unit, which was not achieved. The net financial effect of this option issue in the 30 June 2008 financial statements was \$nil. No other options over unissued ordinary shares in LandMark White Limited have been granted during or since the end of the financial year, to the directors or to the five most highly remunerated officers of the Company and Consolidated Entity.

Unissued shares under option

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

Expiry Date	Exercise Price	Number of options
9 October 2008	\$0.55	315,000
9 October 2008	\$0.65	200,000
9 October 2008	\$0.80	150,000
1 July 2012	\$0.59	400,000
1 July 2013	\$0.59	400,000
1 July 2014	\$0.59	400,000
1 July 2015	\$0.59	400,000
		<hr/> 2,265,000 <hr/>

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

Shares issued on exercise of options

85,000 options were exercised during the year by staff members. No other ordinary shares have been issued as a result of the exercise of options.

INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS

Indemnification

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

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

Insurance Premiums

Since the end of the previous financial period, the Company has paid premiums in respect of Directors and Officers liability insurance, for all past, present, or future director, secretary, officer or employee of the Company and its controlled entities. Conditions of the Insurance policy restrict disclosure of the premium amount.

The insurance premiums relate to:

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

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

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2008

LEAD AUDITORS INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

The Lead auditor's independence declaration is set out on page 24 and forms part of the Directors' Report for the financial year ended 30 June 2008.

NON-AUDIT SERVICES

During the year KPMG, the Company's auditor, has performed certain other services in addition to their statutory duties.

The board has considered the non-audit services provided during the year by the auditor and in accordance with written advice provided by resolution of the audit committee, is satisfied that the provision of those non-audit services during the year by the auditor is compatible with, and did not compromise, the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non audit services were subject to the corporate governance procedures adopted by the Company and have been reviewed by the audit committee to ensure that they do not impact the integrity and objectivity of the auditors; and
- the non-audit services provided do not undermine the general principles relating to auditor independence as set out in Professional Statement F1 Professional independence, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

Details of the amounts paid to the auditor of the Company, KPMG, and its related practices for audit and non-audit services provided during the year are set out below

	Consolidated	
	2008	2007
	\$	\$
Statutory audit		
Auditors of the Company		
- audit and review of financial reports	78,500	59,600
Services other than statutory audit		
Other services		
- Taxation services	6,500	10,000
	6,500	10,000

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



Brad Piltz

Chief Executive Officer

Dated at Sydney this 26th day of September 2008



LEAD AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

To: the directors of LandMark White Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2008 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.

KPMG

KPMG

A handwritten signature in blue ink, appearing to read 'P Steer'.

Paul G Steer
Partner

Dated at Bundall this 26th day of September 2008

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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INCOME STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

	Note	Consolidated		Company	
		2008	2007	2008	2007
		\$	\$	\$	\$
Revenue from rendering of services	4	30,099,079	27,987,338	1,942,883	2,074,441
Expenses from ordinary activities:					
Employee expenses		21,146,394	19,253,635	1,748,748	1,541,281
Valuation reports presentation expenses		1,211,360	1,250,383	133,445	170,244
Marketing expenses		472,606	433,001	16,426	51,602
Administration expenses		1,586,960	1,178,072	46,717	378,707
Occupancy expenses		1,499,582	1,275,928	104,033	27,923
Depreciation and amortisation expenses		607,675	627,197	273,365	235,922
Impairment losses		-	-	217,718	-
Other expenses from ordinary activities		704,653	1,423,263	77,103	225,935
Results from operating activities		2,869,849	2,545,859	(674,672)	(557,173)
Net finance income	6	138,590	7,196	966,412	2,768,242
Profit Before Tax		3,008,439	2,553,055	291,740	2,211,069
Income Tax Expense/(Benefit)	7	907,189	835,175	(104,633)	(145,904)
Profit for the year		2,101,250	1,717,880	396,373	2,356,973
Attributable to:					
Equity Holders of the Company		2,107,717	1,755,156	396,373	2,356,973
Minority Interest		(6,467)	(37,276)	-	-
Profit for the year		2,101,250	1,717,880	396,373	2,356,973
Basic earnings per share	8	0.0766	\$0.0641		
Diluted earnings per share	8	0.0761	\$0.0636		

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

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

STATEMENTS OF RECOGNISED INCOME AND EXPENSE
FOR THE YEAR ENDED 30 JUNE 2008

Note	Consolidated		Company	
	2008	2007	2008	2007
	\$	\$	\$	\$
Profit for the period	2,101,250	1,717,880	396,373	2,356,973
Total recognised income and expense for the period	2,101,250	1,717,880	396,373	2,356,973
Attributable to:				
Equity holders of the company	2,107,717	1,755,156	396,373	2,356,973
Minority interest	(6,467)	(37,276)	-	-
	2,101,250	1,717,880	396,373	2,356,973

There were no other items of recognised income and expenses other than the profit for the year.

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

**BALANCE SHEETS
AS AT 30 JUNE 2008**

		Consolidated		Company	
	Note	2008	2007	2008	2007
		\$	\$	\$	\$
Current assets					
Cash and cash equivalents	9	2,119,080	1,920,312	1,280,859	866,644
Trade and other receivables	10	4,186,466	4,935,335	-	-
Current tax assets	13	188,144	-	158,696	-
Inventories	11	212,757	371,735	-	-
Other		255,416	167,053	211,318	329,148
Total current assets		6,961,863	7,394,435	1,650,873	1,195,792
Non-current assets					
Receivables	10	-	-	2,141,201	5,433,910
Investments	12	-	-	6,420,005	2,220,002
Deferred tax assets	14	535,159	804,492	54,942	251,591
Term deposits and other		426,994	440,100	295	45
Property, plant and equipment	15	1,142,563	1,579,910	474,547	503,903
Intangible assets	16	5,112,779	5,451,880	-	-
Total non-current assets		7,217,495	8,276,382	9,090,990	8,409,451
Total assets		14,179,358	15,670,817	10,741,863	9,605,243
Current liabilities					
Trade and other payables	17	3,519,992	5,035,087	4,609,481	2,083,411
Current tax liabilities	13	-	299,977	-	299,975
Employee benefits	18	1,236,215	1,094,564	107,281	140,223
Provisions	19	-	21,200	-	-
Total current liabilities		4,756,207	6,450,828	4,716,762	2,523,609
Non current liabilities					
Employee benefits	18	282,064	204,543	10,451	10,731
Provisions	19	-	522,982	-	-
Total non current liabilities		282,064	727,525	10,451	10,731
Total liabilities		5,038,271	7,178,353	4,727,213	2,534,340
Net assets		9,141,087	8,492,464	6,014,650	7,070,903
Equity					
Issued capital	20	5,980,424	5,933,674	5,980,424	5,933,674
Reserves	20	40,450	25,344	40,450	25,344
Retained earnings	20	2,983,926	2,390,692	(6,224)	1,111,885
Total equity attributable to equity holders of the Company		9,004,800	8,349,710	6,014,650	7,070,903
Minority Interest	20	136,287	142,754	-	-
Total equity	20	9,141,087	8,492,464	6,014,650	7,070,903

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

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

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2008

Cash flows from operating activities	Note	Consolidated		Company	
		2008	2007	2008	2007
		\$	\$	\$	\$
Cash receipts in the course of operations		30,706,441	26,384,916	5,919,979	4,594,377
Cash payments in the course of operations		(27,913,132)	(23,687,517)	(2,585,350)	(1,931,133)
Interest received		153,622	96,028	88,912	47,150
Income tax paid		(1,125,977)	(1,039,800)	(1,096,528)	(1,039,800)
Net cash provided by/(used in) operating activities	27	<u>1,820,954</u>	<u>1,753,627</u>	<u>2,327,013</u>	<u>1,670,594</u>
Cash flows from investing activities					
Payments for property, plant and equipment		(170,328)	(816,407)	(244,009)	(137,046)
Receipts from controlled entities		-	-	418,400	2,234,608
Payments to controlled entities		-	-	(619,455)	(3,208,743)
Payments for business acquisitions (net of cash acquired)		-	(1,078,983)	-	-
Funds placed on security deposit		15,876	(13,735)	-	-
Net cash provided by/(used in) investing activities		<u>(154,452)</u>	<u>(1,909,125)</u>	<u>(445,064)</u>	<u>(1,111,181)</u>
Cash flows from financing activities					
Proceeds from share issues		46,750	455,030	46,750	55,000
Dividends paid		(1,514,484)	(1,422,836)	(1,514,484)	(1,422,836)
Net cash provided by/(used in) financing activities		<u>(1,467,734)</u>	<u>(967,806)</u>	<u>(1,467,734)</u>	<u>(1,367,836)</u>
Net increase/(decrease) in cash held		198,768	(1,123,304)	414,215	(808,423)
Cash at beginning of the financial year		<u>1,920,312</u>	<u>3,043,616</u>	<u>866,644</u>	<u>1,675,067</u>
Cash at the end of the financial year	9	<u>2,119,080</u>	<u>1,920,312</u>	<u>1,280,859</u>	<u>866,644</u>

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

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Landmark White Limited (the 'Company') is a company domiciled in Australia. The consolidated financial report of the Company for the financial year ended 30 June 2008 comprises the Company and its subsidiaries (together referred to as the 'Consolidated Entity').

The financial report was authorised for issue by the directors on 26 September 2008.

(a) Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards ('AASBs') adopted by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001. International Financial Reporting Standards ('IFRSs') form the basis of Australian Accounting Standards ('AASBs') adopted by the AASB, and for the purpose of this report are called Australian equivalents to IFRS ('AIFRS') to distinguish from previous Australian GAAP. The financial reports of the Consolidated Entity and the Company also comply with IFRSs and interpretations adopted by the International Accounting Standards Board.

(b) Basis of preparation

The consolidated financial statements have been prepared on the historical cost bases.

The financial report is presented in Australian dollars.

Except as described below, the accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by Consolidated Entities.

Accounting estimates and judgements

Management discussed with the Audit Committee the development, selection and disclosure of the Consolidated Entity's critical accounting policies and estimates and the application of these policies and estimates. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment of goodwill and intangibles with indefinite useful lives

The Consolidated Entity assesses whether goodwill and intangibles with indefinite useful lives are impaired at least annually in accordance with the accounting policy in note (i). These calculations involve an estimation of the recoverable amount of the cash-generating units to which the goodwill and intangibles with indefinite useful lives are allocated.

Provision for contingencies

The Consolidated Entity assesses whether a provision should be raised at balance date to settle future potential obligations. The calculation for determining the amount of the provision is based on the maximum potential loss from the future obligation and the likelihood of the company incurring that obligation.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

New standards and interpretations not yet adopted

The following standards, amendments to standards and interpretations have been identified as those which may impact the entity in the period of initial application. They are available for early adoption at 30 June 2008, but have not been applied in preparing this financial report.

Revised AASB 3 Business Combinations changes the application of acquisition accounting for business combinations and the accounting for non-controlling (minority) interests. Key changes include: the immediate expensing of all transaction costs; measurement of contingent consideration at acquisition date with subsequent changes through the income statement; measurement of non-controlling (minority) interests at full fair value or the proportionate share of the fair value of the underlying net assets; guidance on issues such as reacquired rights and vendor indemnities; and the inclusion of combinations by contract alone and those involving mutuals. The revised standard becomes mandatory for the Consolidated Entity's 30 June 2010 financial statements. The Consolidated Entity has not yet determined the potential effect of the revised standard on the Consolidated Entity's financial report.

AASB 8 Operating Segments introduces the "management approach" to segment reporting. AASB 8, which becomes mandatory for the Consolidated Entity's 30 June 2010 financial statements, will require the disclosure of segment information based on the internal reports regularly reviewed by the Consolidated Entity's Chief Operating Decision Maker in order to assess each segment's performance and to allocate resources to them. Currently the Consolidated Entity presents segment information in respect of its business and geographical segments (see note 6). The Consolidated Entity has not yet determined the potential effect of the revised standard on the Consolidated Entity's financial report.

Revised AASB 101 Presentation of Financial Statements introduces as a financial statement (formerly "primary" statement) the "statement of comprehensive income". The revised standard does not change the recognition, measurement or disclosure of transactions and events that are required by other AASBs. The revised AASB 101 will become mandatory for the Consolidated Entity's 30 June 2010 financial statements. The Consolidated Entity has not yet determined the potential effect of the revised standard on the Consolidated Entity's disclosures.

Revised AASB 127 Consolidated and Separate Financial Statements changes the accounting for investments in subsidiaries. Key changes include: the re-measurement to fair value of any previous/retained investment when control is obtained/lost, with any resulting gain or loss being recognised in profit or loss; and the treatment of increases in ownership interest after control is obtained as transactions with equity holders in their capacity as equity holders. The revised standard will become mandatory for the Consolidated Entity's 30 June 2010 financial statements. The Consolidated Entity has not yet determined the potential effect of the revised standard on the Consolidated Entity's financial report.

AASB 2008-1 Amendments to Australian Accounting Standard - Share-based Payment: Vesting Conditions and Cancellations changes the measurement of share-based payments that contain non-vesting conditions. AASB 2008-1 becomes mandatory for the Consolidated Entity's 30 June 2010 financial statements. The Consolidated Entity has not yet determined the potential effect of the amending standard on the Consolidated Entity's financial report.

AI 12 Service Concession Arrangements provides guidance on certain recognition and measurement issues that arise in accounting for public-to-private service concession arrangements. AI 12, which becomes mandatory for the Consolidated Entity's 30 June 2009 financial statements, is not expected to have any effect on the financial report.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

New standards and interpretations not yet adopted (continued)

AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101 is applicable for annual reporting periods beginning on or after 1 January 2009. The potential impact on the Consolidated Entity's financial report has not yet been determined.

AASB 2007-9 Amendments to Australian Accounting Standards arising from the Review of AASs 27, 29 and 31 [AASB 3, AASB 5, AASB 8, AASB 101, AASB 114, AASB 116, AASB 127 & AASB 137] is applicable for annual reporting periods beginning on or after 1 July 2008. The potential impact on the Consolidated Entity's financial report has not yet been determined.

AASB 2008-1 Amendments to Australian Accounting Standard - Share-based Payment: Vesting Conditions and Cancellations changes the measurement of share-based payments that contain non-vesting conditions. AASB 2008-1 becomes mandatory for the Consolidated Entity's 30 June 2010 financial statements. The Consolidated Entity has not yet determined the potential effect of the amending standard on the Consolidated Entity's financial report.

AASB 2008-3 Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127 [AASB 1, AASB 2, AASB 4, AASB 5, AASB 7, AASB 101, AASB 107, AASB 112, AASB 114, AASB 116, AASB 128, AASB 131, AASB 132, AASB 133, AASB 134, AASB 136, AASB 137, AASB 138, AASB 139, Interpretation 9 and Interpretation 107] is applicable for annual reporting periods beginning on or after 1 July 2009 and must be adopted in conjunction with AASB 3 Business Combinations (March 2008) and AASB 127 Consolidated and Separate Financial Statements (March 2008). The potential impact on the Consolidated Entity's financial report has not yet been determined.

(c) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Investments in subsidiaries are carried at their cost of acquisition in the Company's financial statements.

(ii) Transactions eliminated on consolidation

Intragroup balances and any unrealised gains and losses or income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements.

Unrealised losses are eliminated in the same way as unrealised gains.

(d) Property, plant and equipment

(i) Owned assets

Items of property, plant and equipment are stated at cost or deemed cost less accumulated depreciation (see below) and impairment losses (see accounting policy i). The cost of self-constructed assets includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Property, plant and equipment

(ii) Subsequent costs

The Consolidated Entity recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied within the item will flow to the Consolidated Entity and the cost of the item can be measured reliably. All other costs are recognised in the income statement as an expense as incurred.

(iii) Depreciation

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.

The estimated useful lives in the current and comparative periods are as follows:

- | | |
|-------------------------|---------|
| • plant and equipment | 4 years |
| • fixtures and fittings | 5 years |

The residual value, the useful life and the depreciation method applied to an asset are reassessed at least annually.

(e) Intangible assets

(i) Goodwill

Business combinations

Acquisitions prior to 1 July 2003

Goodwill is included on the basis of its deemed cost, which included an annual assessment of impairment, which represents the amount recorded under previous GAAP. The classification and accounting treatment of business combinations that occurred prior to 1 July 2003 has not been reconsidered in preparing the Consolidated Entity's opening AIFRS balance sheet at 1 July 2004.

Acquisitions since 1 July 2003

All business combinations are accounted for by applying the purchase method. Goodwill represents the difference between the cost of the acquisition and the fair value of the net identifiable assets acquired.

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is no longer amortised but is tested annually for impairment (see accounting policy (i)).

Negative goodwill arising on an acquisition is recognised directly as a profit in the income statements.

Where Goodwill includes amounts that are payable contingent on the achievement of performance targets, the Company reviews its performance annually and if the estimate of the amount payable needs to be revised it adjusts the cost of the business combination accordingly.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Intangible assets (continued)

(ii) Subsequent expenditure

Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

(f) Trade and other receivables

Other trade and other receivables

Trade and other receivables are stated at their amortised cost less impairment losses (see accounting policy (i)).

(g) Work in progress

Client engagements in progress at balance date are recorded in the Balance Sheet as an asset and revenue in the Income Statement, based on the proportion of the stage of completion of the engagement, estimated fee for the services and where the stage and revenue from the engagement can be readily estimated. Payments in advance are recognised as unearned income until the services are provided.

(h) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, short term bills and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Consolidated Entity's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

(i) Impairment

(i) Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in Consolidated Entity's that share similar credit risk characteristics.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost, the reversal is recognised in profit or loss.

(ii) Non-financial assets

The carrying amounts of the Consolidated Entity's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, recoverable amount is estimated at each reporting date.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Impairment (continued)

(ii) Non-financial assets (continued)

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement, unless an asset has previously been re-valued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through loss in the income statement.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units (group of units) and then, to reduce the carrying amount of the other assets in the unit (group of units) on a *pro rata* basis.

(j) Share capital

(i) Dividends

Dividends are recognised as a liability in the period in which they are declared.

(ii) Transaction costs

Transaction costs of an equity transaction are accounted for as a deduction from equity, net of any related income tax benefit.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Employee benefits

(i) Wages, salaries, annual leave and non-monetary benefits

Liabilities for employee benefits for wages, salaries and annual leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to reporting date, are calculated at undiscounted amounts based on remuneration wage and salary rates that the Consolidated Entity expects to pay as at reporting date including related on-costs, such as workers compensation insurance and payroll tax. Non-accumulating non-monetary benefits are expensed based on the net marginal cost to the Consolidated Entity as the benefits are taken by the employees.

(ii) Other long-term employee benefits

The Consolidated Entity's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on costs; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is the yield at the reporting date on government bonds that have maturity dates approximating the terms of the Consolidated Entity's obligations. Any actuarial gains or losses are recognised in profit or loss in the period in which they arise.

(iii) Share based payment transactions

The fair value of options granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. The fair value of the options granted is measured using a Black-Scholes option-pricing model, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest except where forfeiture is only due to share prices not achieving the threshold for vesting.

Change in accounting policy - company

The Company has applied Australian Interpretation 8 Scope AASB 2 (Interpretation 8) for the first time from 1 July 2007. Under Interpretation 8, when the Company grants options over its shares to employees of subsidiaries, the fair value at grant date is recognised as an increase in the investments in subsidiaries, with a corresponding increase in equity over the vesting period of the grant.

The change in accounting policy was applied retrospectively to share-based payment transactions that were granted after 7 November 2002, with a vesting date on or after 1 January 2005, in accordance with the transitional provisions of AASB 1 First-time Adoption of Australian Equivalents to International Financial Reporting Standards. For this year, the change had no impact on the companies net profit or earnings per share.

(l) Provisions

A provision is recognised in the balance sheet when the Consolidated Entity has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(m) Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the Consolidated Entity from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Trade and other payables

Trade and other payables are stated at their amortised cost. Trade payables are non-interest bearing and are normally settled on 30-day terms.

(o) Revenue and other income

Goods sold and services rendered

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

Rendering of services

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

(p) Expenses

(i) Operating lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement as an integral part of the total lease expense and spread over the lease term.

(ii) Net financing income

Finance income comprises interest income on funds invested and dividend income. Interest income is recognised as it accrues in profit or loss, using the effective interest method. Dividend income is recognised in profit or loss on the date that the Consolidated Entity's right to receive payment is established.

Finance expenses comprise interest expense on borrowings, unwinding of the discount on provisions impairment losses recognised on financial assets. All borrowing costs are recognised in profit or loss using the effective interest method.

(q) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend.

The Company and its wholly-owned Australian resident entities have formed a tax-consolidated group with effect from 1 July 2003 and are therefore taxed as a single entity from that date. The head entity within the tax-consolidated group is LandMark White Limited.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Income tax (continued)

(i) Tax consolidation

Current tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the group allocation approach by reference to the carrying amounts of assets and liabilities in the separate financial statements of each entity and the tax values applying under tax consolidation.

Any current tax liabilities (or assets) and deferred tax assets arising from unused tax losses of the subsidiaries is assumed by the head entity in the tax-consolidated group and are recognised as amounts payable (receivable) to (from) other entities in the tax-consolidated group in conjunction with any tax funding arrangement amounts (refer below). Any difference between these amounts is recognised by the Company as an equity contribution or distribution.

The Company recognises deferred tax assets arising from unused tax losses of the tax-consolidated group to the extent that it is probable that future taxable profits of the tax-consolidated group will be available against which the asset can be utilised.

Any subsequent period adjustments to deferred tax assets arising from unused tax losses as a result of revised assessments of the probability of recoverability is recognised by the head entity only.

(ii) Nature of tax funding arrangements and tax sharing arrangements

The head entity, in conjunction with other members of the tax-consolidated group, has entered into a tax funding arrangement which sets out the funding obligations of members of the tax-consolidated group in respect of tax amounts. The tax funding arrangements require payments to/from the head entity equal to the current tax liability (asset) assumed by the head entity and any tax-loss deferred tax asset assumed by the head entity, resulting in the head entity recognising an inter-entity receivable (payable) equal in amount to the tax liability (asset) assumed. The inter-entity receivable (payable) are at call.

Contributions to fund the current tax liabilities are payable as per the tax funding arrangement and reflect the timing of the head entity's obligation to make payments for tax liabilities to the relevant tax authorities.

The head entity in conjunction with other members of the tax-consolidated group, has also entered into a tax sharing agreement. The tax sharing agreement provides for the determination of the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. No amounts have been recognised in the financial statements in respect of this agreement as payment of any amounts under the tax sharing agreement is considered remote.

(r) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Goods and services tax (continued)

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

(s) Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition non-derivative financial instruments are measured as described in notes (f), (h), (k) and (n).

A financial instrument is recognised if the Consolidated Entity becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Consolidated Entity's contractual rights to the cash flows from the financial assets expire or if the Consolidated Entity transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Regular way purchases and sales of financial assets are accounted for at trade date, i.e., the date that the Consolidated Entity commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Consolidated Entity's obligations specified in the contract expire or are discharged or cancelled.

Accounting for finance income and expense is discussed in note p(ii).

(t) Earnings per share

The Consolidated Entity presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees.

(u) Segment reporting

A segment is a distinguishable component of the consolidated group that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. Segment information is presented in respect of the Consolidated Entity's business and geographical segments. The Consolidated Entity's primary format for segment reporting is based on business segments. The business segments are determined based on the Consolidated Entity's management and internal reporting structure.

Inter-segment pricing is determined on an arm's length basis.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets other than goodwill.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

2. DETERMINATION OF FAIR VALUES

A number of the Consolidated Entity's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and / or disclosure purposes. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(a) Property, plant and equipment

The fair value of property, plant and equipment recognised as a result of a business combination is based on market values. The market value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The market value of items of plant, equipment, fixtures and fittings is based on the quoted market prices for similar items.

(b) Intangible assets

The fair value of intangible assets is based on the discounted cash flows expected to be derived from the use and eventual sale of the assets.

(c) Trade and other receivables

The fair value of trade and other receivables, is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

(d) Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

(e) Share-based payment transactions

The fair value of employee stock options is measured using the Black-Scholes formula. Measurement inputs include share price on measurement date, exercise price of the instrument, expected volatility (based on weighted average historic volatility adjusted for changes expected due to publicly available information), weighted average expected life of the instruments (based on historical experience and general option holder behaviour), expected dividends, and the risk-free interest rate (based on government bonds). Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.

3. FINANCIAL RISK MANAGEMENT

The company and Consolidated Entity have exposure to the following risks from their use of financial instruments:

- credit risk
- liquidity risk
- market risk.

This note presents information about the Company's and Consolidated Entity's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital. Further quantitative disclosures are included throughout this financial report.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

3. FINANCIAL RISK MANAGEMENT (continued)

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Managing Director and Chief Financial Officer are responsible for developing and monitoring risk management policies.

Risk management policies are established to identify and analyse the risks faced by the company and Consolidated Entity, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's and consolidated group's activities. The Company and Consolidated Entity, through their training and management standards and procedures, aim to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Consolidated Entity's Audit Committee oversees how management monitors compliance with the Company's and Consolidated Entity's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company and Consolidated Entity.

(i) Credit risk

Credit risk is the risk of financial loss to the Consolidated Entity if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Consolidated Entity's receivables from wholesale and retail customers. For the Company it arises from inter-company loans receivable from subsidiaries.

Trade and other receivables

The Company's and Consolidated Entity's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Consolidated Entity's customer base, including the default risk of the industry and country in which customers operate, has less of an influence on credit risk. However, geographically there is no concentration of credit risk.

The Consolidated Entity has established a credit policy under which each new customer is analysed individually for creditworthiness before the Consolidated Entity's standard payment and delivery terms and conditions are offered. Credit limits are established for each customer, these limits are reviewed regularly. Customers that fail to meet the Consolidated Entity's benchmark creditworthiness are placed on a customer list may transact with the Consolidated Entity only on a prepayment basis.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or legal entity, whether they are a wholesale, retail or end-user customer, geographic location, industry, aging profile, maturity and existence of previous financial difficulties. The Consolidated Entity's trade and other receivables relate mainly to the Consolidated Entity's retail customers. The Consolidated Entity does not require collateral in respect of trade and other receivables.

The Company and Consolidated Entity have established an allowance for impairment that represents their estimate of incurred losses in respect of trade and other receivables and investments. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

3. FINANCIAL RISK MANAGEMENT (continued)

(ii) Liquidity risk

Liquidity risk is the risk that the Consolidated Entity will not be able to meet its financial obligations as they fall due. The Consolidated Entity's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Consolidated Entity's reputation.

Typically the Consolidated Entity ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

(iii) Market risk

Market risk is the risk that changes in market prices, such as interest rates will affect the Consolidated Entity's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(iv) Interest rate risk

The Consolidated Entity does not have any external borrowings and is therefore not subject to interest rate risk.

(v) Capital management

The board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Consolidated Entity defines as net operating income divided by total shareholders' equity, excluding minority interests. The Board of Directors also monitors the level of dividends to ordinary shareholders.

The board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. There were no changes in the Consolidated Entity's approach to capital management during the year.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS
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4. SEGMENT REPORTING

Segment information is presented in respect of the Consolidated Entity's business segments. The Consolidated Entity's operations and clients are located entirely in Australia.

The Consolidated Entity comprises the following main business segments:

Valuation: The provision of valuation, research and advice services in relation to property and businesses, including Quantity Surveying.

Funds Management: Primarily Property Syndication and Mortgage Funds.

	Valuation		Funds Management		Consolidated	
	2008 \$	2007 \$	2008 \$	2007 \$	2008 \$	2007 \$
Total revenues	29,722,324	27,939,525	376,755	47,813	30,099,079	27,987,338
Total segment revenue	29,722,324	27,939,525	376,755	47,813	30,099,079	27,987,338
Segment result	2,897,467	2,668,717	(27,618)	(122,858)	2,869,849	2,545,859
Net finance income	128,186	2,182	10,404	5,014	138,590	7,196
Income tax expense	(910,031)	(870,183)	2,842	35,008	(907,189)	(835,175)
Profit for the year	2,115,622	1,800,716	(14,372)	(82,836)	2,101,250	1,717,880

	Valuation		Funds Management		Consolidated	
	2008 \$	2007 \$	2008 \$	2007 \$	2008 \$	2007 \$
Segment assets	13,679,453	15,312,978	311,764	357,839	13,991,217	15,670,817
Total assets	13,679,453	15,312,978	311,764	357,839	13,991,217	15,670,817
Segment liabilities	4,841,186	7,137,708	8,941	40,645	4,850,127	7,178,353
Total liabilities	4,841,186	7,137,708	8,941	40,645	4,850,127	7,178,353
Capital expenditure	120,915	909,697	4,618	27,232	125,533	936,929
Depreciation	600,356	626,552	7,319	645	607,675	627,197

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

5. AUDITOR REMUNERATION

	Consolidated		Company	
	2008	2007	2008	2007
	\$	\$	\$	\$
Audit services				
Auditors of the Company – KPMG Australia				
Audit and review of the financial reports	78,500	59,600	78,500	59,600
Other services				
Auditors of the Company – KPMG Australia				
Taxation services	6,500	10,000	6,500	10,000
Total audit services	<u>85,000</u>	<u>69,600</u>	<u>85,000</u>	<u>69,600</u>

The audit expenses of the entities in the Consolidated Entity are paid by the Company

6. NET FINANCING INCOME

Interest income from subsidiary	-	-	-	320,192
Interest income	153,622	99,566	88,912	47,150
Finance expense	(15,032)	(92,370)	-	-
Dividends – related parties	-	-	877,500	2,400,900
Net finance income	<u>138,590</u>	<u>7,196</u>	<u>966,412</u>	<u>2,768,242</u>

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NOTES TO THE FINANCIAL STATEMENTS
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7. INCOME TAX EXPENSE

	Consolidated		Company	
	2008	2007	2008	2007
	\$	\$	\$	\$
Recognised in the income statement				
Current Tax Expense				
Current Year	913,499	947,803	(171,764)	(105,456)
Adjustments for Prior Years	(71,683)	(21,018)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	841,816	926,785	(171,764)	(105,456)
Deferred Tax Expense				
Origination and reversal of temporary differences	65,373	(91,610)	67,131	(40,448)
	<hr/>	<hr/>	<hr/>	<hr/>
	65,373	(91,610)	67,131	(40,448)
Total income tax expense in income statement	<hr/>	<hr/>	<hr/>	<hr/>
	907,189	835,175	(104,633)	(145,904)
All income tax expense is attributable to continuing operations				
Reconciliation between tax expense and pre-tax profit				
Profit before tax	3,008,439	2,553,055	291,740	2,211,069
Prima facie income tax expense calculated at 30% on the profit from ordinary activities	902,531	765,916	87,522	663,321
Increase in income tax expense due to:				
Entertainment	67,297	57,008	1,248	1,547
Sundry items	4,532	5,556	4,532	5,556
Non deductible expenses	4,512	27,713	65,315	-
Decrease in income tax expense due to:				
Non-assessable dividends	-	-	(263,250)	(720,270)
Income Tax over provided in prior year	(71,683)	(21,018)	-	-
Non-Assessable Interest Income	-	-	-	(96,058)
Income tax expense/(benefit) on pre-tax net profit	<hr/>	<hr/>	<hr/>	<hr/>
	907,189	835,175	(104,633)	(145,904)
Deferred tax asset recognised directly in equity				
Relating to share issue expenses	-	24,062	-	24,062

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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8. EARNINGS PER SHARE

Basic earnings per share

The calculation of basic earnings per share at 30 June 2008 was based on the profit attributable to ordinary shareholders of \$2,107,717 (2007:\$ 1,755,156) and a weighted average number of ordinary shares outstanding during the financial year ended 30 June 2008 of 27,523,534 (2007: 27,359,589) calculated as follows:

	Consolidated	
	2008	2007
	\$	\$
Profit attributable to ordinary shareholders	2,107,717	1,755,156
Weighted average number of ordinary shares		
Issued Ordinary Shares at 1 July	27,453,781	27,353,781
Effect of share options exercised	69,753	25,808
Weighted average number of ordinary shares at 30 June	27,523,534	27,379,589

Diluted earnings per share

The calculation of diluted earnings per share at 30 June 2008 was based on the profit attributable to ordinary shareholders of \$2,107,717 (2007:\$ 1,755,156) and a weighted average number of ordinary shares outstanding during the financial year ended 30 June 2008 of 27,686,886 (2007: 27,596,553) calculated as follows:

	2008	2007
	\$	\$
Profit attributable to ordinary shareholders	2,107,717	1,755,156
Weighted average number of ordinary shares (diluted)		
Weighted average number of ordinary shares at 30 June	27,523,534	27,379,589
Effect of share options on issue	163,352	216,964
Weighted average number of ordinary shares (diluted) at 30 June	27,686,886	27,596,553

150,000 options have not been included in the calculation of diluted EPS as they are not dilutive because the exercise price of the options is above the strike price used in the calculation. 800,000 options have not been included in the calculation of diluted EPS as they are not dilutive because the performance conditions for exercising the options have not been met.

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	Consolidated		Company	
	2008	2007	2008	2007
	\$	\$	\$	\$
9. CASH AND CASH EQUIVALENTS				
Cash at bank and on hand	50,063	216,504	19,942	10,213
Bank short term deposits and cash management at call accounts	2,069,017	1,703,808	1,260,917	856,431
Cash and cash equivalents in the statement of cash flows	<u>2,119,080</u>	<u>1,920,312</u>	<u>1,280,859</u>	<u>866,644</u>
10. TRADE AND OTHER RECEIVABLES				
Current				
Trade debtors	4,427,454	5,390,949	-	-
Less: provision for doubtful debts	(240,988)	(455,614)	-	-
	<u>4,186,466</u>	<u>4,935,335</u>	<u>-</u>	<u>-</u>
Loans to controlled entities	-	-	-	-
	<u>4,186,466</u>	<u>4,935,335</u>	<u>-</u>	<u>-</u>
Non-Current				
Loans to controlled entities	-	-	2,358,919	5,433,910
Less: provisions for impairments	-	-	(217,718)	-
	<u>-</u>	<u>-</u>	<u>2,141,201</u>	<u>5,433,910</u>
11. INVENTORIES				
Work in progress	<u>212,757</u>	<u>371,735</u>	<u>-</u>	<u>-</u>
12. INVESTMENTS				
Non current				
Investments in controlled entities				
Unlisted shares and loans at cost (refer note 25)	<u>-</u>	<u>-</u>	<u>6,420,005</u>	<u>2,220,002</u>

Investments include long term loans provided to subsidiaries by LandMark White Limited in its capacity as a shareholder.

13. CURRENT TAX ASSETS AND LIABILITIES

The current tax asset for the Consolidated Entity of \$188,144 (2007: liability of \$299,977) and for the Company of \$158,696 (2007: liability of \$299,975) represents the amount of income taxes receivable (2007: payable) in respect of current and prior financial periods. In accordance with the tax consolidation legislation, the Company as the head entity of the Australian tax-consolidated group has assumed responsibility for the current tax asset/liability initially recognised by the members in the tax-consolidated group.

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14. DEFERRED TAX ASSETS AND LIABILITIES

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2008	2007	2008	2007	2008	2007
	\$	\$	\$	\$	\$	\$
Consolidated						
Employee provisions	490,204	447,122	-	-	490,204	447,122
General provisions	72,989	205,070	-	-	72,989	205,070
Equity	-	24,062	-	-	-	24,062
Inventories	-	-	(63,827)	(111,521)	(63,827)	(111,521)
Losses	35,793	239,759	-	-	35,793	239,759
Net tax assets/(liabilities)	598,986	916,013	(63,827)	(111,521)	535,159	804,492
The Company						
Employee Provisions	39,910	52,979	-	-	39,910	52,979
General Provisions	15,032	45,032	-	-	15,032	45,032
Equity	-	24,062	-	-	-	24,062
Losses	-	129,518	-	-	-	129,518
Net tax assets/(liabilities)	54,942	251,591	-	-	54,942	251,591

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14. DEFERRED TAX ASSETS AND LIABILITIES (continued)
Movement in temporary differences during the year

	Consolidated				Company	
	Balance 1 July 06	Recognised in income	Recognised in equity	Balance 30 June 07	Recognised in equity	Balance 30 June 07
Employee Provisions General	411,517	35,605	-	447,122	-	52,979
Employee Provisions Equity	111,843	93,227	-	205,070	-	45,032
Employee Inventories	48,125	-	(24,063)	24,062	(24,063)	24,062
Employee Losses	(77,734)	(33,787)	-	(111,521)	-	-
	189,212	50,547	-	239,759	-	129,518
	682,963	145,592	(24,063)	804,492	(24,063)	251,591

	Consolidated				Company	
	Balance 1 July 07	Recognised in income	Recognised in equity	Balance 30 June 08	Recognised in equity	Balance 30 June 08
Employee Provisions General	447,122	43,082	-	490,204	-	39,910
Employee Provisions Equity	205,070	(132,081)	-	72,989	-	15,032
Employee Inventories	24,062	-	(24,062)	-	(24,062)	-
Employee Losses	(111,521)	47,694	-	(63,827)	-	-
	239,759	(203,966)	-	35,793	-	-
	804,492	(245,271)	(24,062)	535,159	(24,062)	54,942

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15. PROPERTY PLANT AND EQUIPMENT

Cost	Office Equipment \$	Consolidated Furniture and Fittings \$	Leasehold Improvements \$	Total \$	Office Equipment \$	Company Furniture and Fittings \$	Leasehold Improvement s \$	Total \$
Balance at 1 July 2006	1,850,501	210,247	428,540	2,489,288	828,538	5,407	-	833,945
Acquisitions	372,995	43,388	520,546	936,929	115,465	2,176	19,404	137,045
Disposals	-	-	-	-	-	-	-	-
Balance at 30 June 2007	2,223,496	253,635	949,086	3,426,217	944,003	7,583	19,404	970,990
Balance at 1 July 2007	2,223,496	253,635	949,086	3,426,217	944,003	7,583	19,404	970,990
Acquisitions	235,997	72,786	24,009	332,792	108,733	3,999	131,277	244,009
Disposals	(91,896)	(4,865)	(31,613)	(128,374)	(791)	-	-	(791)
Other-leased assets	-	-	(157,410)	(157,410)	-	-	-	-
Balance at 30 June 2008	2,367,597	321,556	784,073	3,473,225	1,051,945	11,582	150,681	1,214,208

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15. PROPERTY PLANT AND EQUIPMENT (continued)

Depreciation	Consolidated					Company		
	Office Equipment \$	Furniture and Fittings \$	Leasehold Improvements \$	Total \$	Office Equipment \$	Furniture & Fittings \$	Leasehold Improvements \$	Total \$
Balance at 1 July 2006	880,965	116,398	220,058	1,217,421	228,822	2,344	-	231,166
Depreciation charge for the year	460,848	53,685	112,663	627,197	234,607	1,261	53	235,921
Acquisitions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Adjustments	-	-	1,690	1,690	-	-	-	-
Balance at 30 June 2007	1,341,813	170,083	334,411	1,846,308	463,429	3,605	53	467,087
Balance at 1 July 2007	1,341,813	170,083	334,411	1,846,308	463,429	3,605	53	467,087
Depreciation charge for the year	420,464	40,741	146,470	607,675	244,814	1,591	26,960	273,365
Acquisitions	(91,896)	(4,865)	(26,559)	(123,320)	(791)	-	-	(791)
Disposals								
Balance at 30 June 2008	1,670,381	205,959	454,322	2,330,662	707,452	5,196	27,013	739,661
Carrying Amounts								
At 1 July 2006	969,536	93,849	208,482	1,271,867	599,716	3,063	-	602,779
At 30 June 2007	881,683	83,552	614,675	1,579,910	480,574	3,978	19,351	503,903
At 1 July 2007	881,683	83,552	614,675	1,579,910	480,574	3,978	19,351	503,903
At 30 June 2008	697,216	115,597	329,751	1,142,563	344,493	6,386	123,668	474,547

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16. INTANGIBLE ASSETS

The following units have significant carrying amounts of goodwill:

	Consolidated		Company	
	2008	2007	2008	2007
	\$	\$	\$	\$
NSW	1,206,870	1,206,870	-	-
Brisbane	414,094	414,094	-	-
Gold Coast	212,378	212,378	-	-
LMW Residential	3,084,644	3,423,745	-	-
Guardian	194,793	194,793	-	-
	<u>5,112,779</u>	<u>5,451,880</u>	<u>-</u>	<u>-</u>
<i>Movement in Goodwill</i>				
Balance at 1 July	5,451,880	5,094,149	-	-
Revised fair value of deferred consideration relating to the acquisition on goodwill of JLC Valuers (LMW Residential Pty Ltd)	(336,330)	160,167	-	-
Payment/(reversal) of liability relating to the acquisition of goodwill of Madden Hill Valuers	(2,771)	2,771	-	-
Purchase 55% shareholding in Guardian Securities Limited	-	194,793	-	-
	<u>5,112,779</u>	<u>5,451,880</u>	<u>-</u>	<u>-</u>
Balance at 30 June	<u>5,112,779</u>	<u>5,451,880</u>	<u>-</u>	<u>-</u>

Goodwill is not amortised. The goodwill amount is tested for impairment annually by estimating the recoverable amount of the cash generating units based on value in use.

The key assumptions and the approach to determining their value when estimating the recoverable amount of a cash generating unit are:

Assumption

Cash flows and profit

How determined

The forecast 5 year cash flows and profits are based on historical results to 30 June 2008 and anticipated growth rates ranging from 0% to 3% based on the growth in revenue achieved historically and costs increasing by a comparable amount

Discount rate

The discount rate adopted was a pre tax rate of 19.1% (FY2007: 17.6%) and was based on the current risk free interest rate, industry and business specific risk factors, market borrowing rates and investor expected returns.

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	Consolidated		Company	
	2008	2007	2008	2007
	\$	\$	\$	\$
17. TRADE AND OTHER PAYABLES				
Current				
Trade payables	142,596	404,999	142,321	391,024
Other payables and accrued expenses	3,377,396	4,024,362	103,416	413,058
	<u>3,519,992</u>	<u>4,429,361</u>	<u>245,737</u>	<u>804,082</u>
Business acquisition	-	605,726	-	-
Loans from controlled entities	-	-	4,363,744	1,279,329
	<u>3,519,992</u>	<u>5,035,087</u>	<u>4,609,481</u>	<u>2,083,411</u>

The business acquisition liability at 30 June 2007 relates to the fair value of the deferred consideration payable on the acquisition of the residential valuation practice from JLC Valuers Pty Ltd.

18. EMPLOYEE BENEFITS

Current

Liability for annual leave	942,167	795,164	29,198	32,369
Liability for long service leave	<u>294,048</u>	<u>299,400</u>	<u>78,083</u>	<u>107,854</u>
	<u>1,236,215</u>	<u>1,094,564</u>	<u>107,281</u>	<u>140,223</u>

Non Current

Liability for long service leave	<u>282,064</u>	<u>204,543</u>	<u>10,451</u>	<u>10,731</u>
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a) Share Based Payments

The directors at their discretion allocate share options that entitle key management personnel and senior employees to purchase shares in the entity. The terms of the options including vesting conditions and performance criteria vary depending upon the incentive arrangements appropriate for key management personnel and senior employees.

The terms and conditions of the grants are as follows, whereby all options are settled by physical delivery of shares:

Share Options

Grant Date	Number of options	Vesting Conditions	Contractual life of options
9 October 2003	800,000	2 years of employment	5 years
30 December 2005	1,600,000	2 years of employment and an annual cumulative increase in subsidiary profit before tax of 10%.	5 years

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18. EMPLOYEE BENEFITS (continued)

The number and weighted average exercise price of share options is as follows:

	Weighted Average exercise price 2008	Number of options 2008	Weighted average exercise price 2007	Number of options 2007
Outstanding at the beginning of the period	\$0.60	2,400,000	\$0.60	2,650,000
Forfeited during the period	\$0.55	(1,050,000)	\$0.55	(150,000)
Exercised during the period	\$0.55	(85,000)	\$0.55	(100,000)
Granted during the period	\$0.55	1,000,000	\$0.55	-
Outstanding at the end of the period	\$0.60	2,265,000	\$0.60	2,400,000
Exercisable at the end of the period	\$0.61	1,465,000	\$0.61	1,200,000

The options outstanding at 30 June 2008 have an exercise price in the range of \$0.55 to \$0.80 and a weighted average contractual life of 5 years.

During the financial year, 85,000 share options were exercised at a price of \$0.55 each (2007: 100,000). The share price at the date of exercise ranged from \$0.71 to \$0.82.

The fair value of the options is calculated at the date of grant using a Black-Scholes model and allocated to each reporting period evenly over the period from grant date to vesting date. The value disclosed is the proportion of the fair value of the options allocated to this reporting period.

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

Grant date	Expiry date	Exercise price	Price of shares on grant date	Estimated volatility	Risk free interest rate	Dividend yield	Fair value per option
2008							
30 December 2005 ¹	1 July 2011 to 1 July 2015	\$0.59	\$0.58	40%	6.75%	11.02%	\$0.04
30 August 2007 ²	30 June 2008	\$0.85	\$0.66	40%	6.75%	9.85%	\$0.09

¹ During the year, 400,000 options vested as a result of performance conditions being met.

² The 1,000,000 options granted on 30 August 2007 were forfeited during the year as performance conditions were not met.

	Consolidated		Company
Employee expenses	2008	2007	2008
	\$	\$	\$
Expense arising from share options granted in 2006	15,106	19,408	15,106
Value of options issued	89,151	-	89,151
Shares options forfeited	(89,151)	-	(89,151)
Total expense recognised as employee costs	15,106	19,408	15,106

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	Consolidated		Company	
	2008 \$	2007 \$	2008 \$	2007 \$
19. PROVISIONS				
Current				
Lease incentive	-	21,200	-	-
	<u>-</u>	<u>21,200</u>	<u>-</u>	<u>-</u>
Non Current				
Lease incentive	-	157,410	-	-
Business acquisition	-	365,572	-	-
	<u>-</u>	<u>522,982</u>	<u>-</u>	<u>-</u>

The business acquisition provision relating additional amounts payable on the acquisition of the residential valuation practice from JLC Valuers Pty Ltd have been written back during the year as a result of an arrangement finalised between the vendor and the Company.

	Lease incentive \$	Business acquisition \$	Total \$
Consolidated			
Balance at 1 July 2007	178,610	365,572	544,182
Provisions made during the year	-	-	-
Provisions used during the year	(178,610)	-	(178,610)
Revision of discounted provision	-	(336,330)	(336,330)
Unwind of discount	-	(29,242)	(29,242)
Balance at 30 June 2008	<u>-</u>	<u>-</u>	<u>-</u>

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20. CAPITAL AND RESERVES

Reconciliation of movement in capital and reserves attributable to equity holders of the parent

Consolidated

	Share Capital \$	Share Option Reserve \$	Retained Earnings \$	Total \$	Minority Interest \$	Total Equity \$
Balance at 1 July 2006	5,878,674	6,823	2,058,373	7,943,870	-	7,943,870
Total recognised income and expense	-	-	1,755,156	1,755,156	(37,276)	1,717,880
55% Shareholding acquired in Guardian Securities	-	-	-	-	180,030	180,030
Share options forfeited (1)	-	(887)	-	(887)	-	(887)
Share options issued	-	19,408	-	19,408	-	19,408
Share options exercised by employees	55,000	-	-	55,000	-	55,000
Dividends to shareholders	-	-	(1,422,837)	(1,422,837)	-	(1,422,837)
Balance at 30 June 2007	5,933,674	25,344	2,390,692	8,349,710	142,754	8,492,464
Balance at 1 July 2007	5,933,674	25,344	2,390,692	8,349,710	142,754	8,492,464
Total recognised income and expense	-	-	2,107,717	2,107,717	(6,467)	2,101,250
Share options issued	-	104,257	-	104,257	-	104,257
Share options forfeited (2)	-	(89,151)	-	(89,151)	-	(89,151)
Share options exercised by employees	46,750	-	-	46,750	-	46,750
Dividends to shareholders	-	-	(1,514,483)	(1,514,483)	-	(1,514,483)
Balance at 30 June 2008	5,980,424	40,450	2,983,926	9,004,800	136,287	9,141,087

(1) Options were forfeited as a result of the cessation of employment of beneficiary employee.

(2) Options were forfeited as a result of performance criteria not being achieved at 30 June 2008.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

20. CAPITAL AND RESERVES (continued)

Reconciliation of movement in capital and reserves	Share Capital	Share Option Reserve	Retained Earnings	Total Equity
Company	\$	\$	\$	\$
Balance at 1 July 2006	5,878,674	6,823	177,749	6,063,246
Total recognised income and expense	-	-	2,356,973	2,356,973
Share options forfeited	-	(887)	-	(887)
Share options issued	-	19,408	-	19,408
Share options exercised by employees	55,000	-	-	55,000
Dividends to shareholders	-	-	(1,422,837)	(1,422,837)
Balance at 30 June 2007	5,933,674	25,344	1,111,885	7,070,903
Balance at 1 July 2007	5,933,674	25,344	1,111,885	7,070,903
Total recognised income and expense	-	-	396,373	396,373
Share options issued	-	104,257	-	104,257
Share options forfeited	-	(89,151)	-	(89,151)
Share options exercised by employees	46,750	-	-	46,750
Dividends to shareholders	-	-	(1,514,482)	(1,514,482)
Balance at 30 June 2008	5,980,424	40,450	(6,224)	6,014,650

	Company
	2008 2007
Ordinary Shares	
On issue at 1 July	27,453,781 27,353,781
Issued for cash upon exercise of options	85,000 100,000
Fully paid shares on issue at 30 June	27,538,781 27,453,781

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

The Company does not have any authorised capital or par value in respect of its issued shares.

Share option reserve

The options reserve comprises the fair value of options granted during a prior period that have vested as a result of performance criteria achieved during the year. These options have not been exercised and converted to share capital at balance date. This reserve will be reversed to share capital when the underlying shares are exercised.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

21. DIVIDENDS

Dividends recognised in the current year by the Company are:

	Cents per share	Total amount \$	Franked/ unfranked	Date of payment
2008				
Final 2007 ordinary	3.0	826,012	Franked	4 October 2007
Interim 2008 ordinary	2.5	<u>688,471</u>	Franked	14 March 2008
Total		<u>1,514,483</u>		
2007				
Final 2006 ordinary	3.0	820,614	Franked	7 October 2006
Interim 2007 ordinary	2.2	<u>602,223</u>	Franked	13 March 2007
Total		<u>1,422,837</u>		

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

After the balance sheet date, the directors have declared a final dividend of 3.3 cents per share, representing \$908,708 fully franked and payable on 4 October 2008. The financial effect of this transaction has not been brought to account in the financial statements for the year ended 30 June 2008.

Dividend franking account

	Company
	2008 2007
	\$ \$
30% franking credits available to shareholders of LandMark White Limited for subsequent financial years	<u>2,011,899 1,564,370</u>

The above available amounts are based on the balance of the dividend franking account at year-end adjusted for:

- (a) franking credits that will arise from the payment of the current tax liabilities;
- (b) franking debits that will arise from the payment of dividends recognised as a liability at the year-end;
- (c) franking credits that will arise from the receipt of dividends recognised as receivables by the tax consolidated group at the year-end; and
- (d) franking credits that the entity may be prevented from distributing in subsequent years.

The ability to utilise the franking credits is dependent upon there being sufficient available profits to declare dividends. The impact on the dividend franking account of dividends proposed after the balance sheet date but not recognised as a liability is to reduce it by \$389,446 (2007: \$352,977)

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

22. FINANCIAL INSTRUMENTS

Credit Risk

Exposure to credit risk

The carrying amount of the Consolidated Entity's and Company's financial assets represents the maximum credit exposure. The Consolidated Entity's and Company's maximum exposure to credit risk at the reporting date was:

	Note	Consolidated Carrying amount		Company Carrying amount	
		2008	2007	2008	2007
		\$	\$	\$	\$
Trade and other receivables	10	4,186,466	4,935,335	-	-
Cash and cash equivalents	9	2,119,080	1,920,312	1,280,859	866,644
		<u>6,305,546</u>	<u>6,855,647</u>	<u>1,280,859</u>	<u>866,644</u>

The Consolidated Entity's and Company's maximum exposure to credit risk for trade receivables before impairment losses at the reporting date by type of customer was:

	Consolidated Carrying amount		Company Carrying amount	
	2008	2007	2008	2007
	\$	\$	\$	\$
Financial customers	1,621,350	2,245,279	-	-
Commercial non financial customers	2,652,372	2,994,339	-	-
Residential non financial customers	153,732	151,331	-	-
	<u>4,427,454</u>	<u>5,390,949</u>	<u>-</u>	<u>-</u>

The Consolidated Entity's most significant customer, an Australian financial customer, accounts for \$367,234 of the trade receivables carrying amount at 30 June 2008 (2007: commercial non- financial Customer \$757,350).

Impairment losses

The aging of the Consolidated Entity's and Company's trade receivables at the reporting date was:

	Consolidated				Company			
	Gross 2008 \$	Impair- ment 2008 \$	Gross 2007 \$	Impair- ment 2007 \$	Gross 2008 \$	Impair- ment 2008 \$	Gross 2007 \$	Impair- ment 2007 \$
Not past due	2,444,073	-	3,533,873	-	-	-	-	-
Past due 0-30 days	836,730	-	690,232	-	-	-	-	-
Past due 31-120 days	990,197	84,534	907,598	196,368	-	-	-	-
Past due 121-365 days	130,270	130,270	243,064	243,064	-	-	-	-
More than one year	26,183	26,184	16,182	16,182	-	-	-	-
	<u>4,427,454</u>	<u>240,988</u>	<u>5,390,949</u>	<u>455,614</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

22. FINANCIAL INSTRUMENTS (CONTINUED)

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	Consolidated		Company	
	Carrying amount		Carrying amount	
	2008	2007	2008	2007
	\$	\$	\$	\$
Balance at 1 July	455,614	303,210	-	-
Impairment loss reduced/(reduced)	(214,626)	152,404	-	-
Balance at 30 June	240,988	455,614	-	-

Based on historic default rates, the Consolidated Entity believes that no impairment allowance is necessary in respect of trade receivables not past due or past due by up to 90 days. The Consolidated Entity's policy is to enforce upfront payment from clients who do not have a good credit history or from those who are relatively unknown. Accordingly, the trade receivables balance is comprised of customers that have no previous history of poor credit with the Consolidated Entity.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting arrangements:

Consolidated

30 June 2008

	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
	\$	\$	\$	\$	\$	\$	\$
Non-derivative financial liabilities				-	-	-	-
Trade and other payables	3,519,992	(3,519,992)	(3,443,904)	-	-	(76,088)	-
	3,519,992	(3,519,992)	(3,443,904)	-	-	(76,088)	-

30 June 2007

	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
	\$	\$	\$	\$	\$	\$	\$
Non-derivative financial liabilities				-	-	-	-
Trade and other payables	4,429,361	(4,429,361)	(4,429,361)	-	-	-	-
	4,429,361	(4,429,361)	(4,429,361)	-	-	-	-

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

22. FINANCIAL INSTRUMENTS (continued)
Company

30 June 2008

	Carrying amount	Contractu al cash flows	6 months or less	6-12 month	1-2 year	2-5 years	More than 5 years
	\$	\$	\$	\$	\$	\$	\$
Non-derivative financial liabilities				-	-	-	-
Trade and other payables	3,023,695	(3,023,695)	(3,020,135)	-	-	(3,560)	-
	<u>3,023,695</u>	<u>(3,023,695)</u>	<u>(3,020,135)</u>	<u>-</u>	<u>-</u>	<u>(3,560)</u>	<u>-</u>

30 June 2007

	Carrying amount	Contractu al cash flows	6 months or less	6-12 month	1-2 year	2-5 years	More than 5 years
	\$	\$	\$	\$	\$	\$	\$
Non-derivative financial liabilities				-	-	-	-
Trade and other payables	2,083,411	(2,083,411)	(2,083,411)	-	-	-	-
	<u>2,083,411</u>	<u>(2,083,411)</u>	<u>(2,083,411)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Interest rate risk

At the reporting date the interest rate profile of the Company's and the Consolidated Entity's interest-bearing financial instruments was:

	Consolidated Carrying amount		Company Carrying amount	
	2008	2007	2008	2007
	\$	\$	\$	\$
Variable rate instruments				
Financial assets	<u>2,119,080</u>	<u>1,920,312</u>	<u>1,280,859</u>	<u>866,644</u>

Fair values

Fair values versus carrying amounts

The Directors consider that the fair value of financial assets and financial liabilities of the Consolidated Entity are represented by their carrying amount.

23. COMMITMENTS

Capital expenditure commitments

The Consolidated Entity and Company do not have any capital expenditure commitments at balance date.

Operating lease commitments

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

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

23. COMMITMENTS (CONTINUED)

	Consolidated		Company	
	2008	2007	2008	2007
	\$	\$	\$	\$
Within one year	1,026,437	1,199,275	-	-
One year or later and no later than five years	4,018,472	3,783,164	-	-
Later than five years	2,310,917	2,780,567	-	-
	<u>7,355,826</u>	<u>7,763,006</u>	<u>-</u>	<u>-</u>

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

The Company does not have any finance lease commitments.

24. CONTINGENCIES

The Consolidated Entity incurred a potential future liability on the acquisition of JLC Valuers Pty Ltd. The business acquisition provision relating to additional amounts payable on the acquisition of the residential valuation practice from JLC Pty Ltd has been written back during the year as a result of an arrangement finalised between the vendor and the Company.

The Consolidated Entity is involved in matters of litigation in the normal course of business in undertaking valuation services. At 30 June 2008, the consolidated entity has professional indemnity insurance, and under the terms of the insurance policy, each claim has an excess which is required to be paid. It was not practical to estimate the maximum contingent liability arising from litigation.

25. CONTROLLED ENTITIES

(a) Particulars in relation to controlled entities

Name	2008 ownership %	2007 ownership %
<i>Parent entity/Ultimate controlling party</i>		
LandMark White Limited		
<i>Subsidiaries</i>		
LandMark White (NSW) Pty Ltd	100	100
LandMark White (VIC) Pty Ltd	100	100
LandMark White (Gold Coast) Pty Ltd	100	100
LandMark White (Brisbane) Pty Ltd	100	100
LMW Residential Pty Ltd	100	100
LMW Quantity Surveyors Pty Ltd	100	100
LMW Business Advisory Pty Ltd	100	100
LMW Invest Pty Ltd	100	100
LMWI Managed Investments Pty Ltd	100	-
GSL Services Pty Ltd	55	55
Guardian Securities Limited	55	55

All of the above controlled entities were incorporated in Australia.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

26. BUSINESS ACQUISITION

There were no business acquisitions during the year.

27. RECONCILIATION OF CASHFLOWS FROM OPERATING ACTIVITIES	Consolidated		Company	
	2008	2007	2008	2007
	\$	\$	\$	\$
Reconciliation of profit from ordinary activities after income tax to net cash provided by operating activities				
Profit/(loss) for the period	2,101,250	1,717,880	396,373	2,356,973
Adjustments for the period:				
Depreciation and Amortisation	607,675	627,197	273,365	235,922
Amounts set aside to employee provisions	3,937	1,006,350	(33,222)	58,709
Amounts set aside to other provisions	(220,795)	101,125	-	-
Increase/(decrease) in taxes payable	(218,788)	(86,531)	(262,022)	(86,532)
Share options issued	104,257	19,408	104,257	19,408
Share options forfeited	(89,151)	-	(89,151)	-
Impairment losses	-	-	217,718	-
Net cash provided by operating activities before change in assets and liabilities	2,288,385	3,385,429	607,318	2,584,480
Change in assets and liabilities during the financial period:				
(Increase)/decrease in receivables	963,495	(1,632,032)	2,160,208	(975,926)
(Increase)/decrease in work in progress	158,978	(112,624)	-	-
Increase/(decrease) in payables	(1,501,544)	40,441	(558,343)	170,253
(Increase)/decrease in prepayments	(88,360)	72,413	117,830	(108,213)
Net cash provided by operating activities	1,820,954	1,753,627	2,327,013	1,670,594

28. RELATED PARTIES

The following were key management personnel of the Consolidated Entity at any time during the reporting period and unless otherwise indicated were key management personnel for the entire period:

Non-Executive Directors

Mr G White (Chairman)
Mr N Craig
Mr S Gregory
Mr D Hobart

Executive Director

Mr B Piltz (CEO)

Executives

Mr I Bangs
Mr F Bentley
Mr J Clements
Mr G Coonan
Mr J McEvoy
Mr B McFarlane
Mr J Muchall
Mr R Stewart- Moore

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

28. RELATED PARTIES (continued)

Key Management Personnel Compensation

The key management personnel compensation included in 'employee expenses' are as follows:

	Consolidated		Company	
	2008	2007	2008	2007
	\$	\$	\$	\$
Short-term employee benefits	2,619,498	2,516,324	865,270	585,294
Other long-term benefits	193,045	285,700	87,048	96,782
Post-employment benefits	222,952	132,344	67,851	54,384
Share-based payments	-	-	-	-
	3,035,495	2,934,368	1,020,169	736,460

Information regarding individual directors and executives' compensation and some equity instruments disclosures as permitted by Corporations Regulations 2M.3.03 and 2M.6.04 is provided in the Remuneration Report section of the Directors' report on pages 13 to 20.

No director has entered into a material contract with the Company or the Consolidated Entity since the end of the previous financial year and there were no material contracts involving directors' interests existing at year-end.

Options and rights over equity instruments

The movement during the reporting period of options over ordinary shares in LandMark White Limited held directly, indirectly, or beneficially by each key management personnel including their personally related entities is as follows:

	Held at 1 July 2007	Granted as compens- ation	Exercised	Other* changes	Held at 30 June 2008	Vested during the year	Vested and exercisable at 30 June 2008
2008							
Directors							
Mr G White	-	-	-	-	-	-	-
Mr B Piltz	350,000	-	-	-	350,000	-	350,000
Mr N Craig	-	-	-	-	-	-	-
Mr S Gregory	-	-	-	-	-	-	-
Mr D Hobart	-	-	-	-	-	-	-
Executives							
Mr J Clements #	50,000	-	(50,000)	-	-	-	-
Mr F Bentley	30,000	-	-	-	30,000	-	30,000
Mr J McEvoy	1,650,000	-	-	-	1,650,000	400,000	850,000
Mr B McFarlane	-	-	-	-	-	-	-
Mr J Muchall	50,000	-	-	-	50,000	-	50,000
Mr G Coonan	50,000	1,000,000	-	(1,000,000)	50,000	-	50,000

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

28. RELATED PARTIES (continued)

2007	Held at 1 July 2006	Granted as compens- ation	Exercised	Other* changes	Held at 30 June 2007	Vested during the year	Vested and exercisable at 30 June 2007
Directors							
Mr G White	-	-	-	-	-	-	-
Mr B Piltz	350,000	-	-	-	350,000	150,000	350,000
Mr N Craig	-	-	-	-	-	-	-
Mr S Gregory	-	-	-	-	-	-	-
Mr D Hobart	-	-	-	-	-	-	-
Executives							
Mr J Clements #	50,000	-	-	-	50,000	-	50,000
Mr A Ellis	50,000	-	-	-	50,000	-	50,000
Mrs P Forbes	-	-	-	-	-	-	-
Mr F Bentley	30,000	-	-	-	30,000	-	30,000
Mr J McEvoy	1,650,000	-	-	-	1,650,000	400,000	450,000
Mr B McFarlane	-	-	-	-	-	-	-
Mr P Roberts#	30,000	-	(30,000)	-	-	-	-

* Other changes represent options that were forfeited during the year as performance conditions relating to profitability of a business unit for the year ended 30 June 2008 were not achieved.

Mr Clements resigned 2 November 2007. Mr Roberts resigned 1 July 2007.

Movement in shares

The movement during the reporting period in the number of ordinary shares in LandMark White Limited held directly, indirectly, or beneficially by each key management personnel including their personally related entities is as follows:

2008	Held at 1 July 2007	Purchases	Exercise of options	Sales	Held at 30 June 2008
Directors					
Mr G White	9,738,994	59,350	-	-	9,798,344
Mr B Piltz	6,814,330	-	-	(961)	6,813,369
Mr N Craig	29,000	-	-	-	29,000
Mr S Gregory	129,000	-	-	-	129,000
Mr D Hobart	-	-	-	-	-
Executives					
Mr J Clements #	4,000	-	-	-	-
Mr F Bentley	6,000	-	-	-	6,000
Mr J McEvoy	-	-	-	-	-
Mr B McFarlane	-	-	-	-	-

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

28. RELATED PARTIES (continued)

2007	Held at 1 July 2006	Purchases	Exercise of options	Sales	Held at 30 June 2007
Directors					
Mr G White	9,738,994	-	-	-	9,738,994
Mr B Piltz	6,814,330	-	-	-	6,814,330
Mr N Craig	29,000	-	-	-	29,000
Mr S Gregory	104,000	25,000	-	-	129,000
Mr D Hobart	-	-	-	-	-
Executives					
Mr J Clements #	4,000	-	-	-	4,000
Mr A Ellis	245,000	-	-	-	245,000
Mrs P Forbes	-	-	-	-	-
Mr F Bentley	6,000	-	-	-	6,000
Mr J McEvoy	71,154	-	-	(71,154)	-
Mr B McFarlane	-	-	-	-	-
Mr P Roberts #	-	-	30,000	-	30,000

- Mr Clements resigned 2 November 2007. Mr Roberts resigned 1 July 2007.

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

Non-key management personnel
Identity of related parties

The Consolidated Entity has a related party relationship with its subsidiaries (refer to note 25).

Subsidiaries

Loans are made between the Company and wholly owned subsidiaries to fund working capital. Loans outstanding between the Company and its controlled entities have no fixed date of repayment. At 30 June 2008, loans receivable from subsidiaries (before impairment) totalled \$2,358,919 (2007: \$5,433,910) and loans payable to subsidiaries totalled \$4,363,744 (2007: \$1,279,329)

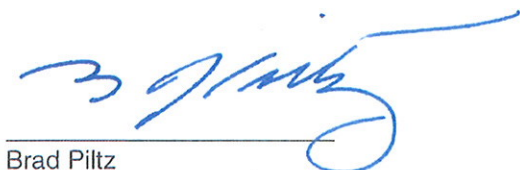
LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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DIRECTORS' DECLARATION

- 1 In the opinion of the directors of Landmark White Limited ('the Company'):
 - (a) the financial statements and notes set out on pages 25 to 65 and the remuneration disclosures of the Remuneration report in the Directors' report, set out on pages 13 to 20, are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the financial position of the Company and the Consolidated Entity as at 30 June 2008 and of their performance, as represented by the results of their operations and their cash flows, for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and
 - (b) the remuneration disclosures that are contained in the Remuneration report in the Directors' report comply with Australian Accounting Standard AASB 124 *Related Party Disclosures*; and
 - (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- 2 The directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the Chief Executive Officer and Chief Financial Officer for the financial year ended 30 June 2008.

Dated at Sydney this 26th day of September 2008.

Signed in accordance with a resolution of the directors:



Brad Piltz
Chief Executive Officer



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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LANDMARK WHITE LIMITED

Report on the financial report

We have audited the accompanying financial report of LandMark White Limited (the Company), which comprises the balance sheets as at 30 June 2008, and the income statements, statements of recognised income and expense and cash flow statements for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration set out on pages 25 to 66 of the Consolidated Entity comprising the disclosing entity and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the disclosing entity 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 1, the directors also state, in accordance with the Australian Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial report of the Consolidated Entity and Company, comprising the financial statements and notes, complies with International Financial Reporting Standards.

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.

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

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001* and Australian Accounting Standards (including the Australian Accounting Interpretations), a view which is consistent with our understanding of the Company's and the Consolidated Entity's financial position and of their performance.

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

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

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

Auditor's opinion

In our opinion:

- (a) the financial report of LandMark White Limited is in accordance with the *Corporations Act 2001*, including:
- (i) giving a true and fair view of the Company's and the Consolidated Entity's financial position as at 30 June 2008 and of their 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 of the Consolidated Entity and Company also complies with International Financial Reporting Standards as disclosed in note 1.

Report on the remuneration report

We have audited the Remuneration Report included on pages 13 to 20 of the directors' report for the year ended 30 June 2008. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with Section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with auditing standards.

Auditor's opinion

In our opinion, the remuneration report of LandMark White Limited for the year ended 30 June 2008 complies with Section 300A of the *Corporations Act 2001*.

KPMG

KPMG



P G Steer
Gold Coast
26 September 2008

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

ASX ADDITIONAL INFORMATION

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

The Company was admitted to the Australian Stock Exchange under rule 1.3.2(b).

Shareholdings (as at 31 August 2008)

Substantial Shareholders

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

Shareholder	Number of Ordinary Shares
White Valuations Pty Ltd	9,798,344
Piltz Holdings Pty Ltd	6,813,369

Voting Rights

Ordinary Shares

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

Options

There are no voting rights attached to options.

Distribution of equity security holders

Category	Number of Equity Security Holders	
	Ordinary Shares	Options
1 – 1,000	25	
1,001-5,000	412	
5,001-10,000	118	
10,001-50,000	112	
50,001-100,000	15	8
100,001 and over	23	2
Total	705	10

On-market buy-back

There is no current on-market buy-back.

Marketable Parcels

The number of shareholders holding less than a marketable parcel of 909 shares (based on closing price of \$0.55 on 29 August 2008) is 9 and they hold 6,257 securities.

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

ASX ADDITIONAL INFORMATION (continued)

Twenty Largest Shareholders

Name	Number of Ordinary Shares held	Percentage of capital held
White Valuations Pty Ltd	9,798,344	35.58%
Piltz Holdings Pty Ltd	6,813,369	24.74%
Llanzeal Pty Ltd	551,551	2.0%
Loftus Lane Investments	521,621	1.89%
Roskin Nominees Pty Ltd	519,028	1.88%
Bawden Custodians	393,146	1.43%
Mr Christian Ernest Hansen & Mrs Fay Elizabeth Hansen	339,000	1.23%
Mr John Francis Ogilvie and Mrs Michele Jocelyn Ogilvie	300,000	1.09%
Kevin King Pty Ltd	250,000	0.91%
Dr Russell Kay Hancock	250,000	0.91%
Mrs Melinda Ellis	245,000	0.89%
Independent Property Analysts Pty Ltd	175,000	0.64%
Philips Consolidated Pty Ltd	150,000	0.54%
Locope Pty Ltd	135,200	0.49%
Glenura Pty Ltd	125,000	0.45%
Mr Stuart Carlton Gregory	125,000	0.45%
Cheviot Investments Pty Limited	110,000	0.40%
Bond Street Custodians	105,250	0.38%
Mr Craig Wise	101,000	0.37%
Yarranilgie Pty Ltd	100,300	0.36%
CN & WJ Pointon Pty Ltd	100,192	0.36%
Radot Pty Ltd	100,000	0.36%
Bransdon Investments	100,000	0.36%
Stibbco Investments Pty Ltd	85,000	0.31%
Judi Dazeley Pty Ltd	80,000	0.29%
	<hr/> 21,573,001	<hr/> 78.31%

Offices and officers

Company Secretary

Mr Ian Bangs

Principal Registered Office

Ground Floor Waterside East Tower

3 Holden Place

Bundall QLD 4217

Telephone: 07 5510 3100

Facsimile: 07 5510 3200

Website: www.lmw.com.au

Location of Share Registry

Brisbane

Link Market Services

Stock Exchange

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

Other information

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