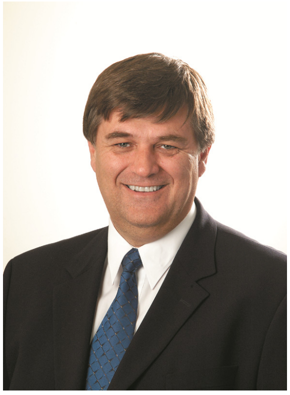
Annual Report

LandMark White Limited and its Controlled Entities
For the year ended 30 June 2012

ABN 50 102 320 329

LandMark White Group



Brad Piltz
Chief Executive Officer

Stuart Gregory
Chairman

ANNUAL REVIEW 2012

LandMark White Limited (LMW Group) Summary of Results for the year ending 30 June 2012.

We are pleased to present our Annual Report for the year ended 30 June 2012

Financial Results for 2011 - 12

LandMark White Limited (ASX:LMW) announces its financial results for the full year to 30 June 2012. Profit Before Tax from continuing operations was $837k. Profit After Tax was $496k ($531k from continuing operations) This represented 1.8 cents per share (1.9 cents from continuing operations). This reflected a small increase of 7.4% on last year's Net Profit After Tax, which reflected an Earning Per Share of 1.7 cents.

Revenue

Revenue from continuing operations of $20,702k was $1,517k lower than the previous year of $22,219k. Revenues from Residential property valuations continued to increase whilst Commercial property valuation revenues declined due to more difficult market conditions.

Outlook

LandMark White believes its 2012-13 results will show improvement on 2011-12. Nevertheless the property market continues to be challenging and there is considerable upward pressure on professional indemnity insurance premiums in the valuation industry.

Dividends

The Board has declared a final fully franked dividend of 2 cents per share payable on 9 October 2012 as per the ASX announcement.

Cash at Bank

Cash at bank for the consolidated entity LandMark White Limited as at 31 August 2012 was $1.8m.

Debt Free
Despite the continued difficult trading conditions LandMark White Limited remains debt free.

ANNUAL REVIEW 2012 (continued)

The following is a summary of the financial results for the year ended 30 June 2012 (previous corresponding period 30 June 2011).

	Year ended 30 June 2012 $000s	Year ended 30 June 2011 $000s	Increase/ (Decrease) $000s	% Change
Revenue from Continuing Operations	20,702	22,219	(1,517)	Down 6.8%
Profit before tax from continuing operations	837	903	(66)	Down 7.3%
Income tax expense	306	287	19	Up 6.6%
Net Profit after tax from continuing operations	531	616	(85)	Down 13.8%
Net (loss) from discontinued operations	(35)	(154)	119	
Net Profit attributable to members	496	462	34	Up 7.4%

We would like to thank our management team and staff for their continued hard work and commitment to LMW Group

Stuart Gregory
Chairman

Brad Piltz
Chief Executive Officer

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2012

The Directors present their report together with the financial report of the Consolidated Entity, being LandMark White Limited ("the Company") and its controlled entities, for the year ended 30 June 2012 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 Stuart C Gregory – appointed 9 October 2003
Chairman – appointed Chairman 12 July 2011
Independent Non-Executive Director, member audit committee and remuneration committee
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 Practicing Accountant and member of the Australian Institute of Company Directors who, during his career, has gained experience in financial services, investment banking, manufacturing and agribusiness. He is a director of Australian Food & Fibre Limited, Brisbane Housing Company Limited and Sugar Terminals Limited.

Mr Glen J White – appointed 26 September 2002
Chairman till 12 July 2011,
Non-Executive Director, member audit committee and remuneration committee
The co-founder of LandMark White's practice, Glen was a registered valuer with over 40 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. Previously a fellow of the Australian Property Institute now retired, Glen has appeared in courts as an expert witness, lectured in valuation and is highly experienced in rental determinations. Glen was appointed Chairman on 1 November 2005 and retired as chairman on 12 July 2012.

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 David P Hobart – appointed 1 May 2005, resigned 12 July 2011
Independent Non-Executive Director, member audit committee
David was a non-executive director of the board and is currently a non-executive director of Air Change International Limited. David is a valuer, has a master's degree in Commerce, and is a fellow of the Financial Services Institute of Australia, an associate of the Australian Property Institute and a member of the Australian Institute of Company Directors. His particular area of expertise was funds management. He resigned when the company sold its property funds management business.

LANDMARK WHITE LIMITED AND ITS CONTROLLED ENTITIES
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DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2012

DIRECTORS (continued)
Mr Andrew Meakin – appointed 23 February 2009, resigned 12 July 2011
Independent Non-Executive Director
Andrew brought extensive experience in financial services and in investment management. He resigned when the company sold its property funds management business

COMPANY SECRETARY
Frank Hardiman – appointed 16 March 2011
Frank is also Chief Financial Officer of the LandMark White group a position he was appointed to on 28 February 2011. Prior to joining LandMark White he was Chief Financial Officer and Company Secretary of publicly listed Konekt Limited for 2 years and prior to that Chief Financial Officer for 16 years of the publicly listed PPK Group Limited (formerly Plaspak Group Limited) and is a Fellow of CPA Australia.

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	7	7	2	2	1	1
Mr B Piltz	7	7	-	-	-	-
Mr S Gregory	7	7	2	2	1	1
Mr D Hobart	-	-	-	-	-	-
Mr A Meakin	-	-	-	-	-	-

COMPANY PARTICULARS
LandMark White Limited is incorporated in Australia. The address of the registered office is:
Level 15, 55 Clarence Street, Sydney, NSW 2000.

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.

CORPORATE GOVERNANCE STATEMENT (continued)

Role of the Board

The board's primary role is the protection and enhancement of long-term shareholder value. The board is comprised of one 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.

CORPORATE GOVERNANCE STATEMENT

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 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 the board is able to efficiently carry out the functions that would otherwise be delegated to the Nominations Committee. The conditions of the appointments of non-executive directors are set in a letter of appointment including expectations of attendance at board meetings, appointments to other boards, procedures for dealing with conflicts of interest and availability of independent professional advice.

The full board currently holds at least six 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 and executive 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.

The Group also has a process to educate new senior executives upon taking such positions. The induction process includes reviewing the Group's structure, strategy, operations, financial position and risk management policies. It also familiarises the individual with the respective rights, duties, responsibilities and roles of the individual and the Board.

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

CORPORATE GOVERNANCE STATEMENT (continued)

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 4 and 5.

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

- a minimum of three 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 no longer meets the second of these two principles. At the present time the decision to refocus on the core valuation business has made this requirement not cost effective given the size of the organization.

The Chairman of the Company is Mr Stuart Gregory who is non-executive and independent. ASX Best Practice Recommendation 2.2 is that the Chairperson of the board should be independent. During the year Mr Glen White was chairman and non-independent. The board believed that its composition was appropriate. Mr White is a co-founder of the group and brings over 36 years extensive experience in the valuation profession. In addition, appropriate conflict of interest policies are in place to ensure material personal interests are disclosed. At the date of this report the board is not comprised of a majority of independent directors. However given the size of the Board, the Company believes the appointment of a non-executive chairman is sufficient to ensure adequate corporate governance.

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.

CORPORATE GOVERNANCE STATEMENT (continued)

Audit Committee

The Audit Committee has a documented charter, approved by the board. All members should be independent non-executive directors. The Chairman of the Audit Committee should 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. Given the reduction in size of the Board it is no longer possible to meet either of these criteria.

The members of the Audit Committee during the year were:

- Mr Stuart Gregory, B. Comm (Hons) CPA (Chairman) – Independent Non-Executive
- Mr Glenn White – Non-Independent appointed 4 August 2011
- Mr David Hobart – Independent Non-Executive resigned 12 July 2011

The Audit Committee only comprised 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 2 times during the year and attendance is recorded on page 5 of this report. 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 2012 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.

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 management processes supporting external reporting
- 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 as set out in APES 110 Code of Ethics for professional Accountants
- reviewing the nomination and performance of the external auditor
- establishing procedures for selecting, appointing, and if necessary, removing 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.

CORPORATE GOVERNANCE STATEMENT (continued)

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, and 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 declare annually, 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 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.

CORPORATE GOVERNANCE STATEMENT (continued)

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 to the financial statements.

Trading in general company securities by directors and employees

The company has a share trading policy which has been disclosed to the ASX and which has been published on the company website. 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;
- identification of processes for unusual circumstances where discretion may be exercised in cases such as financial hardship.

Diversity policy

The company has a diversity policy which has been published on the company website. Whilst the company would prefer its workforce to reflect the diversity of our population, as a microcap professional service organisation, it is limited to recruiting from the available talent pool. In our specialist area of property valuation and advisory services, this pool of qualified candidates does not currently reflect significant gender or other diversity. Until it does, setting a measurable diversity objective would not be meaningful or effective for the company.

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 are accountable for ensuring adherence to the Continuous Disclosure Policy.

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).

CORPORATE GOVERNANCE STATEMENT (continued)

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 interests of LandMark White shareholders and rewarding and motivating executives and employees in order to achieve their long term commitment to the Consolidated Entity. The committee meets as required.

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 - resigned 12 July 2011
- 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 Consolidated Entity's 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 entity's performance.

Non-executive directors do not receive any retirement benefits other than statutory superannuation payments.

The board considers that the above performance-linked remuneration structure is generating the desired outcome even in the very difficult trading conditions that have been experienced during the past twelve months due to the global economic crisis.

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

	2012 $000s	2011 $000s	2010 $000s	2009 $000s	2008 $000s
Services revenue	20,702	22,219	22,377	23,563	30,099
Net profit/(loss) to equity holders of the company	482	462	955	(635)	2,108
Dividends declared (per share)	$0.03	$0.03	$0.035	$0.02	$0.058
Share price at the end of the period	$0.29	$0.30	$0.35	$0.26	$0.62
Change in share price	($0.01)	($0.05)	$0.09	($0.36)	($0.03)

REMUNERATION REPORT- AUDITED (continued)

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 senior management compensation with the interests of shareholders by including performance related bonuses. These payments are linked to the achievement of individual and company objectives which are relevant to meeting LandMark White's overall goals.

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 $108,008. 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 in the Consolidated Entity.

The consolidated entity has a policy that prohibits those that are granted share-based payments as part of their remuneration from being compensated for changes in value of the underlying securities.

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DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2012

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 the Consolidated Entity's senior executives and each of the key management personnel are:

		Short term			Post-employment	Share based payments	Long term benefits			
Directors	**Year**	**Salary and fees $**	**Bonus (B) $**	**Movement in annual leave provision $**	**Superannuation benefits $**	**Options (A) $**	**Movement in long service leave provision $**	**Total $**	**Proportion of remuneration performance related (%)**	**Value of options as proportion of remuneration (%)**
Non-executive										
Mr G White – Resigned as Chairman 12 July 2011	2012	28,250	-	-	40,750	-	-	69,000	-	-
Mr S Gregory – Appointed Chairman 12 July 2011	2012	35,788	-	-	3,220	-	-	39,008	-	-
Mr D Hobart – Resigned 12 July 2011	2012	-	-	-	-	-	-	-	-	-
Mr A Meakin – Resigned 12 July 2011	2012	-	-	-	-	-	-	-	-	-
Executive										
Mr B Piltz – CEO	2012	222,273	-	-	47,728	-	9,494	279,495	-	-
The Company										
Mr G Coonan - Chief Operating Officer	2012	166,028	43,707	3,449	17,904	-	3,621	234,709	20.8%	-
Mr Frank Hardiman - Chief Financial Officer	2012	102,813	-	7,335	47,185	-	-	157,333	-	-

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DIRECTORS' REPORT
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REMUNERATION REPORT- AUDITED (continued)
Directors' and senior executive officers' remuneration (continued)

		Short term			Post-employment	Share based payments	Long term benefits			
Directors	**Year**	**Salary and fees $**	**Bonus (B) $**	**Movement in annual leave provision $**	**Superannuation benefits $**	**Options (A) $**	**Movement in long service leave provision $**	**Total $**	**Proportion of remuneration performance related (%)**	**Value of options as proportion of remuneration (%)**
Non-executive										
Mr G White – Resigned as Chairman 12 July 2011	2011	24,116	-	-	44,884	-	-	69,000	-	-
Mr S Gregory – Appointed Chairman 12 July 2011	2011	37,155	-	-	3,345	-	-	40,500	-	-
Mr D Hobart	2011	51,401	-	-	3,039	-	-	54,440	-	-
Mr A Meakin	2011	41,000	-	-		-	-	41,000	-	-
Executive										
Mr B Piltz – CEO	2011	249,113	25,688	-	22,932	-	12,487	310,220	9.0%	-
The Company										
Mr G Coonan - Chief Operating Officer	2011	166,028	-	8,962	13,971	-	5,574	194,535	-	-
Mr I Bangs - Chief Financial Officer resigned 18 February 2011	2011	98,818	-	(6,484)	8,894	-	(239)	100,989	-	-
Mr Frank Hardiman - Chief Financial Officer appointed 28 February 2011	2011	23,817	-	3,460	29,269	-	-	56,546	-	-

REMUNERATION REPORT- AUDITED (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

There were no options issued during the year and there were no options outstanding at 30 June 2012.

(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, the Consolidated Entity's senior executive who received short term incentive bonuses is detailed below:

		Short term incentive bonus		
	Grant date	**Included in remuneration $**	**% vested in year**	**% forfeited in year**
Directors				
Mr Brad Piltz	-	-	-	-
Executives				
Consolidated				
Mr Glen Coonan	22 September 2011	43,707	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 2012 financial year.

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DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2012

REMUNERATION REPORT- AUDITED (continued)
(c) Analysis of other remuneration

Analysis of share based payments granted as remuneration
During the year, no options have been granted as remuneration to directors of the Company, and no options were issued to the Company's or Consolidated Entity's senior executives.

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 the Company's or Consolidated Entity's senior executives and no options have been exercised, by the executives. Options which lapsed had no value. There are no options on issue at the date of this report.

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 staff.

Contracted Commitment
The maximum exposure to salary commitments under an employment contract for the CEO, Brad Piltz not provided for in the financial statements and payable on termination or resignation is as follows:

	$
Within one year	270,000
One year or later and no later than five years	270,000
Later than five years	-
	540,000

On resignation only 3 months salary i.e. $67,500 is payable.
For other named senior executives, the Consolidated Entity's liability for early termination of employment contracts, beyond normal termination notices are considered remote.

<END OF REMUNERATION REPORT>

PRINCIPAL ACTIVITIES

The principal activity of the Consolidated Entity during the course of the financial year was property valuation. The funds management business was sold on 4 August 2011. There were no other significant changes in the nature of the activities of the Consolidated Entity during the year.

OPERATING RESULTS AND FINANCIAL REVIEW

The consolidated profit for the 12 months ended 30 June 2012 from ordinary activities after income tax attributable to equity holders of the company amounted to $496,000 which was an increase of $34,000 from the profit recorded in 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
Declared and paid during the year:				
	2.0	551,776	Franked at tax rate of 30%	7 October 2011
	1.0	275,888	Franked at tax rate of 30%	4 April 2012
Declared after end of year:				
	2.0	551,776	Franked at tax rate of 30%	9 October 2012

The financial effect of the dividend declared after year end has not been brought to account in the financial statements for the year ended 30 June 2012.

EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

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 Consolidated Entity, 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

Other than the sale of the funds management business on 4 August 2011 and matters described in this report, there were no significant changes in the state of affairs of the 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.

ENVIRONMENTAL REGULATION

The operations of the Consolidated Entity are not subject to any particular and significant environmental regulation under a law of the commonwealth or of a state or territory.

PROCEEDINGS ON BEHALF OF THE CONSOLIDATED ENTITY

During the financial year and in the interval between the end of the financial year and the date of this report the Consolidated Entity has made no application of leave under Section 237 of the Corporations Act 2001.

No person has applied for leave of court to bring proceedings on behalf of the Consolidated Entity or Intervene in any proceeding to which the Consolidated Entity is a party for the purpose of taking responsibility on behalf of the Consolidated Entity for all or any part of these proceedings. The Consolidated Entity was not a party to any such proceedings during the year.

DIRECTORS' INTERESTS

The relevant interest of each director in the shares issued by the Company as notified by the Directors to the Australian Securities 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	9,771,718	-
Mr B Piltz	7,087,687	-
Mr S Gregory	129,000	-

SHARE OPTIONS

Employee Options

No 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 any director or employee of the Company or Consolidated Entity.

Unissued shares under option

At the date of this report there are no unissued shares of the Company under option.

Shares issued on exercise of options

There were no options (2011: Nil options) exercised during the year. No ordinary shares have been issued as a result of the exercise of options.

INDEMNIFICATION AND INSURANCE OF OFFICERS

Indemnification

The Consolidated Entity 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 Consolidated Entity other than:

- a liability owed to the Consolidated Entity 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 Consolidated Entity that did not arise out of conduct in good faith.

Insurance Premiums

Since the end of the previous financial period, the Consolidated Entity has paid premiums in respect of Directors and Officers liability insurance, for all past, present, or future director, secretary, officer or employee of the Consolidated Entity. 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.

Rounding of Amounts

The group has applied the relief available under ASIC Class Order 98/100 and accordingly, amounts in the financial statements and directors' report have been rounded to the nearest thousand dollars, or in certain cases, to the nearest dollar.

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

The auditor's independence declaration is set out on page 21 and forms part of the Directors' Report for the financial year ended 30 June 2012.

NON-AUDIT SERVICES

During the year William Buck, 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 Consolidated Entity 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 APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Consolidated Entity, acting as an advocate for the Consolidated Entity or jointly sharing risks and rewards.

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

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2012

Details of the amounts paid to the auditors of the Consolidated Entity, KPMG and William Buck, and its related practices for audit and non-audit services provided during the year are set out below:

	2012 $	2011 $
Statutory audit		
Audit and financial review - KPMG Australia	-	18,000
Audit and financial review - William Buck	84,106	111,876
Total statutory audit	84,106	129,876
Service other than statutory audit		
Other services		
William Buck	12,895	5,000

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

Brad Piltz
Managing Director
Dated at Sydney this 21st day of September 2012

William Buck

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF LANDMARK WHITE LIMITED AND CONTROLLED ENTITIES

I declare that, to the best of my knowledge and belief during the year ended 30 June 2012 there have been:

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

— no contraventions of any applicable code of professional conduct in relation to the audit.

William Buck

William Buck
Chartered Accountants
ABN 16 021 300 521

Leo Tutt

L.E. Tutt
Partner
Sydney, 21 September 2012

Sydney
Melbourne
Brisbane
Perth
Adelaide
Auckland

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

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2012

	Note	2012 $000's	Consolidated 2011 $000's
Revenue from rendering of services		20,702	22,219
Expenses from operating activities:			
Employee expenses		14,338	15,539
Reports presentation expenses		1,186	1,207
Marketing expenses		374	370
Administration expenses		1,970	1,686
Occupancy expenses		1,310	1,338
Depreciation and amortisation expenses		199	303
Other expenses from operating activities		557	952
Results from operating activities		768	824
Finance income	7(a)	81	110
Finance expense	7(a)	12	31
Profit before tax		837	903
Income tax expense	8	306	287
Profit from continuing operations		531	616
(Loss) from discontinued operations	29	(35)	(154)
Other comprehensive income			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income		496	462
Profit attributable to:			
Owners of the parent		496	462
Non-controlling interest		-	-
		496	462
Total comprehensive income attributable to:			
Owners of the parent		496	462
Non-controlling interest		-	-
		496	462
Basic earnings per share from continuing operations	9	$0.019	$0.022
Basic earnings per share from total operations	9	$0.018	$0.017
Diluted earnings per share from continuing operations	9	$0.019	$0.022
Diluted earnings per share from total operations	9	$0.018	$0.017

The Statement of Comprehensive Income is 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

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2012

		Consolidated	
		2012	2011
Assets	**Note**	**$000's**	**$000's**
Cash and cash equivalents	10	1,914	2,547
Term deposits		126	-
Trade and other receivables	11	2,685	2,747
Inventories	12	118	249
Other current assets		207	305
Assets classified as held for sale	29	-	51
Total current assets		5,050	5,899
Deferred tax assets	14	724	729
Term deposits		280	401
Property, plant and equipment	15	415	606
Intangible assets	16	4,949	4,918
Total non-current assets		6,368	6,654
Total assets		11,418	12,553
Liabilities			
Trade and other payables	17	2,018	2,868
Current tax liabilities	13	133	86
Employee benefits	18	1,436	1,437
Provisions	19	180	-
Liabilities directly associated with assets held for sale	29	-	30
Total current liabilities		3,767	4,421
Deferred tax liabilities	14	35	75
Employee benefits	18	278	364
Provisions	19	569	592
Total non current liabilities		882	1,031
Total liabilities		4,649	5,452
Net assets		6,769	7,101
Equity			
Issued capital		6,008	6,008
Reserves		-	40
Retained earnings		761	1,053
Total equity		6,769	7,101

The Statement of Financial Position is 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

STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE 2012

	Share Capital $000's	Share Option Reserve $000's	Retained Earnings $000's	Total $000's	Non-controlling Interest $000's	Total Equity $000's
Consolidated						
Balance at 1 July 2010	6,008	40	1,427	7,475	-	7,475
Total comprehensive income	-	-	462	462	-	462
Dividends to shareholders	-	-	(836)	(836)		(836)
Balance at 30 June 2011	6,008	40	1,053	7,101	-	7,101
Balance at 1 July 2011	6,008	40	1,053	7,101	-	7,101
Total comprehensive income	-	-	496	496	-	496
Transfers	-	(40)	40	-	-	-
Dividends to shareholders	-	-	(828)	(828)	-	(828)
Balance at 30 June 2012	6,008	-	761	6,769	-	6,769

The Statement of Changes in Equity is 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

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2012

		Consolidated	
		2012	2011
Cash flows from operating activities	**Note**	**$000's**	**$000's**
Cash receipts in the course of operations		22,981	24,439
Cash payments in the course of operations		(22,479)	(23,069)
Interest received		81	110
Interest paid		(12)	(31)
Income tax paid		(279)	(463)
Net cash provided by/(used in) operating activities	27	292	986
Cash flows from investing activities			
Payments for property, plant and equipment		(40)	(109)
Payments for intangible assets		(31)	-
Net cash provided by/(used in) investing activities		(71)	(109)
Cash flows from financing activities			
Proceeds from borrowings		-	801
Repayment of borrowings		(77)	(724)
Dividends paid		(828)	(836)
Net cash provided by/(used in) financing activities		(905)	(759)
Net increase in cash and cash equivalents held		(684)	118
Cash and cash equivalents at beginning of the year		2,598	2,480
Cash and cash equivalents at the end of the year	10	1,914	2,598

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

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

LandMark White Limited (the 'Company') is a company incorporated and domiciled in Australia. The consolidated financial statements of the Company for the financial year ended 30 June 2012 comprise the Company and its subsidiaries (together referred to as the 'Consolidated Entity'). The principal business activities of the Consolidated Entity during the year were commercial and residential property valuations.

The financial statements were authorised for issue by the directors on 21 September 2012.

(a) Statement of compliance

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) adopted by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001. The financial statements of the Consolidated Entity comply with International Financial Reporting Standards ('IFRS') and Interpretations issued by the International Accounting Standards Board ('IASB').

(b) Basis of measurement

The consolidated financial statements have been prepared on an accrual basis and are based on historical cost, modified, where applicable by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(c) Functional and presentation currency

These consolidated financial statements are presented in Australian dollars which is the Company's functional currency and the functional currency of all entities within the Consolidated Entity.

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 entities within the Consolidated Entity.

(d) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities within the next financial year are discussed below.

Revenue recognition

During the year the company recognised revenue from the rendering of services using the percentage of completion method in accordance with the accounting policy as disclosed in Note 1(q). In determining the amount of revenue to be recognised the Directors of the Consolidated Entity are required to exercise judgement in determining the percentage of completion of relevant contracts.

Impairment of goodwill

The Consolidated Entity assesses whether goodwill is impaired at least annually in accordance with the accounting policy in note 1(g). These calculations involve an estimation of the recoverable amount of the cash-generating units to which the goodwill are allocated.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Use of estimates and judgements (continued)

Provisions

The Consolidated Entity assesses whether a provision should be raised at the end of the reporting period to settle future potential obligations. The calculation for determining the amount of the provision is based on the potential loss from the future obligation and the likelihood of the consolidated entity incurring that obligation.

(e) 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 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.

Non controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, statement of financial position and statement of changes in equity.

(ii) Transactions eliminated on consolidation

Intra-group balances and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

(f) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation (see below) and impairment losses (see accounting policy note 1(k)).

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within "other income" in profit and loss.

(ii) Depreciation

Depreciation is charged to the statement of comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives, unless it is reasonably certain that the Consolidated Entity will obtain ownership by the end of the lease term.

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

■ office equipment	2-5 years
■ furniture and fittings	4-5 years
■ leasehold and improvements	life of the lease or 10 years

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

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Intangible assets

(i) Goodwill

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Consolidated Entity.

Goodwill on the acquisition of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash generating units or groups of cash generating units that are expected to benefit from the business combination in which the goodwill arose.

(ii) IT Development & Software

Costs incurred in developing products or systems and costs incurred in acquiring software and licences that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include external direct costs of materials and service and direct payroll and payroll related costs of employees' time spent on the project. Amortisation is calculated on a straight line basis over periods generally ranging from 3 to 5 years. IT development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where the entity has an intention and ability to use the asset.

(iii) 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.

(h) Trade and other receivables

Trade receivables, which generally have 30-90 day terms, are recognised initially at fair value and subsequently measured at amortised cost after making an assessment of the recoverability of receivables over 120 days (see accounting policy note 1(k)).

Collectability of trade receivables is reviewed on an ongoing basis. Individual debts that are known to be uncollectible are written off when identified. An impairment provision is recognised when there is objective evidence that the Consolidated Entity will not be able to collect the receivable. Financial difficulties of the debtor, default payments or debts more than 120 days overdue are considered objective evidence of impairment. The amount of the impairment loss is the receivable carrying amount compared to the present value of estimated future cash flows, discounted at the original effective interest rate.

(i) Work in progress

Client engagements in progress at the end of the reporting period are recorded in the Statement of Financial Position as an asset and revenue in the Statement of Comprehensive Income, based on the stage of completion of the engagement. Payments in advance are recognised as unearned income until the services are provided.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, short term bills and call deposits with original maturities of three months or less. The Consolidated Entity does not have Bank overdrafts or loans facilities in place.

(k) Impairment

Non-financial assets

The carrying amounts of the Consolidated Entity's non-financial assets, other than inventories and deferred tax assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists then the assets 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 the end of each reporting period.

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 the end of each reporting period 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.

(l) Share capital

Ordinary shares are classified as equity.

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

Incremental costs directly attributable to the issue of ordinary shares and share options are accounted for as a deduction from equity, net of any related tax effects.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) 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 end of the reporting period represent present obligations resulting from employees' services provided at the end of the reporting period. These liabilities are calculated at undiscounted amounts based on remuneration wage and salary rates that the Consolidated Entity expects to pay including related on-costs, such as workers compensation insurance and payroll tax. Non-accumulating non-monetary benefits are expensed based at 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 end of the reporting period on government bonds that have maturity dates approximating the terms of the Consolidated Entity's obligations.

(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.

(iv) Defined contribution plans

A defined contribution plan is a post-employment benefit under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as employee expenses in profit or loss when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(n) Provisions

A provision is recognised in the statement of financial position 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.

(o) Leased assets

Leases in terms of which the Consolidated Entity assumes substantially all the risks and rewards of ownership are classified as finance leases.

Upon initial recognition finance leases are measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges are included in short and long term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Leased assets (continued)

Leases in terms of which the Consolidated Entity does not assume substantially all the risks and rewards of ownership are classified as operating leases and the leased assets are not recognised in the Consolidated Entity's statement of financial position. Payments made under operating leases are charged to the profit and loss on a straight line basis over the period of the lease.

(p) 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.

(q) Revenue and other income

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.

Interest Income

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Dividend Revenue

All dividends received shall be recognised as revenue when the right to receive the dividend has been established.

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.

(r) Net financing income

Finance income comprises interest income on funds invested and dividend income.

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

(s) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the statement of comprehensive income 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 end of the reporting period, and any adjustment to tax payable in respect of previous years.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Income tax (continued)

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

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

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

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.

(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 are 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.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Income tax (continued)

(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.

(t) 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 statement of financial position.

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.

(u) Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise 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 1(h), 1(j), and 1(p).

Accounting for finance income and expense is discussed in note 1(r).

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(v) Earning 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. Ordinary shares outstanding are anti-dilutive.

(w) Comparative Figures

When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(x) Adoption of New and Revised Accounting Standards

During the current year the Consolidated Entity adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these standards has had no impact on the recognition, measurement and disclosure of certain transactions.

(y) New Accounting Standards for Application in Future Periods

The AASB has issued new and amended accounting standards and interpretations that have mandatory application dates for future reporting periods and which the Company has decided not to early adopt. A discussion of those future requirements and their impact on the Company is as follows:

AASB 9: Financial Instruments, AASB 2009-11: Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12] and AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127] (applicable for annual reporting periods commencing on or after 1 January 2013)

These standards are applicable retrospectively and amend the classification and measurement of financial assets. The changes also incorporate the classification and measurement requirements for financial liabilities, and the recognition and derecognition requirements for financial instruments. The Company has not yet determined any potential impact on the financial statements.

The changes made to accounting requirements include:

- simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value
- simplifying the requirements for embedded derivatives
- removing the tainting rules associated with held-to-maturity assets
- removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost
- allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(y) New Accounting Standards for Application in Future Periods (continued)

- financial assets will need to be reclassified where there is a change in an entity's business model as they are initially classified based on (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows

AASB 10 Consolidation (applicable for annual reporting periods commencing on or after 1 January 2013)

This standard supersedes AASB 127 and establishes the principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities.

The Standard:

- requires a parent entity (an entity that controls one or more other entities) to present consolidated financial statements;
- defines the principle of control, and establishes control as the basis for consolidation;
- sets out how to apply the principle of control to identify whether an investor controls an investee and therefore must consolidate the investee; and
- sets out the accounting requirements for the preparation of consolidated financial statements.

The Company has not yet assessed the impact of this Standard

AASB 127 Separate Financial Statements (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 127 was amended as a result of the issuance of AASB 10 and now contains only the accounting requirements to be applied in accounting for investments in subsidiaries, jointly ventures, and associates when an entity elects, or is required by local regulations, to present separate (non-consolidated) financial statements. AASB 127 requires investments in subsidiaries, associates, and jointly controlled entities are accounted for either at cost, or in accordance with AASB 9 Financial Instruments.

The Company has not yet assessed the impact of this Standard

AASB 12 Disclosure of Interests in Other Entities (applicable for annual reporting periods commencing on or after 1 January 2013)

AASB 12 provides the disclosure requirements for entities that have an interest in a subsidiary, a joint arrangement, an associate or an unconsolidated structured entity. As such, it consolidates and replaces disclosure requirements contained in many existing Standards.

The Company has not yet assessed the impact of this Standard

AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17] (applicable for annual reporting periods commencing on or after 1 January 2013)

This Standard gives effect to many consequential changes arising from the issuance AASB 10 Consolidation, AASB 11 Joint Arrangements and AASB 12 Disclosure of Interests in Other Entities, and accordingly, the Company has not yet assessed the impact of this Standard.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(y) New Accounting Standards for Application in Future Periods (continued)

AASB 119 Employee Benefits, AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, AASB 8, AASB 101, AASB 124, AASB 134, AASB 1049 & AASB 2011-8 and Interpretation 14] and 2011-11 Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements (applicable for annual reporting periods commencing on or after 1 January 2013)

These standards amend the accounting requirements for employee benefits and in particular pensions and other post retirement benefits. The amendments:

- Require recognition of changes in the net defined benefit liability (asset) including immediate recognition of defined benefit cost, disaggregation of defined benefit cost into components, recognition of re measurements in other comprehensive income, plan amendments, curtailments and settlements;
- Introduce enhanced disclosures about defined benefit plans;
- Require employee benefits not settled wholly before twelve months after the end of the annual reporting period to be captured as an 'other long term benefit' rather than 'short term benefits', and whilst presented as a current item in the statement of financial position such benefits would be measured differently under the amendments;
- Modify accounting for termination benefits, including distinguishing benefits provided in exchange for service and benefits provided in exchange for the termination of employment and affect the recognition and measurement of termination benefits;
- Clarify miscellaneous issues, including the classification of employee benefits, current estimates of mortality rates, tax and administration costs and risk-sharing and conditional indexation features; and
- Incorporate other matters submitted to the IFRS Interpretations Committee.

The Company has not yet assessed the impact of these Standards.

AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009–2011 Cycle [AASB 1, AASB 101, AASB 116, AASB 132 & AASB 134 and Interpretation 2] (applicable for annual reporting periods commencing on or after 1 January 2013)

This standard makes amendments resulting from the 2009-2011 Annual Improvements Cycle. The Standard addresses a range of improvements, including permitting the repeat application of AASB 1 and clarification of the comparative information requirements when an entity provides a third balance sheet (AASB 101 Presentation of Financial Statements). The standard is not expected to impact the company.

The Company does not anticipate early adoption of any of the above Australian Accounting Standards or Interpretations.

(z) Non-current assets held for sale / discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(z) Non-current assets held for sale / discontinued operations (continued)

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the statement of financial position.

A discontinued operation is a component of the Consolidated Entity's business that represents a separate major line of business or geographical area of operations that has been disposed of or held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. In the statement of comprehensive income, income and expenses from discontinued operations are reported separately from income and expenses from continuing operations, down to the level of profit after taxes, even when the Consolidated Entity retains a non-controlling interest in the subsidiary after the sale. The resulting profit or loss (after taxes) is reported separately in the statement of comprehensive income.

(aa) Rounding of Amounts

The group has applied the relief available under ASIC Class Order 98/100 and accordingly, amounts in the financial statements and directors' report have been rounded to the nearest thousand dollars, or in certain cases, to the nearest dollar.

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) Trade and other receivables

The fair value of trade and other receivables approximates their carrying value.

2. DETERMINATION OF FAIR VALUES (continued)

(c) 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 Consolidated Entity has exposure to the following risks from their use of financial instruments:

- credit risk;
- liquidity risk;
- market risk.

This note presents information about the 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 the financial statements. The consolidated entity is not subject to foreign exchange risk.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Chief Executive Officer 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 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 Consolidated Entity's activities. The 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 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 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.

Trade and other receivables

The 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.

3. FINANCIAL RISK MANAGEMENT (continued)

(i) Credit risk (continued)

Trade and other receivables (continued)

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 which fail to meet the Consolidated Entity's benchmark creditworthiness are placed on a restricted customer list and 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 Consolidated Entity has established an allowance for impairment that represents their estimate of incurred losses in respect of trade and other receivables and investments. The components of this allowance are a specific loss component that relates to individually significant exposures of over 120 day debtors

(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 45 to 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.

Interest rate risk is managed by seeking to maximise the yield achieved on cash held at bank.

(iv) 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 non-controlling interests. The Board of Directors also monitors the level of dividends to ordinary shareholders.

There were no changes in the Consolidated Entity's approach to capital management during the year. The consolidated entity is not subject to externally imposed capital requirements given the absence of borrowings.

4. PARENT INFORMATION

The following information has been extracted from the books and records of the parent and has been prepared in accordance with the accounting standards.

	2012 $000's	2011 $000's
STATEMENT OF FINANCIAL POSITION		
Assets		
Current assets	2,398	3,137
Total Assets	9,371	10,171
Liabilities		
Current liabilities	2,524	912
Total Liabilities	2,671	3,588
Equity		
Issued capital	6,008	6,008
Reserves	-	40
Retained earnings	692	535
Total Equity	6,700	6,583
STATEMENT OF COMPREHENSIVE INCOME		
Total profit	944	1,782
Total comprehensive income	944	1,782

Guarantees
LandMark White Limited has not entered into any guarantees, in the current or previous financial year, in relation to the debts of its subsidiaries.

Contractual Commitments
At 30 June 2012 LandMark White Limited had not entered into any contractual commitments for the acquisition of property, plant and equipment (2011: nil).

CONTINGENCIES

The Consolidated Entity is involved in matters of litigation in the normal course of business in undertaking valuation services. At 30 June 2012, 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 by the Consolidated Entity. It was not practical to estimate the maximum contingent liability arising from litigation; however in a worse case situation there could be a material adverse effect on the Consolidated Entity's financial position. In the directors' opinion, disclosures of any further information in relation to litigation would be prejudicial to the interests of the Consolidated Entity.

5. 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's operating segments have been identified based on the segments analysed within management reports.
The operating segments of the consolidated entity have been identified as follows:
Valuation: The provision of valuation, research and advice services in relation to property and businesses.
Funds Management: Primarily Property Syndication and Mortgage Funds (discontinued operation).

	Valuation		**Funds Management (Discontinued operation)**		**Unallocated**		**Consolidated**	
	2012 $000's	**2011 $000's**	**2012 $000's**	**2011 $000's**	**2012 $000's**	**2011 $000's**	**2012 $000's**	**2011 $000's**
Segment assets	11,418	12,502	-	51	-	-	11,418	12,553
Total assets	11,418	12,502	-	51	-	-	11,418	12,553
Segment liabilities	4,649	5,422	-	30	-	-	4,649	5,452
Total liabilities	4,649	5,422	-	30	-	-	4,649	5,452
Capital expenditure	80	66	-	-	-	-	80	66
Depreciation	199	302	-	1	-	-	199	303
Impairment losses on intangible assets & property, plant & equipment	-	-	-	-	-	-	-	-

Accounting Policies Adopted
Unless stated otherwise, all amounts reported to the chief operating decision maker with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Consolidated Entity.

6. AUDITOR REMUNERATION

	Consolidated 2012 $000's	Consolidated 2011 $000's
Audit services		
Auditors of the Consolidated Entity – KPMG Australia		
Audit and review of the financial reports for the year end 30 June 2011	-	18
Auditors of the Consolidated Entity – William Buck		
Audit and review of the financial reports	84	112
Other services		
Auditors of the Consolidated Entity – William Buck		
Taxation and other services	13	5
Total audit services	97	135

7. (a) FINANCE INCOME

Interest income	81	110
Interest expense	(12)	(31)
Net finance income	69	79

(b) OPERATING EXPENSES

Operating lease expenses relating to occupancy	969	1,001
Superannuation expense	1,055	1,132

8. INCOME TAX EXPENSE

	Consolidated 2012 $000's	Consolidated 2011 $000's
Recognised in the statement of comprehensive income		
Current tax expense		
Current year	279	253
Adjustments for prior years	26	(24)
	305	229
Deferred tax expense		
Origination and reversal of temporary differences	(14)	(7)
Total income tax expense in statement of comprehensive income	291	222
Income tax expense from continuing operations	306	287
Income tax (credit) from discontinued operations	(15)	(65)
	291	222
Reconciliation of income tax expense to prima facie tax payable		
Profit/(loss) from continuing operations before tax	837	903
Profit/(loss) from discontinued operations before tax	(50)	(219)
Profit/(loss) before tax	787	684
Prima facie income tax expense calculated at 30% on profit	236	205
Increase/(decrease) in income tax expense due to:		
Non-deductible entertainment	29	46
Income tax (over/under) provided in prior year	26	(29)
Income tax expense	291	222
Applicable tax rate	30%	30%

9. EARNINGS PER SHARE

Basic earnings per share

The calculation of basic earnings per share at 30 June 2012 was based on the profit attributable to ordinary shareholders of $496,000 (2011: $462,000) and the weighted average number of ordinary shares outstanding during the financial year ended 30 June 2012 of 27,588,781 (2011: 27,588,781) calculated as follows:

	Consolidated	
	2012	**2011**
	$000's	**$000's**
Profit from continuing operations	531	616
(Loss) from discontinued operations	(35)	(154)
Profit/(loss) attributable to ordinary shareholders	496	462
Weighted average number of ordinary shares		
Issued Ordinary Shares at 1 July	27,588,781	27,588,781
Weighted average number of ordinary shares at 30 June	27,588,781	27,588,781

Diluted earnings per share

The calculation of diluted earnings per share at 30 June 2012 was based on the profit attributable to ordinary shareholders of $496,000 (2011: Profit of $462,000) and the weighted average number of ordinary shares outstanding during the financial year ended 30 June 2012 of 27,588,781 (2011: 27,588,781) calculated as follows:

	2012	**2011**
	$000's	**$000's**
Profit from continuing operations	531	616
(Loss) from discontinued operations	(35)	(154)
Profit/(loss) attributable to ordinary shareholders	496	462
Weighted average number of ordinary shares (diluted)		
Weighted average number of ordinary shares at 30 June	27,588,781	27,588,781
Weighted average number of ordinary shares (diluted) at 30 June	27,588,781	27,588,781

As at 30 June 2012 all options granted to employees via the ESOP have been excluded as they have expired without being exercised.

10. CASH AND CASH EQUIVALENTS

	Consolidated 2012 $000's	Consolidated 2011 $000's
Cash at bank and on hand	1,914	2,547
Cash and cash equivalents	1,914	2,547
Cash in discontinued operations	-	51
Cash and cash equivalents in the statement of cash flows	1,914	2,598

11. TRADE AND OTHER RECEIVABLES

Current	2012	2011
Trade receivables	2,761	2,917
Less: provision for impairment	(86)	(179)
Other receivables	10	9
	2,685	2,747

Impairment

During the year, a decrease in the provision for impairment of receivables of $93,000 (2011: $137,000 increase) was recorded in the statement of comprehensive income and included in other expenses. Refer also to note 22.

12. INVENTORIES

	Consolidated 2012 $000's	Consolidated 2011 $000's
Work in progress	118	249

13. CURRENT TAX LIABILITIES

The current tax liability for the Consolidated Entity of $133,000 (2011 $86,000) represents the amount of income taxes payable in respect of current and prior financial periods. In accordance with the tax consolidation legislation, LandMark White Limited 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.

14. DEFERRED TAX ASSETS AND LIABILITIES

Recognised deferred tax assets

Deferred tax assets are attributable to the following:

	Assets	
	2012	**2011**
	$000's	**$000's**
Consolidated		
Employee provisions	514	546
Doubtful debts provision	26	54
Superannuation	-	22
Accruals	20	8
Operating lease provisions	79	68
Legal provision	54	-
Make good provisions	31	31
Total tax assets	724	729

Recognised deferred tax liabilities

Deferred tax liabilities are attributable to the following:

	Liabilities	
	2012	**2011**
	$000's	**$000's**
Consolidated		
Inventories	(35)	(75)
Total deferred tax liabilities	(35)	(75)

14. DEFERRED TAX ASSETS AND LIABILITIES (continued)

Movement in temporary differences during the year

Deferred tax assets

Consolidated	Balance 1 July 11 $000's	Recognised in Profit & Loss $000's	Recognised in other comprehensive income $000's	Balance 30 June 12 $000's
Employee provisions	546	(32)	-	514
Doubtful Debts	54	(28)	-	26
Superannuation	22	(22)	-	-
Accruals	8	12	-	20
Operating lease provisions	68	11	-	79
Legal fees provision	-	54	-	54
Make good provisions	31	-	-	31
	729	(5)	-	724

Consolidated	Balance 1 July 10 $000's	Recognised in Profit & Loss $000's	Recognised in other comprehensive income $000's	Balance 30 June 11 $000's
Employee provisions	491	55	-	546
Doubtful Debts	-	54	-	54
Superannuation	-	22	-	22
Accruals	116	(108)	-	8
Operating lease provisions	59	9	-	68
Make good provisions	36	(5)	-	31
	702	27	-	729

Deferred tax liabilities

Consolidated	Balance 1 July 11 $000's	Recognised in Profit & Loss $000's	Recognised in other comprehensive income $000's	Balance 30 June 12 $000's
Inventories	(75)	40	-	(35)
	(75)	40	-	(35)

	Balance 1 July 10 $000's	Recognised in Profit & Loss $000's	Recognised in other comprehensive income $000's	Balance 30 June 11 $000's
Inventories	(55)	(20)	-	(75)
	(55)	(20)	-	(75)

15. PROPERTY, PLANT AND EQUIPMENT

Cost	Consolidated			
	Office Equipment $000's	Furniture and Fittings $000's	Leasehold Improvements $000's	Total $000's
Balance at 1 July 2010	2,662	264	1,324	4,250
Additions	68	3	8	79
Disposals	(15)	(2)	-	(17)
Adjustments (i)	-	-	(153)	(153)
Balance at 30 June 2011	2,715	265	1,179	4,159
Balance at 1 July 2011	2,715	265	1,179	4,159
Additions	49	-	-	49
Disposals	-	-	(185)	(185)
Balance at 30 June 2012	2,764	265	993	4,023

15. PROPERTY, PLANT AND EQUIPMENT (continued)

	Consolidated			
Accumulated Depreciation	**Office Equipment $000's**	**Furniture and Fittings $000's**	**Leasehold Improvements $000's**	**Total $000's**
Balance at 1 July 2010	2,278	240	741	3,259
Depreciation charge for the year	197	13	155	365
Disposals	(12)	(2)		(14)
Adjustments (i)	-	-	(57)	(57)
Balance at 30 June 2011	2,463	251	839	3,553
Balance at 1 July 2011	2,463	251	839	3,553
Depreciation charge for the year	138	9	83	230
Disposals	-	-	(175)	(175)
Balance at 30 June 2012	2,601	260	747	3,608
Carrying Amounts				
At 1 July 2010	384	24	583	991
At 30 June 2011	252	14	340	606
At 1 July 2011	252	14	340	606
At 30 June 2012	163	5	247	415

(i) Adjustments relate to changes in make good requirements within Leasehold Improvements category.

16. INTANGIBLE ASSETS

	Consolidated	
	2012 $000's	**2011 $000's**
Goodwill	4,918	4,918
Computer software	31	-
	4,949	4,918

The following cash generating units have significant carrying amounts of goodwill:

	Consolidated	
Goodwill	**2012**	**2011**
	$000's	**$000's**
LandMark White Commercial	1,833	1,833
LMW Residential	3,085	3,085
	4,918	4,918
Movement in Goodwill		
Balance at 1 July	4,918	4,918
Additions/disposals/impairments	-	-
Balance at 30 June	4,918	4,918

Goodwill has an infinite useful life and 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 the value in use when estimating the recoverable amount of a cash generating unit are:

Assumption	**How determined**
Cash flows	The forecast 5 year cash flows are based on forecast results for the year ended 30 June 2013. The 2013 forecast forms the basis of cash flows in subsequent financial years adjusted based on the following assumptions determined on management's past experience: • no increase in revenues and expenses in the first year and 3% increase in the years after • increase in employee expense calculated as 45% of the increase in revenue since the prior year • increase in variable expenses calculated as 18% of the increase in revenue since the prior year • terminal value at the end of year 5 based on year 5 cash flows.
Discount rate	The discount rate adopted was a pre tax rate of 18.8% (2011: 18.8%) and was based on the current risk free interest rate, industry and business specific risk factors, market borrowing rates and investor expected returns. On forecast 5 years cash flows, there would not be any impairment until the discount rate reached 24.5%. In this scenario all other variables are unchanged.

16. INTANGIBLE ASSETS (continued)

	Consolidated	
Computer software	**2012 $000's**	**2011 $000's**
	31	-
Movement in Computer Software		
Balance at 1 July	-	-
Additions	31	-
Balance at 30 June	31	-

17. TRADE AND OTHER PAYABLES

	Consolidated	
	2012 $000's	**2011 $000's**
Current		
Trade payables	253	615
Other payables and accrued expenses	1,765	2,253
	2,018	2,868

18. EMPLOYEE BENEFITS

Current		
Liability for annual leave	854	934
Liability for long service leave	582	503
	1,436	1,437
Non Current		
Liability for long service leave	278	364

18 EMPLOYEE BENEFITS (continued)

(a) Share Based Payments

The directors in accordance with employment contracts 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:

Share Options

Grant Date	Number of options	Vesting Conditions	Contractual life of options
31 December 2005	2,000,000	2 years of employment and defined annual cumulative increases in subsidiary trading profit.	5-9 years

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

	Weighted Average exercise price 2012	Number of options 2012	Weighted average exercise price 2011	Number of options 2011
Outstanding at the beginning of the period	-	-	$0.59	800,000
Granted during the period	-	-	-	-
Forfeited during the period	-	-	$0.59	(800,000)
Exercised during the period	-	-	-	-
Expired during the period	-	-	-	-
Outstanding at the end of the period	-	-	-	-
Exercisable at the end of the period	-	-	-	-

Note that 1,200,000 of the options granted on 31December 2005 lapsed in years prior to 2011.

During the financial year or prior year there were no share options exercised.

In prior years, the fair value of the options was 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. No options were granted in the year ended 30 June 2012. (2011: Nil)

19. PROVISIONS

	Consolidated 2012 $000's	Consolidated 2011 $000's
Current		
Legal	180	-
	180	-
Non Current		
Operating lease	265	227
Make good	304	365
	569	592

Consolidated	Operating Lease $000's	Make good $000's	Total $000's
Balance at 1 July 2010	195	518	713
Provisions made during the year	32	(153)	(121)
Balance at 30 June 2011	227	365	592
Provisions made during the year	38	(61)	(23)
Balance at 30 June 2012	265	304	569

Operating lease
Provisions are made in order to straight line minimum lease payments for rental of office space over the total lease periods.

Make good
A provision of $518,000 was made during the year ended 30 June 2010 in respect of the Consolidated Entity's obligation to return office space leased by the Consolidated Entity to its original condition. The provision has been reduced in subsequent periods due to over provisions. The provision has not been discounted to its present value as the effect is not material. It is expected that the expense will be incurred in a 4 – 10 year period.

20. CAPITAL AND RESERVES

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share on a poll at meetings of the Company. On a show of hands every shareholder present at a meeting or by proxy is entitled to one vote.

There are currently 27,588,781 ordinary fully paid shares on issue (2011: 27,588,781). Shares have no par value, and the company does not have a limited amount of capital.

Share option reserve

The share option reserve comprised the fair value of options granted. These options expired and the balance transferred to retained earnings in the 2012 Financial Year.

21. DIVIDENDS

Dividends recognised in the current year by the Company are:

	Cents per share	Total amount $000's	Franked/ unfranked	Date of payment
2012				
Final 2011 ordinary	2.0	552	Franked	7 October 2011
Interim 2012 ordinary	1.0	276	Franked	4 April 2012
Total		828		
2011				
Final 2010 ordinary	2.0	552	Franked	8 October 2010
Interim 2011 ordinary	1.0	284	Franked	17 March 2011
Total		836		

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

After the end of the reporting period, the directors have declared a final dividend of 2 cents per share, representing $551,776 fully franked and payable on 9 October 2012. The financial effect of this dividend has not been brought to account in the financial statements for the year ended 30 June 2012. The declaration and subsequent payment of dividends has no income tax consequences.

Dividend franking account	**Company**	
	2012 $000's	**2011 $000's**
30% franking credits available to shareholders of LandMark White Limited for subsequent financial years	1,589	1,616

The above available amounts are based on the balance of the dividend franking account at the end of the reporting period 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; and
(c) franking credits that will arise from the receipt of dividends recognised as receivables by the tax consolidated group at the year-end.

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 end of the reporting period but not recognised as a liability is to reduce it by $236,000 (2011: $236,000).

22. FINANCIAL INSTRUMENTS

Credit Risk

Exposure to credit risk

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

		Consolidated Carrying amount	
	Note	2012 $000's	2011 $000's
Trade and other receivables	11	2,685	2,747
Cash and cash equivalents	10	1,914	2,598
Term deposits & other		406	401
		5,005	5,746

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

	Consolidated Carrying amount	
	2012 $000's	2011 $000's
Financial customers	1,552	1,415
Commercial non financial customers	1,183	1,448
Residential non financial customers	36	63
	2,771	2,926

The Consolidated Entity's most significant customer, an Australian financial customer, accounts for $383,000 of the trade and other receivables carrying amount at 30 June 2012 (2011: financial customer $400,000).

Impairment losses

The aging of the Consolidated Entity's trade and other receivables at the end of the reporting period was:

	Consolidated			
	Gross 2012 $000's	Impairment 2012 $000's	Gross 2011 $000's	Impairment 2011 $000's
Not past due	1,878	-	2,087	-
Past due 0-30 days	474	-	438	-
Past due 31-120 days	291	-	255	33
Past due 121-365 days	128	86	146	146
	2,771	86	2,926	179

22. FINANCIAL INSTRUMENTS (continued)

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

	Consolidated Carrying amount 2012 $000's	Consolidated Carrying amount 2011 $000's
Balance at 1 July	179	42
Impairment loss increased / (reduced)	(93)	137
Balance at 30 June	86	179

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.

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

Consolidated

30 June 2012

	Carrying amount $000's	Contractual cash flows $000's	6 months or less $000's	6-12 months $000's	1-2 years $000's	2-5 years $000's	More than 5 years $000's
Non-derivative financial liabilities							
Trade and other payables	2,018	2,018	2,018	-	-	-	-
	2,018	2,018	2,018	-	-	-	-

30 June 2011

	Carrying amount $000's	Contractual cash flows $000's	6 months or less $000's	6-12 months $000's	1-2 years $000's	2-5 years $000's	More than 5 years $000's
Non-derivative financial liabilities							
Trade and other payables	2,868	2,868	2,868	-	-	-	-
	2,868	2,868	2,868	-	-	-	-

22. FINANCIAL INSTRUMENTS (continued)

Interest rate risk

At the end of the reporting period the interest rate profile of the Consolidated Entity's interest-bearing financial instruments was:

	Consolidated Carrying amount	
	2012 $000's	2011 $000's
Variable rate instruments		
Financial assets	2,040	2,598

Cash flow sensitivity analysis for rate instruments

A change of 100 basis points in interest rates at the end of the reporting period would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 2011.

	Consolidated Profit or (loss)	
	100 bp increase $000's	100 bp decrease $000's
30 June 2012		
Variable rate instruments	20	(20)
30 June 2011		
Variable rate instruments	26	(26)

Fair values

Fair values versus carrying amounts

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

23. COMMITMENTS

The Consolidated Entity does not have any capital expenditure commitments at the end of the reporting period.

Operating lease commitments

	Consolidated	
	2012 $000's	2011 $000's
Within one year	1,065	1,214
One year or later and no later than five years	3,541	3,375
Later than five years	44	589
	4,650	5,178

The Consolidated Entity leases property and equipment under non-cancellable 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 may be increased to reflect market rates or changes in the Consumer Price Index.

24. CONTINGENCIES

The Consolidated Entity is involved in matters of litigation in the normal course of business in undertaking valuation services. At 30 June 2012, 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 by the Consolidated Entity. It was not practical to estimate the maximum contingent liability arising from litigation; however in a worst case situation there would be a material adverse effect on the Consolidated Entity's financial position. In the directors' opinion, disclosures of any further information in relation to litigation would be prejudicial to the interests of the Consolidated Entity.

25. CONTROLLED ENTITIES

Particulars in relation to controlled entities

Name	**2012 ownership %**	**2011 ownership %**
Parent entity/Ultimate controlling party		
LandMark White Limited		
Subsidiaries		
LandMark White (NSW) Pty Ltd	100	100
ACN 101 597 335 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 Group Pty Ltd	100	100
LMW Business Advisory Pty Ltd	100	100
LMW Invest Pty Ltd	100	100
LMWI Managed Investments Ltd	-	100
LandMark White (Melbourne) Pty Ltd	100	100
LMW Advisory Pty Ltd	100	100
LMW Hegney Pty Ltd	50	50
ACN 121 424 440 Pty Ltd	100	100

All of the above controlled entities were incorporated in Australia.

26. BUSINESS ACQUISITIONS

There were no business acquisitions during the year (2011: Nil).

27. RECONCILIATION OF CASHFLOWS FROM OPERATING ACTIVITIES

	Consolidated 2012 $000's	Consolidated 2011 $000's
Reconciliation of profit from ordinary activities after income tax to net cash provided by operating activities		
Profit for the period after tax	496	462
Adjustments for the period:		
Depreciation and amortisation	199	309
Doubtful debt increase / (decrease)	(16)	169
Provision for make good	(29)	-
Legal provision	180	-
Operating lease provision	38	32
Net cash provided by operating activities before change in assets and liabilities	868	972
Change in assets and liabilities during the financial period:		
(Increase)/decrease in receivables	78	37
(Increase)/decrease in work in progress	131	(66)
(Increase)/decrease in deferred tax assets	5	(7)
(Increase)/decrease in prepayments	98	(51)
Increase/(decrease) in payables	(808)	169
Increase/(decrease) in provision for income tax	47	(234)
Increase/(decrease) in deferred tax liabilities	(40)	-
Increase/(decrease) in employee provision	(87)	166
Net cash provided by operating activities	292	986

28. RELATED PARTIES

Key Management Personnel

The following were key management personnel of the Consolidated Entity and unless otherwise indicated were key management personnel for the entire period:

Non-Executive Directors
Mr S Gregory (Chairman)
Mr G White
Mr D Hobart - resigned 12 July 2011
Mr A Meakin - resigned 12 July 2011

Executive Director
Mr B Piltz (CEO)

Executives
Mr F Hardiman
Mr G Coonan

28. RELATED PARTIES (continued)

Refer to the Remuneration Report contained in the Directors' report for details of remuneration paid or payable to each of the Consolidated Entity's key management personnel for the year ended 30 June 2012.

The totals of remuneration paid to key management personnel for the year are as follow:

	Consolidated 2012 $	Consolidated 2011 $
Short-term employee benefits	609,643	723,074
Other long-term benefits	13,115	17,822
Post-employment benefits	156,787	126,334
Share–based payments	-	-
	779,545	867,230

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:

2012	Held at 1 July 2011	Granted as compens-ation	Exerci-sed	Other changes	Held at 30 June 2012	Vested during the year	Vested and exercisable at 30 June 2012
Directors							
Mr G White	-	-	-	-	-	-	-
Mr B Piltz	-	-	-	-	-	-	-
Mr S Gregory	-	-	-	-	-	-	-
Mr D Hobart	-	-	-	-	-	-	-
Mr A Meakin	-	-	-	-	-	-	-
Executives							
Mr F Hardiman	-	-	-	-	-	-	-
Mr G Coonan	-	-	-	-	-	-	-

28. RELATED PARTIES (continued)

2011	Held at 1 July 2010	Granted as compens-ation	Exercis-ed	Other changes	Held at 30 June 2011	Vested during the year	Vested and exercisab-le at 30 June 2011
Directors							
Mr G White	-	-	-	-	-	-	-
Mr B Piltz	-	-	-	-	-	-	-
Mr S Gregory	-	-	-	-	-	-	-
Mr D Hobart	-	-	-	-	-	-	-
Executives							
Mr I Bangs	-	-	-	-	-	-	-
Mr G Coonan	-	-	-	-	-	-	-

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:

2012	Held at 1 July 2011	Purchases	Exercise of options	Sales	Held at 30 June 2012
Directors					
Mr G White	10,093,004	-	-	(321,286)	9,771,718
Mr B Piltz	6,827,869	259,818	-	-	7,087,687
Mr S Gregory	129,000	-	-	-	129,000
Mr D Hobart	-	-	-	-	-
Mr A Meakin	-	-	-	-	-
Executive officers					
Mr F Hardiman	-	-	-	-	-
Mr G Coonan	-	-	-	-	-

2011	Held at 1 July 2010	Purchases	Exercise of options	Sales	Held at 30 June 2011
Directors					
Mr G White	10,093,004	-	-	-	10,093,004
Mr B Piltz	6,827,869	-	-	-	6,827,869
Mr N Craig	29,000	-	-	-	29,000
Mr S Gregory	129,000	-	-	-	129,000
Mr D Hobart	-	-	-	-	-
Executive officers					
Mr F Hardiman	-	-	-	-	-
Mr I Bangs	-	-	-	-	-
Mr G Coonan	-	-	-	-	-

The executive officers named are those who are directly accountable and responsible for the strategic direction and operational management of LandMark White Limited or its subsidiaries. In 2012 there were no executive officers holding shares in the Company. The Directors are of the opinion that only the executive officers detailed above meet the definition of key management personnel as set out in AASB 124.

28. RELATED PARTIES (continued)

Non-key management personnel

Identity of related parties

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

29. DISCONTINUED OPERATIONS

On 24 June 2011 the LandMark White Board of Directors decided that the loss making Funds Management business of the Consolidated Entity would be disposed. The Responsible Entity and AFSL business of LMW Managed Investments was subsequently sold for $51,000 on 4 August 2011. LMW Invest which had sole responsibility for the management of the Responsible Entity therefore ceased any operating activity.

Result from discontinued operation	**2012 $000's**	**2011 $000's**
Revenue	1	25
Expenses from operating activities:		
Employee expenses	6	68
Reports presentation expenses	3	5
Administration expenses	40	163
Occupancy expenses	-	1
Depreciation and amortisation expenses	-	2
Other expenses from ordinary activities	2	7
Results from operating activities	(50)	(221)
Finance income	-	2
(Loss) before tax	(50)	(219)
Income tax (credit)	(15)	(65)
(Loss) from discontinued operations	(35)	(154)

Net Assets of discontinued operation	**2012 $000's**	**2011 $000's**
Cash and cash equivalents	-	51
Total current assets	-	51
Total assets	-	51
Liabilities		
Trade and other payables	-	30
Total current liabilities	-	30
Total non current liabilities	-	-
Total liabilities	-	30
Net assets	-	21

Cash flows from discontinued operations were not materially different from the income and expense amounts above.

30. EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

A fully franked dividend of 2.0 cents per share was declared by Directors on 23 August 2012, to be paid on 9th October 2012.

There have been no other events subsequent to reporting date which affect the results contained in this financial report or the continuing operations of the Consolidated Entity.

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 22 to 63 and the remuneration disclosures of the Remuneration report in the Directors' report, set out on pages 11 to 16, 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 2012 and of its performance, for the financial year ended on that date; and
(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;

(a) the financial report also complies with International Financial Reporting Standards as discussed in Note 1(a);
(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable

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 2012.

Dated at Sydney this 21st September 2012

Signed in accordance with a resolution of the directors:

____
Brad Piltz
Chief Executive Officer

William Buck

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

Report on the Financial Report

We have audited the accompanying financial report of LandMark White Limited (the Company), which comprises the statement of financial position as at 30 June 2012, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the company and the consolidated entity comprising the company 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 Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that the financial statements comply with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 of the financial report that gives and true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

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

Sydney
Melbourne
Brisbane
Perth
Adelaide
Auckland

William Buck

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LANDMARK WHITE LIMITED AND CONTROLLED ENTITIES (CONT)

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 and consolidated entity's financial position as at 30 June 2012 and of its performance for the year ended on that date; and

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

b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 11 to 16 of the directors' report for the year ended 30 June 2012. 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 Australian Auditing Standards.

Auditor's Opinion

In our opinion, the Remuneration Report of LandMark White Limited for the year ended 30 June 2012, complies with section 300A of the Corporations Act 2001.

Matters Relating to the Electronic Presentation of the Audited Financial Report

This auditor's report relates to the financial report of LandMark White Limited for the year ended 30 June 2012 included on LandMark White Limited's web site. The company's directors are responsible for the integrity of the LandMark White Limited's web site. We have not been engaged to report on the integrity of the LandMark White Limited's web site. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

William Buck

William Buck
Chartered Accountants
ABN 16 021 300 521

Leo Tutt

L.E. Tutt
Partner
Sydney, 21 September 2012

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 2012)

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	9,771,718
Piltz Holdings Pty Ltd	7,070,187

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

	Ordinary Shares		Options	
Category	Number of Shareholders	Number of Shares	Number of Option Holders	Number of Options
1 – 1,000	25	19,803	-	-
1,001-5,000	315	1,185,848	-	-
5,001-10,000	90	782,601	-	-
10,001-50,000	103	2,582,071	-	-
50,001-100,000	13	978,005	-	-
100,001 and over	27	22,040,453	-	-
Total	573	27,588,781	-	-

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 1,563 shares (based on closing price of $0.31 on 31 August 2012) is 37 and they hold 36,492 securities.

ASX ADDITIONAL INFORMATION (continued)

Twenty Largest Shareholders

Name	**Number of Ordinary Shares held**	**Percentage of capital held**
White Valuations Pty Ltd <Glen White Super Fund A/C>	9,761,718	35.38%
Piltz Holdings Pty Ltd	6,480,119	23.49%
Llanzeal Pty Ltd	551,551	2.00%
Kevin King Pty Ltd	540,000	1.96%
Mr Christian Earnest Hansen & Mrs Fay Elizabeth Hansen <Hansen Family Super Fund A/C>	500,000	1.81%
Locope Pty Ltd	390,000	1.41%
Bond Street Custodians Limited	379,568	1.38%
Phillips Consolidated Pty <Phillips Family Super Fund A/C>	350,000	1.27%
Minara Pty Ltd	344,619	1.25%
McMullin Nominees Pty Ltd	270,442	0.98%
Mrs Melinda Ellis	245,000	0.89%
IHOP Pty Ltd	222,950	0.81%
Mr Brad Piltz <Super Fund A/C>	200,000	0.72%
Independent Property Analysts Pty Limited <The Gavan Family A/C>	175,000	0.63%
Stibbco Investments Pty Ltd	155,000	0.56%
Mr Christopher Holden	150,000	0.54%
Judi Dazeley Pty Limited <Super Fund A/C>	144,470	0.52%
C N & W J Pointon Pty Ltd <Pointon Super Fund A/C>	139,192	0.50%
Mrs Marianne Vernal Beveridge	130,000	0.47%
Stuart Carlton Gregory	125,000	0.45%
Glenura Pty Ltd	125,000	0.45%
	21,379,629	77.49%

Offices and officers

Company Secretary
Mr Frank Hardiman

Principal Registered Office
Level 15
55 Clarence Street
Sydney NSW 2000
Telephone: 02 8823 6300
Facsimile: 02 8823 6399
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 Sydney

Other information

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