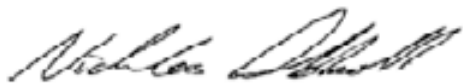


26 September 2008

Company Announcements Platform
Australian Securities Exchange Limited

Annual Financial Report

In accordance with Listing Rule 4.5.1, please find attached the Webster Limited Annual Financial Report for the year ended 30 June 2008.



Nicholas Abbott
Company Secretary

annual financial report 30 June

08



a pure, pristine advantage

WEBSTER
Limited

The directors of Webster Limited (ACN 009 476 000) submit herewith the annual financial report of the company for the financial year ended 30 June 2008. In order to comply with the provisions of the *Corporations Act 2001*, the director's report as follows:

The names of the directors of the company during or since the end of the financial year are:

Directors

D W Robinson	Non-executive Chairman (appointed Non-executive Chairman 29 August 2007, previously Non-executive Director)
C E Bright	Non-executive Director
R J Roberts	Non-executive Director (resigned as Executive Chairman 29 August 2007)
S J L Stone	Non-executive Director
C D Corrigan	Non-executive Director (appointed 30 November 2007)

All of the above-named directors have held office during and since the end of the financial year except for:

- C D Corrigan – appointed 30 November 2007

Company Secretary

Mr N Abbott Mr Abbott is the company's Chief Financial Officer having joined Webster in early 2004. Mr Abbott is a member of the Institute of Chartered Accountants in Australia and holds a Bachelor of Commerce from the University of Tasmania. Mr Abbott is also company secretary of all controlled subsidiary companies.

Principal Activities

The principal activity of the consolidated entity during the year was the production, processing and marketing of vegetables and walnuts. Webster also has a key stake in the salmon industry through its 26% ownership of Tassal Group Limited.

Trading Results

The profit after tax of the consolidated group for the year was \$6.106 million.

Directorships of Other Listed Companies

Directorships of other listed companies held by directors in the 3 years immediately before the end of the financial year are as follows:

Name	Company	Period of directorship
C E Bright	Futuris Corporation Limited	Since 2002
	Integrated Tree Cropping Limited	Since 2002
	Bremer Woll-Kammerei AG	Since 2002
	Australian Agricultural Company Limited	Since 2002
	Tassal Group Limited	Since 2005
R J Roberts	Tassal Group Limited	Since 2005
S J L Stone	Western Kingfish Limited	2007
C D Corrigan	Patrick Corporation Limited	1990–2006
	Oriental Technologies Investments Limited	2000–2005
	Virgin Blue Holdings Limited	2002–2006
	Consolidated Media Holdings Limited	Since 2006
	Crown Limited	Since 2007

Review of Operations

During 2008 Webster continued to consolidate its operating base with net profit after tax of \$6.106 million in comparison to \$2.305 million in the 2007 financial year. The 2008 result was not affected by significant items that negatively impacted earnings as occurred in 2007 and the contribution from associates was again strong, with a contribution pre tax of \$5.175 million. A small pre-tax profit of \$0.379 million was recorded in respect to discontinued operations, being an additional profit achieved from the sale of the company's industrial businesses. Revenue was down \$8.102 million due primarily to no new walnut orchard development revenue in 2008.

Webster Fresh, the company's vegetable operation, delivered another solid result in 2008, recording an EBIT profit of \$2.475 million. This result was marginally down on the prior year, with an excellent performance achieved in onions being partially offset by the lower than expected return from carrots. Late in 2008 Webster Fresh committed to the purchase of a carrot processing line to increase capacity, improve efficiencies and address product handling issues. In addition specialist personnel in agronomy are being recruited to focus on improving this business. The onion operation, which is predominantly export focused, had another strong year with good quality outputs and sound pricing achieved in the marketplace.

The Webster Walnuts division reported an EBIT profit of \$2.357 million in 2008, down from \$4.885 million in the prior year. The reduction in earnings is attributable to no new walnut orchard development in 2008. Early in the 2008 financial year the residual planting of the Riverina orchard of 800 hectares, developed in the prior year, was completed. The total area under management in NSW and Tasmania is now in excess of 2,200 hectares.

During 2008 Webster acquired the outstanding shares in associate Webster Walnuts Pty Ltd which owns a 540-hectare orchard on Tasmania's east coast. In the first half of the year this company was a 50% owned associate of Webster, whilst in the second half it was consolidated into the group. The yield from this orchard was a significant improvement on the prior year as it was largely unaffected by frosts that negatively impacted yields in 2007. Further frost mitigation strategies are currently being implemented for the 2009 season.

Webster's 26.08% interest in listed salmon business Tassal Group Limited (Tassal) generated a strong equity accounted result for 2008

which amounted to \$5.638 million. The focus of Tassal continues to be on being more globally cost competitive, primarily through capital investment and innovation. During the year Webster acquired a further \$7.993 million of shares in Tassal.

During 2008 the company had a positive operating cash flow of \$5.667 million and received proceeds from the divestment of non-core assets of \$4.643 million. These cash flows together with bank borrowings were utilised in part to fund the acquisition of shares in Tassal and Webster Walnuts Pty Ltd. As a result of the acquisition of Webster Walnuts Pty Ltd, \$7 million of bank debt was consolidated into the Webster group. With the increase in debt, finance costs increased to \$1.744 million, up from \$1.315 million in 2007.

Dividends

During the year, directors declared and paid the following dividends:

- Dividends of 4.5 cents per share on the cumulative non-redeeming preference shares were paid on 30 September 2007 (fully franked at 30% tax rate) and 31 March 2008 (unfranked).
- A final dividend of 4.5 cents per share franked to 5.15% at 30% corporate income tax rate was paid to the holders of fully paid ordinary shares on 31 October 2007.
- An interim dividend of 1 cent per share unfranked was paid to the holders of fully paid ordinary shares on 30 April 2008.

The directors have declared a 4.5 cent per share ordinary dividend franked to 1.94%, payable on 31 October 2008. The record date for determining entitlement to the dividend is 9 October 2008.

Issue of Shares

1,046,979 ordinary shares were issued under the company's dividend reinvestment plan. 790,478 were issued on 31 October 2007 and 256,501 were issued on 30 April 2008.

Changes in State of Affairs

During the financial year, the consolidated entity disposed of its industrial businesses and its interest in Kelp Industries Pty Ltd. Note 31 in the accompanying financial statements summarises this transaction. Other than the above, there has been no significant change in the state of affairs of the consolidated group during the year.

Likely Developments

Likely developments in the consolidated group's operations known at the date of this report have been covered elsewhere within this report. In the directors' opinion, any further disclosure of information would prejudice the company's interests.

Subsequent Events

The directors are not aware of any matter or circumstance that has arisen since the end of the financial year which has significantly or may significantly affect the operations of the consolidated group, the results of those operations or the state of affairs of the consolidated group in subsequent financial years.

Options

No shares of any controlled entity were issued during or since the end of the financial year by virtue of the exercise of any options.

No new options over the shares of the company or any controlled entity have been granted by the company or any controlled entity during or since the end of the year.

Directors' Meetings

The number of directors' meetings and meetings of committees of directors held in the period each director held office during the year, and the number of meetings attended by each director, are included on page 6.

Officers' Indemnities and Insurance

During the current financial year the company paid a premium in respect of a contract insuring the directors of the company (as named above), the company secretary, Mr N Abbott, and all executive officers of the company and of any related body corporate against a liability incurred as such a director, secretary or executive officer to the extent permitted by the *Corporations Act 2001*.

The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The company has not otherwise, during or since the financial year, indemnified or agreed to indemnify an officer or auditor of the company or of any related body corporate against a liability incurred as such an officer or auditor.

Rounding Off of Amounts

The company is a company of the kind referred to in ASIC Class Order 98/0100 dated 10 July 1998 and, in accordance with that Class Order, amounts in the directors' report and the financial report have been rounded off to the nearest thousand dollars unless specifically stated to be otherwise.

Environmental Regulations

The consolidated group operates various processing facilities that are subject to environmental controls.

There are no known issues that are outstanding with regulatory authorities and the group is operating within accepted guidelines.

Non-Audit Services

The directors are satisfied that the provision of non-audit services during the year by the auditors (or by another person or firm on the auditors' behalf) is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in note 4 to the financial statements.

The directors are of the opinion that the services disclosed in note 4 to the financial statements do not compromise the external auditor's independence, based on the advice received from the Audit & Risk Committee, for the following reasons:

- All non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor, and
- None of the services undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board, including reviewing or auditing the auditors own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

Independence Declaration by Auditor

The auditor's independence declaration is included on page 10.

Remuneration Report

Summary Information

The tables below set out summary information about the consolidated entity's earnings and movements in shareholder wealth for the five years to June 2008:

	30 June 2008 (\$000)	30 June 2007 (\$000)	30 June 2006 (\$000)	30 June 2005 (\$000)	30 June 2004 * (\$000)
Revenue	46,097	53,492	77,934	77,186	160,571
Net profit before tax	8,333	3,998	4,826	2,410	82
Net profit after tax	6,106	2,305	5,234	(417)	19

* Webster Limited adopted the Australia equivalents to International Financial Reporting Standards with effect from 1 July 2004, which resulted in various changes to its accounting policies from that date. The results for the year ended 30 June 2004 are reported in accordance with Webster Limited's previous accounting policies as permitted under Australian accounting standards as applicable at that time.

	30 June 2008	30 June 2007	30 June 2006	30 June 2005	30 June 2004
Share price at start of year	\$1.275	\$0.65	\$0.69	\$0.74	\$0.55
Share price at end of year	\$1.18	\$1.275	\$0.65	\$0.69	\$0.74
Interim Dividend 1	1.00 cps	1.00 cps	-	-	-
Final Dividend 2, 3	4.50 cps	4.50 cps	3.00 cps	2.00 cps	-
Basic earnings per share 4	9.74 cps	3.74 cps	8.69 cps	(0.90) cps	(0.20) cps
Diluted earnings per share 4	9.74 cps	3.74 cps	8.69 cps	(0.82) cps	(0.04) cps

1 The interim dividend for the 2007 financial year was franked to 100% at 30% corporate income tax rate, whilst the 2008 interim dividend was unfranked.

2 The final dividends for the 2005 and 2006 financial years were franked to 100% at 30% corporate income tax rate. The 2007 final dividend was franked to 5.15% at 30% corporate income tax rate, whilst the 2008 final dividend is franked to 1.94% at 30% corporate income tax rate.

3 The 2008 final dividend was declared after balance date and is not reflected in the financial statements.

4 Webster Limited adopted the Australia equivalents to International Financial Reporting Standards with effect from 1 July 2004, which resulted in various changes to its accounting policies from that date. The basic and diluted earnings per share for the year ended 30 June 2004 are reported in accordance with Webster Limited's previous accounting policies as permitted under Australian accounting standards as applicable at that time.

The non-executive directors are responsible for reviewing the compensation arrangements for all senior executives and directors. The review is conducted annually, having regard to management performance and comparative, external compensation levels. Independent advice may be sought on compensation packages and directors' fees.

Elements of Key Management Personnel Compensation

The compensation of key management personnel includes salary/fees, movements in accrued annual and long service leave, benefits (including the provision of motor vehicle, superannuation and fringe benefits) and incentive schemes (including performance related bonuses).

Short-Term Incentives

The Board established a cash-based short-term incentive (STI) program in the 2006 financial year. In the 2008 financial year bonus payments have been provided for in accordance with the company's cash-based STI program. The total amount provided for amounts to \$152,883 (2007: \$588,850). These bonus payments were granted on 28 August 2008 in respect to performance for the 2008 financial year. The program is applicable to key management personnel who act in an executive capacity, with the exception of Mr P L Myers, who was appointed as Chief Executive Officer during the year and is subject to a separate scheme as detailed below.

The executive STI program is linked to and only payable on the delivery of above-budget earnings performance, which aims to align executive performance to the financial performance of the company. The value of any cash-based payment is determined with reference to operating earnings and is not impacted by capital transactions. The bonus is payable as follows:

Stage 1

- For operating divisional executives, 15% of total cost to company ('TCC', which includes 9% superannuation guarantee contribution) is payable if their respective divisional earnings before interest and income tax (EBIT) is 5% above budget for the financial year.
- For corporate executives, 15% of TCC is payable if the consolidated net profit before income tax (NPBT) is 5% above budget for the financial year.

Stage 2

- For all executives who achieve stage 1 of the program, an additional 1% of TCC is payable for every 1% of NPBT achieved above the stage 1 threshold of 5%. The maximum bonus payable under the STI program is 50% of TCC.

The structure of Mr P L Myers' incentive program is a combination of financial and non-financial measures which can be summarised as follows:

- Stage 1 - \$25,500 is payable if the consolidated operating net profit before income tax (excluding the equity accounted contribution from Tassal Group Ltd) is 5% above budget for the financial year. This target was achieved;
- Stage 2 - if stage 1 is achieved an additional 1% of TCC is payable for every 1% of operating net profit before income tax (excluding the equity accounted contribution from Tassal Group Ltd) achieved above the stage 1 threshold of 5%. The amount payable is capped at \$16,500. This target was achieved.

Key Management Personnel Compensation

The aggregate compensation of the key management personnel of the consolidated entity and the company is set out below:

	Consolidated		Company	
	2008 (\$)	2007 (\$)	2008 (\$)	2007 (\$)
Short-term employee benefits	1,460,606	2,018,420	1,055,795	1,524,909
Post-employment benefits	364,808	108,505	304,339	82,563
Termination benefits	112,714	817,462	112,714	817,462
	<u>1,938,128</u>	<u>2,944,387</u>	<u>1,472,847</u>	<u>2,424,934</u>

- A maximum of \$28,000 is payable if specific outcomes are delivered as established by the Board. As at 30 June 2008, \$8,000 of these outcomes had been achieved with the remaining still in progress with a final timeframe yet to be set by the Board.

The total amount provided for at balance date in relation to Mr P L Myers was \$50,000.

In addition to the above bonuses a discretionary bonus was paid to Mr N Abbott and Mr B R Davey (combined value of \$98,333) in respect to the successful divestment of the industrial businesses and interest in Kelp Industries Pty Ltd. These bonuses were granted on 3 July 2007.

The total amount paid or provided for in respect to short-term incentives for 2008 is \$301,216 (2007: \$588,850).

The company currently does not have in place any long-term incentive programs.

As at the date of this report no key management personnel hold any options for the purchase of shares in the company or any controlled entity. Outlined on page 5 is the compensation of all key management personnel of the company and the consolidated group.

Key Management Personnel Details

The key management personnel of Webster Limited during the year were:

- D W Robinson (Non-executive Chairman), appointed Non-executive Chairman 29 August 2007
- C E Bright (Non-executive Director)
- R J Roberts (Non-executive Director), resigned as Chairman 29 August 2007 and as Chief Executive Officer 30 November 2007
- S J L Stone (Non-executive Director)
- C D Corrigan (Non-executive Director), appointed 30 November 2007
- P L Myers (Chief Executive Officer), appointed 30 November 2007
- N Abbott (Chief Financial Officer & Company Secretary), appointed Company Secretary 24 September 2007
- N D Carey (General Manager, Webster Fresh)
- L F Titmus (General Manager, Webster Walnuts)
- T M Gadsby (Information Technology and Communications Manager)
- S J Stegmann (Commercial Manager, Webster Fresh and Webster Walnuts)
- R P Gilham (Operations Manager, Webster Fresh)
- R J Birtill (Agriculture Manager, Webster Fresh), appointed 1 February 2008
- B R Davey (Commercial Services Manager & Company Secretary), resigned as Company Secretary on 24 September 2007 and as Commercial Services Manager on 12 October 2007
- L G Curran (State Manager, Webster Trucks & Machinery), resigned 12 October 2007.

Key Management Personnel Compensation (continued)

The compensation of each member of the key management personnel of the consolidated entity is set out below:

The remuneration committee reviews the remuneration packages of all key management personnel and makes recommendations to the Board. Remuneration packages are reviewed and determined with due regard to current rates and are benchmarked against comparable industry salaries.

The following table discloses compensation of the key management personnel of the consolidated entity:

2008	Short-Term			Post	Other	Termination	Share-based	Total
	Salary & fees	Bonus	Non - Monetary	Employment	Long-Term			
Key Management Personnel	Salary & fees	Bonus	Non - Monetary	Super				\$
D W Robinson	71,407	-	3,520	6,427	-	-	-	81,353
C E Bright	36,330	-	3,520	14,086	-	-	-	53,937
R J Roberts (i)	96,604	-	8,021	77,709	-	96,820	-	279,153
S J L Stone	45,833	-	3,520	-	-	-	-	49,353
C D Corrigan	25,879	-	2,053	2,329	-	-	-	30,261
P L Myers (ii)	90,935	50,000	2,053	81,251	-	-	-	224,239
N Abbott	105,531	92,008	27,073	9,595	-	-	-	234,207
N D Carey	117,968	9,068	20,500	15,630	-	-	-	163,166
L F Titmus	44,042	46,758	20,500	97,483	-	-	-	208,783
T M Gadsby	98,033	38,257	10,234	8,761	-	-	-	155,285
S J Stegmann	79,525	6,624	3,000	33,113	-	-	-	122,261
R P Gilham	90,672	6,834	19,500	8,205	-	-	-	125,211
R J Birtill (iii)	42,995	-	8,125	3,521	-	-	-	54,642
B R Davey (iv)	40,874	51,667	5,728	3,372	-	15,893	-	117,535
L G Curran (v)	29,728	-	5,688	3,326	-	-	-	38,741
Total	1,016,355	301,216	143,035	364,808	-	112,714	-	1,938,128

(i) Mr R J Roberts resigned as Chief Executive Officer on 30 November 2007.

(ii) Mr P L Myers was appointed as Chief Executive Officer on 30 November 2007.

(iii) Mr R J Birtill was appointed as Agriculture Manager, Webster Fresh on 1 February 2008.

(iv) Mr B R Davey resigned on 12 October 2007.

(v) Mr L G Curran ceased employment with Webster Limited on 12 October 2007 to coincide with settlement of the divestment of the industrial businesses.

The following table discloses compensation of the key management personnel of the consolidated entity:

2007	Short-Term			Post	Other	Termination	Share-based	Total
	Salary & fees	Bonus	Non - Monetary	Employment	Long-Term			
Key Management Personnel	Salary & fees	Bonus	Non - Monetary	Super				\$
R J Roberts (i)	300,435	160,000	16,291	25,979	-	800,000	-	1,302,705
D W Robinson	32,112	-	4,524	2,889	-	-	-	39,525
C E Bright	35,321	-	4,524	3,179	-	-	-	43,024
S J L Stone	35,000	-	4,524	-	-	-	-	39,524
N Abbott	111,172	64,400	8,400	10,479	-	-	-	194,451
B R Davey	102,535	68,600	35,647	9,003	-	-	-	215,785
S P Eiszele (ii)	56,431	-	11,375	5,002	-	17,462	-	90,270
L G Curran	94,822	-	19,500	7,920	-	-	-	122,242
T M Gadsby	94,759	55,125	9,191	8,324	-	-	-	167,399
S J Stegmann	99,108	55,125	3,000	9,121	-	-	-	166,354
L F Titmus	113,621	68,600	18,000	9,788	-	-	-	210,009
N D Carey	93,976	58,750	19,500	8,452	-	-	-	180,678
R P Gilham	86,302	58,250	19,500	8,369	-	-	-	172,421
Total	1,255,594	588,850	173,976	108,505	-	817,462	-	2,944,387

(i) The termination payment of \$800,000 represents approximately 2.5 years payout of the remainder of the employment contract of Mr R J Roberts, which was paid upon him ceasing to be Chief Executive Officer.

(ii) Mr S P Eiszele resigned on 7 February 2007.

Key Management Personnel Share Plan Options

The consolidated entity has a Key Management Personnel Share Option Plan which was approved by shareholders at the 1999 Annual General Meeting. The Plan permits the Board to offer options, at its discretion, to selected senior executives, including executive directors. The offer of options to executive directors must be approved by a special resolution of shareholders.

	Note	Number	
		2008	2007
Balance at beginning of the financial year		-	-
Exercised during the financial year	(a)	-	-
Lapsed during the financial year	(b)	-	-
Balance at end of the financial year	(c)	-	-

Executive share options carry no rights to dividends and no voting rights. Options may be exercised at any time from the date of issue to the date of expiry.

(a) Exercised During the Financial Year

No options were exercised during the financial year.

(b) Lapsed During the Financial Year

No options lapsed during the financial year.

(c) Balance at End of the Financial Year

At year end, there were no options outstanding.

Key Terms of Employment Contracts

The following key management personnel are employed under a contract:

- Mr P L Myers – contract commenced on 30 November 2007 for a period of 6 months. The contract may be extended by mutual agreement, subject to an ongoing requirement to provide the other party with a minimum of 3 months notice. The contracted relationship currently operates on a month-by-month basis.
- Mr N Abbott and Mr T M Gadsby – contracts commenced on 21 May 2008 and expire on 31 December 2008. These management personnel entered into contracts to facilitate the relocation of the company's corporate office from Hobart to Devonport. At the expiry of the contracts and subject to the successful relocation, Mr N Abbott and Mr T M Gadsby will be entitled to a termination payment equal to four months of total cost to company in addition to any statutory redundancy entitlements. If either of the contracts are terminated prior to expiry Mr N Abbott and Mr T M Gadsby will be entitled to the entitlements detailed above and a notice period to 31 December 2008.

Directors' Meetings

The following table sets out the number of directors' meetings (including meetings of committees of directors) held during the financial year and the number of meetings attended by each director (while they were a director or committee member). During the financial year, 11 board meetings, 6 audit & risk committee meetings, 4 nomination & appointments meetings, and 6 remuneration committee meetings were held.

Directors	Board of Directors		Audit & Risk Committee		Nomination & Appointments Committee		Remuneration Committee	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended
D W Robinson	11	11	6	6	4	4	6	6
C E Bright	11	10	6	5	4	3	6	5
R J Roberts	11	11	6	6	4	4	6	6
S J L Stone	11	10	6	5	4	4	6	5
C D Corrigan	8	7	4	3	1	1	4	3
M P Sadlon (Alternate – C E Bright)		1		1		1		1



Information on Directors

Director	Qualifications and Experience	Special Responsibilities	Particulars of Directors' Interests in Ordinary Shares of Webster Ltd	
D W Robinson MBBS FRACS Age 62	Appointed non-executive director in June 2005. Appointed non-executive Chairman August 2007. David has 30 years experience in large irrigated and broad acre farming in the Moree district of NSW as well as horticulture interests in Queensland. David is currently the Deputy Chairman of Cotton Australia Limited and Chairman of Australian Food & Fibre Limited. David resides in Brisbane.	Non-executive Chairman. Member of audit & risk committee and nominations & appointments committee and Chairman of remuneration committee.	Ordinary	2,000 (P) 3,892 (R)
C E Bright BA MA Age 63	Appointed non-executive director August 2005. Charles has more than 30 years experience in investment banking in Australia, London and New York. He assisted with the establishment of ABN AMRO in Australia between 1995 and 1997 and was the Head of Corporate Finance for HSBC in Australia from 1997 to 2000. He is currently a Director of Futuris Corporation Limited, Integrated Tree Cropping Limited and Tassal Group Limited, and Chairman of Australian Agricultural Company Limited and the Supervisory Board of Bremer Woll-Kammerei AG. Charles resides in Melbourne.	Non-executive Director. Chairman of audit & risk committee and member of remuneration committee and nominations & appointments committee.	Ordinary	2,000 (P) Mr Bright is a Director of Futuris Corporation Limited which holds 20,737,997 Ordinary Shares.
R J Roberts B Ec MBA Age 58	Appointed non-executive director in September 1995, managing director October 1996 – October 2001, non-executive chairman October 2001 – January 2004 and executive chairman in January 2004. Resigned as chairman August 2007 and as chief executive officer in November 2007. Roderick has previously held senior roles in the manufacturing and investment banking industries, including Head of Corporate Finance at Bain & Co, Director of County NatWest Australia Limited and Chairman Harris & Co Limited. He is currently a Director of Tassal Group Limited and Deputy Chancellor of the University of Tasmania. Roderick resides in Hobart.	Non-executive Director. Member of audit & risk committee and remuneration committee and Chairman of nomination & appointments committee.	Ordinary	3,667 (P) 3,473,699 (R)
S J L Stone BSc (Hons) PhD Age 56	Appointed non-executive director in May 2006. Simon has extensive experience in the aquaculture industry, particularly in the development of the Yellowtail Kingfish industry in Australia. He also has commercial experience in senior management roles in industries such as information technology, banking and telecommunications. Simon resides in Adelaide.	Non-executive Director. Member of the audit & risk committee, remuneration committee and the nominations & appointments committee.	Ordinary	1,000 (P)
C D Corrigan B Ec Age 62	Appointed non-executive director in November 2007. Christopher was Managing Director of Patrick Corporation Limited, Australia's largest stevedore company with interests in rail transportation and aviation from March 1990 to May 2006. Prior to that, he had a career with Bankers Trust spanning 20 years, including periods as Managing Director of Bankers Trust in Australia and for the Asia-Pacific region. Christopher is a Director of Consolidated Media Holdings Limited and Crown Limited. He resides in London.	Non-executive Director. Member of the audit & risk committee, remuneration committee and the nominations & appointments committee.	Ordinary	1,000 (P) 2,600,000 (R)
M P Sadlon Age 43	Appointed Alternate for C E Bright October 2007. Director Corporate of Futuris Corporation Limited. Resides in Adelaide.	Alternate non-executive Director.	Ordinary	1,000 (P)
G A Hunt Age 49	Appointed Alternate for C E Bright August 2005. Resigned as Alternate October 2007. Greg is the former Managing Director of Elders Limited. Resides in Adelaide.	Previous alternate non-executive Director.	Ordinary	1,103 (P)

Notes:

(P) = personal shareholding, (R) = relevant interest.

Corporate Governance

In fulfilling its obligations and responsibilities to its various stakeholders, the Board of Webster Limited recognises the need to implement and maintain a robust system of governance. The Board has established a program that aims to meet best practice in standards of accountability, disclosure, responsibility and transparency.

The Australian Stock Exchange ("ASX") Corporate Governance Council has released guidelines under which companies are now obliged to report on an "if not why not" basis on whether they comply with their published "Principles of Good Corporate Governance and Best Practice Recommendations", as outlined in those guidelines.

The company complies with most of the principles outlined in the ASX guidelines and the Board remains committed to reviewing all practices to ensure that an appropriate and functional solution is in place for a company of Webster's size and type of operation.

Set out below is a summary of the company's current practices in each of the 10 areas identified in the ASX guidelines.

1. Role of the Board and Management

The Webster Limited Board of directors is responsible for the overall corporate governance of the consolidated group including its strategic direction, establishing goals for management and monitoring the achievement of these goals.

The relationship between the Board and management is a partnership that is crucial to the company's long-term success. The separation of responsibilities between the Board and management is clearly understood and respected.

2. Composition of the Board

The company has recognised the importance of having a balanced Board comprised of directors with an appropriate range of backgrounds, skills and experience. As at the date of this report the Board comprises five directors, all whom are non-executive. It is the intention of the Board to maintain a majority of non-executives on the Board.

The Board considers the independence of directors can be assessed on their capacity to act in accordance with their duties and put the interests of the company and its shareholders first, so that they are objectively capable of exercising independent judgment. The Board considers that each of the current directors has this capacity. The Board notes the definition of "independence" contained in the ASX guidelines and recognises that D W Robinson and S Stone meet the guidelines' definition of "independent".

The directors as a group are responsible for reviewing membership of the Board and for selecting new directors. The Constitution requires that any new director appointed by the Board must seek election at the next Annual General Meeting.

3. Board Committees and Processes

The Board of Webster Limited is supported by the following committees. These committees, which each have their own charter and operating procedures, assist the Board in the discharge of its obligations by the review of financial reports, audit, risk, compliance, remuneration and the composition and self-appraisal of the Board itself. In addition, directors meet outside normal Board and committee meetings from time to time, in accordance with good corporate governance practice.

(i) Audit & Risk Committee

The audit & risk committee monitors internal control policies and procedures designed to safeguard company assets and to ensure the integrity of financial reporting. It advises on the establishment and maintenance of a framework of internal controls and appropriate ethical standards for the management of the consolidated group.

The audit & risk committee is also responsible for identifying areas of significant business risk and ensuring arrangements are in place to manage them. It reviews the annual and half-year financial statements before the Board considers them. It is also responsible for ensuring compliance with the Corporations Act, ASX Listing Rules and any other matters with external governing or statutory bodies.

Among its specific responsibilities, the committee reviews and advises the Board on the nomination and remuneration of external auditors and the adequacy of existing external and internal audit arrangements including the scope and quality of audits. The audit & risk committee charter is available on the company's website and contains information on procedures for the selection and appointment of the external auditor, and for the rotation of external audit engagement partners.

The committee met 6 times during the 2007/08 year. Current members of the audit & risk committee are Messrs C E Bright (Chairman), D W Robinson, R J Roberts, S Stone and C D Corrigan. Details of the names and qualifications of those appointed to the audit & risk committee are contained on page 7 of the Directors' Report. The number of meetings of the audit & risk committee and names of the attendees are contained on page 6 of the Directors' Report.

The Chief Executive Officer, Chief Financial Officer and the external audit partner in charge of the Webster Limited audit attend meetings of this committee by invitation.

The committee also meets from time to time with the external auditors, independent of management.

(ii) Nomination and Appointments Committee

The main responsibilities of the nomination and appointments committee are to review the composition and membership of the Board and to make recommendations on new appointments. During the year the following appointments were made:

- D W Robinson as Non-executive Chairman;
- C D Corrigan as a Non-executive Director; and
- P L Myers as Chief Executive Officer.

Any director may, at any time, recommend a person to the nomination and appointments committee for consideration as a director.

The members of the nomination and appointments committee are Messrs R J Roberts (Chairman), D W Robinson, C E Bright, S Stone and C D Corrigan. The committee meets as required.

(iii) Remuneration Committee

The remuneration committee reviews and makes recommendations to the Board on remuneration packages and policies applicable to executive and non-executive directors and senior executives. The current members of the remuneration committee are Messrs D W Robinson (Chairman), C E Bright, R J Roberts, S Stone and C D Corrigan. During the period when R J Roberts was the Executive Chairman or the Chief Executive Officer, he was excluded from meetings where discussions surrounded his salary package.

4. Ethical and Responsible Decision Making

As part of the Board's continuing commitment to promote ethical and responsible decision making the company has a Code of Conduct which establishes a range of procedures and guidelines to ensure that the highest ethical standards, corporate behaviour, and accountability are maintained.

The Code of Conduct was established in 1994 to guide executives, management and employees in carrying out their duties and responsibilities.

The Code of Conduct covers such matters as:

- (a) responsibilities to shareholders;
- (b) conflict of interest;
- (c) confidentiality;
- (d) protection of the company assets;
- (e) relations with customers and suppliers;
- (f) employment practices; and
- (g) responsibilities to the community.

Webster Limited has developed and adopted a Securities Trading Policy that prohibits employees trading the company's shares due to knowledge of undisclosed information.

At other times, directors and employees are permitted to trade in Webster Limited securities subject to compliance with the Securities Trading Policy, statutory and other relevant regulatory restrictions. Directors refer all trading of company shares by them to the Company Secretary for ASX lodgment requirements.

Directors may, after prior approval of the Chairman, obtain independent professional advice at the company's expense for the purposes of the proper performance of their duties.

5. Integrity of Financial Reporting

The Board is responsible for the integrity of financial data and has instigated an internal control framework to ensure accurate financial reporting of monthly actual results against budgets approved by directors and revised forecasts. The Chief Executive Officer and Chief Financial Officer state in writing to the Board that the consolidated entity's financial reports present a true and fair view, in all material respects, of the consolidated entity's financial condition and operational results and are in accordance with relevant accounting standards.

The audit and risk committee provides assistance to directors in fulfilling their responsibility to the company's shareholders and potential investors in relation to the financial risk, audit, corporate accounting and reporting practices of the company.

6. Disclosure Practices

Webster Limited places considerable importance on accurate and effective communication with its existing and potential shareholders.

Webster Limited is committed to complying with the continuous disclosure obligations of the *Corporations Act 2001* and the ASX Listing Rules. The company has developed and adopted a continuous disclosure policy and procedure, which ensures all material matters concerning the company are conveyed immediately and effectively. Webster Limited understands and respects the fact that timely disclosure of relevant information is central to the efficient operation of the securities market.

Information is communicated through the distribution of the annual and half-yearly reports, direct mailings and announcements through the ASX.

Webster Limited posts all reports, newsletters, ASX releases, Annual Meeting and other major presentations on its website - www.websterltd.com.au.

The external audit partner in charge of the Webster Limited audit is invited to attend the Annual General Meeting and is available to answer shareholder questions related to the conduct of the audit, and the preparation and content of the auditor's report.

7. Identifying and Managing Risk

The audit & risk committee is responsible for the establishment of a group-wide risk profile. The objective is to identify, evaluate, and monitor material risks that the company is facing, and to ensure effective management or monitoring of those risks.

The Board is responsible for the company's system of internal controls and monitors the operational and financial aspects of the company's activities through the audit committee. The Board and the audit & risk committee are both involved in identifying key areas of risk such as insurance, interest rate and exchange exposure and ensuring that appropriate measures of protection are taken.

The company has in place a number of risk management controls which include the following:

- risk management policy and practices;
- policies and procedures for the management of financial risk and treasury operations including exposures to foreign currencies, financial instruments, and movements in interest rates;
- guidelines and limits for the approval of capital expenditure and investments; and
- a comprehensive insurance program.

Management is required to provide regular reports on each of these matters.

8. Monitor and Encourage Enhanced Performance

The company recognises that the process of enhancing shareholder value is dependent upon the performance of directors and management. Ensuring they each have the knowledge and information required to perform their duties, together with the regular review of performance, are important factors in meeting the company's objectives.

The performance of individual directors, the Board as a whole and key executives is reviewed annually by the nomination & appointments committee.

9. Remunerate Fairly and Responsibly

As mentioned above, the company has a remuneration committee that determines the remuneration of executive directors and oversees the remuneration packages of those executives reporting directly to the managing director. It also reviews all equity-based incentive schemes for approval of the Board.

The only benefits currently paid to non-executive directors are the base fee and superannuation, approved in aggregate by shareholders. There is no scheme for the payment of retirement benefits to non-executive directors.

10. Recognise the Legitimate Interests of Stakeholders

The company has established a basic code of conduct that provides guidance to employees and directors on compliance with legal and other normal business obligations.

With the various business activities conducted by Webster Limited, the company is subject to a wide range of legal requirements. As part of the company's risk management program an audit of these requirements was undertaken during 2004/05. In several areas directors and officers can be held personally responsible for corporate behaviour inconsistent with these requirements. Accordingly, continual training in this area forms an integral part of the company's risk management program.

Signed in accordance with a resolution of the directors made pursuant to s.298(2) of the *Corporations Act 2001*.

On behalf of the Directors



D W Robinson
Chairman
Hobart, 28 August 2008

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www.deloitte.com.auThe Board of Directors
Webster Limited
120 Campbell St
HOBART TAS 7001

28 August 2008

Dear Board Members

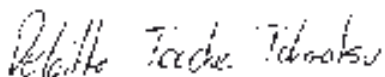
Webster Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Webster Limited.

As lead audit partner for the audit of the financial statements of Webster Limited for the financial year ended 30 June 2008, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours sincerely



DELOITTE TOUCHE TOHMATSU

**CM Barling**
Partner
Chartered Accountants



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Independent Auditor's Report to the members of Webster Limited

Report on the Financial Report

We have audited the accompanying financial report of Webster Limited, which comprises the balance sheet as at 30 June 2008, and the income statement, cash flow statement and statement of changes in equity for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of 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 as set out on pages 12 to 63.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's Responsibility

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

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

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

Auditor's Independence Declaration

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

Auditor's Opinion

In our opinion:

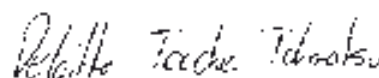
- (a) the financial report of Webster Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2008 and of their performance of the year ended on that date; and
 - (ii) complying 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 3 to 6 of the directors' report for the year ended 30 June 2008. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion the Remuneration Report of Webster Limited for the year ended 30 June 2008, complies with section 300A of the *Corporation Act 2001*.



DELOITTE TOUCHE TOHMATSU



C M Barling
 Partner
 Chartered Accountants
 Hobart, 28 August 2008

Directors' Declaration

The directors declare that:

- (a) In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable;
- (b) In the directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the company and the consolidated entity; and
- (c) The directors have been given the declarations required by section 295A of the *Corporations Act 2001*.

At the date of this declaration, the company is within the class of companies affected by ASIC Class Order 98/1418. The nature of the deed of cross guarantee is such that each company which is party to the deed guarantees to each creditor payment in full of any debt in accordance with the deed of cross guarantee.

In the directors' opinion, there are reasonable grounds to believe that the company and the companies to which the ASIC Class Order applies, as detailed in note 24 to the financial statements will, as a group, be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee.

Signed in accordance with a resolution of the directors made pursuant to s.295(5) of the *Corporations Act 2001*.

On behalf of the Directors



D W Robinson
Chairman
Hobart, 28 August 2008

income statement

WEBSTER
LIMITED

for the financial year ended 30 June 2008

	Note	Consolidated		Company	
		2008 (\$'000)	2007 (\$'000)	2008 (\$'000)	2007 (\$'000)
Revenue	2	37,798	45,900	6,835	15,744
Cost of sales		(19,433)	(21,157)	(1,720)	(3,450)
Gross Profit		18,365	24,743	5,115	12,294
Other income	2	2,661	1,875	3,671	3,521
Share of net profits of associates and joint ventures accounted for using the equity method		5,175	5,059	-	-
Distribution expenses		(9,508)	(8,665)	(17)	(9)
Marketing expenses		(676)	(778)	(102)	(265)
Operational expenses		(3,637)	(7,223)	(2,687)	(7,325)
Administration expenses		(2,619)	(2,928)	(1,726)	(1,636)
Finance costs		(1,744)	(1,315)	(1,388)	(1,313)
Impairment loss on subsidiary		-	-	(180)	-
Other expenses		(63)	(161)	(29)	(30)
Profit/(loss) before significant items and before income tax expense		7,954	10,607	2,657	5,237
Impairment loss on associate	2	-	(2,000)	-	(3,290)
Impairment of walnut assets	2	-	(500)	-	(500)
Termination package		-	(800)	-	(800)
Profit/(loss) after significant items and before income tax expense		7,954	7,307	2,657	647
Income tax expense	3	(2,002)	(1,872)	(982)	(764)
Profit/(loss) from continuing operations		5,952	5,435	1,675	(117)
Gain/(loss) from discontinued operations	31	154	(3,130)	154	(3,214)
Profit/(loss) for the period		6,106	2,305	1,829	(3,331)
Profit/(loss) attributable to members of the parent entity		6,106	2,305	1,829	(3,331)
Earnings per share for continuing and discontinued operations					
Basic (cents per share)	22	9.74	3.74		
Diluted (cents per share)	22	9.74	3.74		
Earnings per share from continuing operations					
Basic (cents per share)	22	9.50	8.83		
Diluted (cents per share)	22	9.50	8.83		

as at 30 June 2008

	Note	Consolidated		Company	
		2008 (\$'000)	2007 (\$'000)	2008 (\$'000)	2007 (\$'000)
Current Assets					
Cash and cash equivalents	28(a)	1,355	4,285	1,087	4,201
Trade and other receivables	5	7,086	18,231	2,624	13,710
Other financial assets	6	349	4,207	10,179	7,200
Inventories	7	4,854	1,823	118	119
Other assets	8	336	506	335	506
Biological assets	13	989	299	989	299
		14,969	29,351	15,332	26,035
Assets classified as held for sale	9	-	9,136	-	9,136
Total current assets		14,969	38,487	15,332	35,171
Non-Current Assets					
Other financial assets	6	-	13	59,589	48,255
Investments accounted for using the equity method	10	52,464	42,106	-	-
Property, plant and equipment	11	18,314	9,247	7,853	7,218
Biological assets	13	9,852	-	-	-
Investment property	12	1,043	1,050	982	989
Goodwill	14	397	286	-	-
Total non-current assets		82,070	52,702	68,424	56,462
Total assets		97,039	91,189	83,756	91,633
Current Liabilities					
Trade and other payables	15	7,507	13,262	3,269	8,893
Borrowings	16	17,873	12,437	26,234	23,533
Current tax liability	3	449	-	446	-
Other financial liabilities	17	75	12	-	-
Provisions	18	716	499	266	235
		26,620	26,210	30,215	32,661
Liabilities directly associated with assets classified as held for sale	19	-	5,205	-	5,205
Total current liabilities		26,620	31,415	30,215	37,866
Non-Current Liabilities					
Borrowings	16	7,480	2,857	2,151	2,849
Deferred tax liabilities	3	6,213	4,038	4,474	3,744
Provisions	18	53	133	10	113
Total non-current liabilities		13,746	7,028	6,635	6,706
Total liabilities		40,366	38,443	36,850	44,572
Net assets		56,673	52,746	46,906	47,061
Equity					
Issued capital	20	41,256	39,819	41,256	39,819
Reserves		2,093	2,288	-	-
Retained earnings	21	13,324	10,639	5,650	7,242
Total equity		56,673	52,746	46,906	47,061

Notes to the financial statements are included on pages 18 to 63.

statement of changes in equity

WEBSTER
LIMITED

for the financial year ended 30 June 2008

Consolidated	Ordinary	General	Asset	Hedging	Retained	Total
	Shares	Reserve 1	Revaluation Reserve 2	Reserve 3	Earnings	Attributable to Equity Holders of the Entity
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Balance at 1 July 2006	38,798	-	819	(20)	10,779	50,376
Gain/(loss) taken to equity	-	-	-	59	-	59
Profit for the year	-	-	-	-	2,305	2,305
Total recognised income and expense for the year	-	-	-	59	2,305	2,364
Effect of changes in accounting policy as restated						
Recognition of equity as a liability	-	-	-	-	-	-
Contribution of equity net of transaction costs	-	-	-	-	-	-
Equity issued under Company dividend reinvestment plan	1,021	-	-	-	-	1,021
Share of associates reserves	-	120	1,310	-	-	1,430
Dividends paid or provided for	-	-	-	-	(2,445)	(2,445)
Balance at 30 June 2007	39,819	120	2,129	39	10,639	52,746
Balance at 1 July 2007	39,819	120	2,129	39	10,639	52,746
Gain/(loss) taken to equity	-	-	-	234	-	234
Profit for the year	-	-	-	-	6,106	6,106
Total recognised income and expense for the year	-	-	-	234	6,106	6,340
Effect of changes in accounting policy as restated						
Recognition of equity as a liability	-	-	-	-	-	-
Contribution of equity net of transaction costs	-	-	-	-	-	-
Equity issued under Company dividend reinvestment plan	1,437	-	-	-	-	1,437
Share of associates reserves	-	(36)	(393)	-	-	(429)
Dividends paid or provided for	-	-	-	-	(3,424)	(3,424)
Rounding adjustment	-	-	-	-	3	3
Balance at 30 June 2008	41,256	84	1,736	273	13,324	56,673

1. This reserve captures the movement in reserves of associates including their share based payments reserve and hedging reserve, but excluding the asset revaluation reserve.
2. Balance relates to the movement in share of Associates' asset revaluation reserves. The movement in the reserve in the current year reflects an adjustment for the deferred tax consequences of the reserve which wasn't accounted for in the prior year.
3. The hedging reserve represents hedging gains or losses recognised on the effective portion of cash flow hedges. The cumulative deferred gain or loss on the hedge is recognised in profit or loss when the hedged transaction impacts the profit or loss, or is included as a basis adjustment to the non-financial hedged item, consistent with the applicable accounting policy.

for the financial year ended 30 June 2008

Company	Ordinary Shares	General Reserve	Asset Revaluation Reserve	Hedging Reserve	Retained Earnings	Total Attributable to Equity Holders of the Entity
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Balance at 1 July 2006	38,798	-	-	-	13,018	51,816
Profit for the year	-	-	-	-	(3,331)	(3,331)
Total recognised income and expense for the year	-	-	-	-	(3,331)	(3,331)
Effect of changes in accounting policy as restated						
Recognition of equity as a liability	-	-	-	-	-	-
Contribution of equity net of transaction costs	-	-	-	-	-	-
Equity issued under Company dividend reinvestment plan	1,021	-	-	-	-	1,021
Dividends paid or provided for	-	-	-	-	(2,445)	(2,445)
Rounding adjustment	-	-	-	-	-	-
Balance at 30 June 2007	39,819	-	-	-	7,242	47,061
Balance at 1 July 2007	39,819	-	-	-	7,242	47,061
Profit for the year	-	-	-	-	1,829	1,829
Total recognised income and expense for the year	-	-	-	-	1,829	1,829
Effect of changes in accounting policy as restated						
Recognition of equity as a liability	-	-	-	-	-	-
Contribution of equity net of transaction costs	-	-	-	-	-	-
Equity issued under Company dividend reinvestment plan	1,437	-	-	-	-	1,437
Dividends paid or provided for	-	-	-	-	(3,424)	(3,424)
Rounding adjustment	-	-	-	-	3	3
Balance at 30 June 2008	41,256	-	-	-	5,650	46,906

statement of cash flows

WEBSTER
LIMITED

for the financial year ended 30 June 2008

Note	Consolidated		Company	
	2008 (\$'000)	2007 (\$'000)	2008 (\$'000)	2007 (\$'000)
Cash Flows from Operating Activities				
	51,997	83,205	20,801	53,178
	(44,758)	(73,794)	(13,465)	(48,990)
	(1,541)	(1,010)	(1,186)	(1,010)
	(31)	-	(31)	-
	5,667	8,401	6,119	3,178
28(g)				
Cash Flows from Investing Activities				
	(10,596)	(237)	(10,596)	(237)
	4,643	-	4,643	-
	336	476	322	462
	1,054	90	1,054	90
	(3,573)	(1,350)	(1,621)	(1,202)
	66	495	36	443
	(1,453)	(1,861)	(4,000)	(1,861)
	(54)	56	(54)	56
	-	-	-	5,291
	(9,577)	(2,331)	(10,216)	3,042
Cash Flows from Financing Activities				
	6,445	246	6,445	246
	(3,292)	(3,163)	(3,305)	(3,163)
	13	2	13	2
	(223)	(793)	(207)	(781)
	(1,963)	(1,554)	(1,963)	(1,554)
	-	-	-	-
	980	(5,262)	983	(5,250)
Net cash provided by/(used in) investing activities				
Net cash provided by/(used in) financing activities				
Net increase/(decrease) in cash and cash equivalents				
	(2,930)	808	(3,114)	970
	4,285	3,477	4,201	3,231
	1,355	4,285	1,087	4,201
28(a)				
Cash and cash equivalents at the end of the financial year				

for the financial year ended 30 June 2008

General Information

Webster Limited is a listed public company, incorporated and operating in Australia.

Webster Limited's registered office and its principal place of business is at 120 Campbell Street, Hobart, Tasmania 7000.

1. Adoption of New & Revised Accounting Standards and Significant Accounting Policies

In the current year, the Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period. Details of the impact of the adoption of these new accounting standards are set out in the individual accounting policy notes set out below. The Group has also adopted the following Standards as listed below which only impacted on the Group's financial statements with respect to disclosure.

- AASB 101 'Presentation of Financial Statements (revised October 2006)'
- AASB 7 'Financial Instruments: Disclosures'

At the date of authorisation of the financial report, the following Standards and Interpretations were in issue but not yet effective:

AASB 101 'Presentation of Financial Statements' – revised September 2007 (effective for annual reporting periods beginning on or after 1 January 2009)

AASB 8 'Operating Segments' (effective for annual reporting periods beginning on or after 1 January 2009)

AASB 123 'Borrowing Costs' revised (effective for annual reporting periods beginning on or after 1 January 2009)

AASB 2008-2 'Amendments to Australian Accounting Standards – Puttable Financial Instruments and Obligations arising on Liquidation' (effective for annual reporting periods beginning on or after 1 January 2009)

AASB 3 'Business Combinations' and IAS 27 'Separate and Consolidated Financial Statements' (effective for annual reporting periods beginning on or after 1 July 2009)

The directors anticipate that the adoption of these Standards and Interpretations in the future periods will have no material financial impact on the financial statements of the company or the Group. The circumstances addressed by Interpretation 10, which prohibits the reversal of certain impairment losses, do not affect either the company's or the Group's previously reported results.

These Standards and Interpretations will be first applied in the financial report of the Group that relates to the annual reporting period beginning after the effective date of each pronouncement, which will be the company's annual reporting period beginning 1 July 2008.

Accounting for business combinations involving entities or businesses under common control

The AASB released AASB 2005-6 'Amendments to Australian Accounting Standards' in June 2006. AASB 2005-6 amends AASB

3 'Business Combinations' by removing business combinations involving entities or business under common control from its scope. The effect of the scope amendment is that there is no longer an explicit guidance under Accounting Standards as to how to account for these types of business combinations.

Due to the requirements of AASB 1 'First-time Adoption of Australian Equivalents to International Financial Reporting Standards' permitting the non-restatement of pre-transaction business combinations, the amendment has no effect on the financial statements of the company or Group for the current or prior reporting periods. However, future transactions involving entities under common control will be affected. Details of the entities accounting policies in relation to common control transactions are outlined in note 24.

Significant Accounting Policies

Statement of Compliance

The financial report is a general purpose financial report which has been prepared in accordance with the Corporations Act 2001, Accounting Standards and Interpretations and complies with other requirements of the law. The financial report includes the separate financial statements of the company and the consolidated financial statements of the Group. Accounting Standards include Australian equivalents to International Financial Reporting Standards (A-IFRS). Compliance with A-IFRS ensures that the consolidated financial statements and notes of the company and the Group comply with International Financial Reporting Standards (IFRS).

The financial statements were authorised for issue by the directors on 28 August 2008.

Basis of Preparation

The financial report has been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The company is a company of the kind referred to in ASIC Class Order 98/0100, dated 10 July 1998, and in accordance with that Class Order amounts in the financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The 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 if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Refer to note 1 (u) for discussion of critical judgements in applying the Company's accounting policies, and key sources of estimation uncertainty.

for the financial year ended 30 June 2008

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:**(a) Basis of Consolidation**

The consolidated financial statements incorporate the financial statements of Company and entities (including special purpose entities) controlled by the Company (its subsidiaries) (referred to as 'the Group' in these financial statements). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation. In the separate financial statements of the Company, intra-group transactions ('common control transactions') are generally accounted for by reference to the existing (consolidated) book value of the items.

Where the transaction value of common control transactions differ from their consolidated book value, the difference is recognised as a contribution by or distribution to equity participants by the transacting entities.

(b) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, stock rotation, price protection, rebates and other similar allowances.

Sale of goods - Revenue from the sale of goods and disposal of other assets is recognised when the consolidated entity has transferred to the buyer the significant risk and rewards of ownership of the goods, except with respect to biological assets (see note 1 (e)).

Rendering of services - Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract. The stage of completion of the contract is determined as revenue from time and material contracts and is recognised at the contractual rates as labour hours are delivered and direct expenses are incurred.

Royalties - Royalty revenue is recognised on an accrual basis in accordance with the substance of the relevant agreement.

Dividend and interest revenue - Dividend revenue from investments is recognised when the Group's right to receive the payment has been established. Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

(c) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the profit and loss in the period in which they are incurred.

(d) Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and have a maturity of three months or less at the date of acquisition. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(e) Biological Assets

Biological assets are valued at net market value. Net market value is the amount which could be expected to be received from the disposal of the asset in an active and liquid market after deducting costs associated with enhancement and/or costs expected to be incurred in realising the proceeds of such disposal. The net increment/(decrement) in the net market value of biological assets is recognised as revenue/(expense) in the financial year. Where an active and liquid market is not available, historical cost is used as an estimate of net market value.

(f) Impairment of Assets

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the assets do not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the assets belong.

Goodwill is tested for impairment annually and whenever there is an indication that the asset has been impaired. An impairment of goodwill is not subsequently reversed.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 which the estimate of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount.

An impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss is subsequently reversed, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

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(g) Property, Plant and Equipment

Land and buildings are measured at cost. After initial recognition the asset is carried at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation on buildings is charged to profit or loss.

Plant and equipment, leasehold improvements and equipment under finance lease are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Depreciation is provided on property, plant and equipment, including freehold buildings but excluding land. Depreciation is calculated on a straight line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

The following estimated useful lives are used in the calculation of depreciation:

Buildings	40 - 100 years
Leasehold improvements	2 - 20 years
Plant and equipment	3 - 20 years

(h) Leased Assets

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Group as lessor – Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease.

Group as lessee - Assets held under finance leases are initially recognised at their fair value or, if lower, at amounts equal to the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs.

Finance leased assets are amortised on a straight line basis over the estimated useful life of the asset.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Lease incentives - In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefits of incentives are recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(i) Inventories

Inventories are valued at the lower of cost and net realisable value. Costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventory on hand by the method most appropriate to each particular class of inventory, with the majority being valued on a first in first out basis. Net realisable value represents the estimated selling price less all estimated costs of completion and costs necessary to make the sale.

(j) Goodwill

Goodwill acquired in a business combination is initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised at the date of the acquisition. Goodwill is subsequently measured at its cost less any impairment losses. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units, or groups of cash-generating units, expected to benefit from the synergies of the business combination. Cash-generating units or groups of cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently if events or changes in circumstances indicate that goodwill might be impaired.

If the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than the carrying amount of the cash-generating unit (or groups of cash-generating units), the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or groups of cash-generating units) and then to the other assets of the cash generating units pro-rata on the basis of the carrying amount of each asset in the cash-generating unit (or groups of cash-generating units). An impairment loss recognised for goodwill is recognised immediately in profit or loss and is not reversed in a subsequent period.

(k) Derivative Financial Instruments

The Group enters in to a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks and interest rate risk, including forward foreign exchange contracts and interest rate swaps. Further details of derivative financial instruments are disclosed in note 29 to the financial statements.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit immediately, unless the derivative is designated and effective as a hedging instrument, in which event, the timing of the recognition in profit and loss depends on the nature of the hedge relationship.

The Group designates certain derivatives as hedges of highly probable forecast transactions (cash flow hedges).

Cash flow hedge - The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are deferred in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit and loss.

Amounts deferred in equity are recycled in profit and loss in the period when the hedged item is recognised in profit or loss. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset or non-financial liability, the gains and losses previously deferred in equity are transferred from equity

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and included in the initial measurement of the cost of the asset or liability.

Hedge accounting is discontinued when the Group revokes the hedging relationship, the hedge instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Any cumulative gain or loss at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was deferred in equity is recognised immediately in profit or loss.

Derivatives that do not qualify for hedge accounting - certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instruments that do not qualify for hedge accounting are recognised immediately in profit and loss.

Embedded derivatives - Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at fair value with changes in fair value recognised in profit or loss.

(l) Employee Benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and sick leave when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of employee benefits which are not expected to be settled within 12 months, are measured as the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to reporting date.

Defined contribution plans - Contributions to defined contribution superannuation plans are expensed when incurred.

(m) Financial Assets

Investments are recognised and derecognised on trade date where purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs except for those financial assets classified as at fair value through profit or loss which are initially measured at fair value.

Subsequent to initial recognition, investments in subsidiaries are measured at cost in the company financial statements. Subsequent to initial recognition investments in associates are accounted for under the equity method in the consolidated financial statements and the cost method in the company financial statements. Further information regarding equity accounted investments is detailed in note 1 (w).

Other financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss', 'held-to-maturity investments' and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Effective interest method - The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest rate basis for debt instruments other than those financial assets 'at fair value through profit or loss'.

Financial assets at fair value through profit or loss - Financial assets are classified as financial assets at fair value through profit or loss where the financial asset:

- has been acquired principally for the purpose of selling in the near future;
- is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- is a derivative that is not designated and effective as a hedging instrument.

Financial assets at fair value through profit or loss are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset. Fair value is determined in the manner described in note 29.

Held-to-maturity investments - Bills of exchange and debentures with fixed or determinable payments and fixed maturity dates where that the group has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are recorded at amortised cost using the effective interest method less impairment, with revenue recognised on an effective yield basis.

Loans and receivables - Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are recorded at amortised cost using the effective interest method less impairment.

Interest is recognised by applying the effective interest rate.

Impairment of financial assets - Financial assets, other than those at fair value through the profit and loss, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been impacted. For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When the trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit and loss.

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If in a subsequent period the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit and loss to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

(n) Financial Instruments Issued by the Company

Debt and equity instruments - Debt and equity instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Compound instruments - The component parts of compound instruments are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or upon the instruments reaching maturity. The equity component initially brought to account is determined by deducting the amount of the liability component from the amount of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects and is not subsequently remeasured.

Financial guarantee contract liabilities - Financial guarantee contract liabilities are measured initially at their fair value and subsequently at the higher of:

- the amount of the obligation under the contract, as determined under AASB 137 'Provisions, Contingent Liabilities and Contingent Assets'; and
- the amount initially recognised less, where appropriate, cumulative amortisation in accordance with revenue recognition policies described in note 1(b).

Financial liabilities - Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities.

Other financial liabilities - Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

(o) Foreign Currency

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the dates of

the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the balance sheet date.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise except for:

- exchange differences which relate to assets under construction for future productive use are included in the cost of those assets where they are regarded as an adjustment to interest costs on foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks (refer note 1(k)); and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned or likely to occur, which form part of the net investment in a foreign operation, are recognised in the foreign currency translation reserve and recognised in profit or loss on disposal of the net investment.

(p) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- i. where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- ii. for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

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

(q) Income Tax

Current tax - Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred tax - Deferred tax is accounted for using the balance sheet liability method. Temporary differences are differences between the tax base of an asset or liability and its carrying amount in the balance sheet. The tax base of an asset or liability is the amount attributed to that asset or liability to tax purposes.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised.

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However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit. Furthermore, a deferred tax liability is not recognised in relation to taxable temporary differences arising from goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in, subsidiaries and associates and interests in joint ventures except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with these investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the periods when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period - Current and deferred tax is recognised as an expense or income in the income statement, except when it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly in equity, or where it arises from the initial accounting for a business combination, in which case it is taken into account in the determination of goodwill or excess.

(r) Investment Property

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured initially at its cost, including transaction costs.

Subsequent to initial recognition, investment property is carried at cost less accumulated depreciation and any accumulated impairment losses.

(s) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive), as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a

provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

(t) Research and Development Costs

Research costs are recognised as an expense in the period in which they are incurred. Where no internally generated intangible asset can be recognised, development expenditure is recognised as an expense in the period incurred.

Government grants are assistance by the government in the form of transfers of resources to the Group in return for past or future compliance with certain conditions relating to the operating activities of the consolidated entity.

Government grants include government assistance where there are no conditions specifically relating to the operating activities of the consolidated entity other than the requirement to operate in certain regions or industry sectors.

Government grants relating to income are recognised as income over the periods necessary to match them with the related costs. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised as income of the period in which it becomes receivable.

Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the balance sheet and recognised as income on a systematic and rational basis over the useful lives of the related assets.

(u) Critical judgement and estimation of uncertainty

The following are key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities within the next financial year:

Biological assets

Biological assets are measured in the accounts at fair value less estimated point-of-sale costs. The key assumptions require the use of management judgement and are reviewed annually. These key assumptions are the variables affecting the estimated costs to sell and the expected selling price. Any reassessment of cost to sell or selling price in a particular year will affect the cost of goods sold.

Foreign Currency

The Group enters into certain transactions denominated in foreign currencies to manage the risk associated with anticipated horticultural export transactions. Further details of foreign currency transactions are disclosed in note 29 to the financial statements.

(v) Business Combinations

Acquisitions of subsidiaries and businesses are accounted for using the purchase method. The cost of the business combination is measured as the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business

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combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under AASB 3 'Business Combinations' are recognised at their fair values at the acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with AASB 5 'Non-current Assets Held for Sale and Discontinued Operations', which are recognised and measured at fair value less costs to sell.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit and loss.

(w) Investments in Associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate, less any impairment in the value of individual investments.

(x) Non-Current Assets Held For Sale

Non-current assets and 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. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition.

Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

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	Note	Consolidated		Company	
		2008 (\$'000)	2007 (\$'000)	2008 (\$'000)	2007 (\$'000)
2 Profit from Operations					
(a) Revenue					
Revenue from continuing and discontinued operations consisted of the following items:					
Continuing operations					
Revenue from the sale of goods		37,798	43,994	6,835	13,838
Revenue from the rendering of services		-	1,906	-	1,906
		<u>37,798</u>	<u>45,900</u>	<u>6,835</u>	<u>15,744</u>
Discontinued operations					
Revenue from the sale of goods		11,093	35,688	11,093	35,688
		<u>11,093</u>	<u>35,688</u>	<u>11,093</u>	<u>35,688</u>
Biological assets:					
Increment in net market value of biological assets		1,046	-	-	-
		<u>1,046</u>	<u>-</u>	<u>-</u>	<u>-</u>
Interest revenue:					
- Wholly-owned controlled entities		142	-	872	607
- Other related parties		216	279	216	279
- Other entities		121	115	106	101
		<u>479</u>	<u>394</u>	<u>1,194</u>	<u>987</u>
Dividends:					
Associates		-	-	1,985	1,688
		<u>-</u>	<u>-</u>	<u>1,985</u>	<u>1,688</u>
Rental revenue		537	605	763	844
Other		520	720	(297)	(24)
		<u>1,057</u>	<u>1,325</u>	<u>466</u>	<u>820</u>
		<u>2,582</u>	<u>1,719</u>	<u>3,645</u>	<u>3,495</u>
(b) Profit before income tax					
Profit/(loss) before income tax has been arrived at after crediting/(charging) the following gains and losses from continuing and discontinued operations:					
Gain/(loss) on disposal of property, plant and equipment and biological assets		17	56	26	26
		<u>17</u>	<u>56</u>	<u>26</u>	<u>26</u>
Net foreign exchange gains/(losses)		(12)	37	-	-
R&D grants		74	63	-	-
		<u>79</u>	<u>156</u>	<u>26</u>	<u>26</u>
Total other income		<u>2,661</u>	<u>1,875</u>	<u>3,671</u>	<u>3,521</u>
Discontinued operations					
Other revenue		-	228	-	228
		<u>-</u>	<u>228</u>	<u>-</u>	<u>228</u>

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Note	Consolidated		Company	
	2008 (\$'000)	2007 (\$'000)	2008 (\$'000)	2007 (\$'000)
2 Profit from Operations (continued)				
Profit has for the year includes the following expenses:				
Cost of sales	19,433	21,157	1,720	3,450
Impairment of plant & equipment	-	130	-	130
Revaluation of biological assets	-	370	-	370
Impairment of investments	-	2,000	180	3,290
Finance costs:				
Interest on loans	1,644	1,175	1,291	1,175
Dividends on instruments classified as financial liabilities	35	36	35	36
Other finance costs	65	104	62	102
	1,744	1,315	1,388	1,313
Net bad and doubtful debts arising from:				
Other entities	-	(28)	-	21
Direct operating expenses of investment of investment properties:				
Properties generating rental income	27	25	-	-
Depreciation of non-current assets	753	874	263	453
Amortisation of non-current assets	208	226	201	202
	961	1,100	464	655
Research and development costs immediately expensed	63	161	29	30
Operating lease rental expense				
Minimum lease payments	554	527	225	207
Employee benefit expense:				
Termination benefits:				
Other employee benefits	149	909	113	837

for the financial year ended 30 June 2008

	Note	Consolidated		Company	
		2008 (\$'000)	2007 (\$'000)	2008 (\$'000)	2007 (\$'000)
3 Income Taxes					
(a) Income tax recognised in profit or loss					
Tax expense/(income) comprises:					
Current tax expense/(income)		722	1,710	491	1,148
Adjustments recognised in the current year in relation to the current tax of prior years		4	(110)	(2)	(110)
Deferred tax expense/(income) relating to the origination and reversal of temporary differences		1,732	2	718	(842)
Benefit arising from previously unrecognised tax loss, tax credits or temporary differences of a prior period that is used to reduce:					
- current tax expense/(income)		(230)	(562)	-	-
- deferred tax expense		-	-	-	-
Write down of deferred tax assets		-	653	-	389
Other		(1)	-	-	-
Total tax expense/(income)		2,227	1,693	1,207	585
Attributable to:					
Continuing operations		2,002	1,872	982	764
Discontinued operations (note 31)		225	(179)	225	(179)
		2,227	1,693	1,207	585
The prima facie income tax expense on pre-tax accounting profit from operations reconciles to income tax expense in the financial statements as follows:					
Profit from continuing operations		7,954	7,307	2,657	647
Profit/(Loss) from discontinued operations		379	(3,309)	379	(3,393)
Profit from operations		8,333	3,998	3,036	(2,746)
Income tax expense calculated at 30%		2,500	1,199	911	(824)
Non-deductible expenses		609	531	12	22
Non-assessable income		(1,552)	(1,543)	-	-
Subsidiary attribution		-	-	-	-
Dividend offsets		-	(39)	-	(39)
Tax effect of business disposal		225	-	225	-
Equity share of associates		-	-	-	-
Previously unrecognised and unused tax losses and tax offsets now recognised as deferred tax assets		(670)	(306)	-	-
Tax effect of investments in associates		1,170	1,795	54	987
Write down of deferred tax assets		-	389	-	389
Adjustments recognised in the current year in relation to the current tax of prior years		4	(102)	(2)	(110)
Other		(59)	(231)	7	160
		(273)	494	296	1,409
Under/(over) provision of income tax in previous year		-	-	-	-
		(273)	494	296	1,409
		2,227	1,693	1,207	585

The tax rate used in the above reconciliation is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law. There has been no change in the corporate tax rate when compared with the previous reporting period.

for the financial year ended 30 June 2008

Note	Consolidated		Company	
	2008 (\$'000)	2007 (\$'000)	2008 (\$'000)	2007 (\$'000)
3 Income Taxes (continued)				
(b) Income tax recognised directly in equity				
The following current and deferred amounts were charged directly to equity during the period:				
Current tax:				
Share-issue expenses	-	-	-	-
Share buy-back expenses	-	-	-	-
Deferred tax:				
Revaluation of financial instruments treated as cash flow hedges	-	-	-	-
Adjustment to retained earnings associated with changes in accounting policies	-	-	-	-
Equity accounting adjustments	429	-	-	-
	<u>429</u>	<u>-</u>	<u>-</u>	<u>-</u>
(c) Current tax assets and liabilities				
Current tax assets:				
Franking deficit tax recoverable	-	-	-	-
Tax refund receivable	-	-	-	-
	-	-	-	-
Current tax liabilities:				
Franking deficit tax payable	-	-	-	-
Income tax payable attributable to the parent entity	449	-	446	-
	<u>449</u>	<u>-</u>	<u>446</u>	<u>-</u>

for the financial year ended 30 June 2008

3 Income Taxes (continued)

Taxable and deductible temporary differences arise from the following:

	Consolidated						
	Opening balance (\$'000)	Charged to income (\$'000)	Charged to equity (\$'000)	Acquisitions/disposals (\$'000)	Exchange differences (\$'000)	Changes in tax rate (\$'000)	Closing balance (\$'000)
2008							
Net deferred tax liabilities:							
Investment in associates	(4,237)	(1,116)	(429)	-	-	-	(5,782)
Property, plant & equipment	(925)	32	-	-	-	-	(893)
Financial assets - non receivables	(67)	67	-	-	-	-	-
Inventory & biological assets	(597)	543	-	-	-	-	(54)
Other	(20)	2	-	-	-	-	(18)
	(5,846)	(472)	(429)	-	-	-	(6,747)
Net deferred tax assets:							
Provisions	961	(585)	-	-	-	-	376
Subsidiary attribution	-	-	-	-	-	-	-
Financial assets - receivables	53	(40)	-	-	-	-	13
Property, plant & equipment	181	(45)	-	-	-	-	136
Other	599	(590)	-	-	-	-	9
	1,794	(1,260)	-	-	-	-	534
	(4,052)	(1,732)	(429)	-	-	-	(6,213)
Unused tax losses:							
Tax losses	14	(14)	-	-	-	-	-
	14	(14)	-	-	-	-	-
	(4,038)	(1,746)	(429)	-	-	-	-

	Consolidated						
	Opening balance (\$'000)	Charged to income (\$'000)	Charged to equity (\$'000)	Acquisitions/disposals (\$'000)	Exchange differences (\$'000)	Changes in tax rate (\$'000)	Closing balance (\$'000)
2007							
Net deferred tax liabilities:							
Investment in associates	(3,042)	(1,195)	-	-	-	-	(4,237)
Property, plant & equipment	(921)	(4)	-	-	-	-	(925)
Financial assets - non receivables	(152)	85	-	-	-	-	(67)
Inventory & biological assets	(628)	31	-	-	-	-	(597)
Other	(421)	401	-	-	-	-	(20)
	(5,164)	(682)	-	-	-	-	(5,846)
Net deferred tax assets:							
Provisions	603	358	-	-	-	-	961
Subsidiary attribution	-	-	-	-	-	-	-
Financial assets - receivables	171	(118)	-	-	-	-	53
Property, plant & equipment	236	(55)	-	-	-	-	181
Other	104	495	-	-	-	-	599
	1,114	680	-	-	-	-	1,794
	(4,050)	(2)	-	-	-	-	(4,052)
Unused tax losses:							
Tax losses	1,705	(1,691)	-	-	-	-	14
	1,705	(1,691)	-	-	-	-	14
	(2,345)	(1,693)	-	-	-	-	(4,038)

for the financial year ended 30 June 2008

3 Income Taxes (continued)

	Company						
	Opening balance (\$'000)	Charged to income (\$'000)	Charged to equity (\$'000)	Acquisitions / disposals (\$'000)	Exchange differences (\$'000)	Changes in tax rate (\$'000)	Closing balance (\$'000)
2008							
Net deferred tax liabilities:							
Investment in associates	(3,856)	-	-	-	-	-	(3,856)
Property, plant & equipment	(914)	32	-	-	-	-	(882)
Financial assets - non receivables	(67)	67	-	-	-	-	-
Inventory	(539)	539	-	-	-	-	-
	(5,376)	638	-	-	-	-	(4,738)
Net deferred tax assets:							
Provisions	868	(695)	-	-	-	-	173
Subsidiary attribution	-	-	-	-	-	-	-
Financial assets - receivables	50	(50)	-	-	-	-	-
Property, plant & equipment	101	(20)	-	-	-	-	81
Other	600	(590)	-	-	-	-	10
	1,619	(1,355)	-	-	-	-	264
	(3,757)	(717)	-	-	-	-	(4,474)
Unused tax losses:							
Tax losses	13	(13)	-	-	-	-	-
	13	(13)	-	-	-	-	-
	(3,744)	(730)	-	-	-	-	-

	Company						
	Opening balance (\$'000)	Charged to income (\$'000)	Charged to equity (\$'000)	Acquisitions / disposals (\$'000)	Exchange differences (\$'000)	Changes in tax rate (\$'000)	Closing balance (\$'000)
2007							
Net deferred tax liabilities:							
Investment in associates	(3,856)	-	-	-	-	-	(3,856)
Property, plant & equipment	(910)	(4)	-	-	-	-	(914)
Financial assets - non receivables	(152)	85	-	-	-	-	(67)
Inventory	(547)	8	-	-	-	-	(539)
	(5,465)	89	-	-	-	-	(5,376)
Net deferred tax assets:							
Provisions	491	377	-	-	-	-	868
Subsidiary attribution	-	-	-	-	-	-	-
Financial assets - receivables	168	(118)	-	-	-	-	50
Property, plant & equipment	102	(1)	-	-	-	-	101
Other	105	495	-	-	-	-	600
	866	753	-	-	-	-	1,619
	(4,599)	842	-	-	-	-	(3,757)
Unused tax losses:							
Tax losses	1,440	(1,427)	-	-	-	-	13
	1,440	(1,427)	-	-	-	-	13
	(3,159)	(585)	-	-	-	-	(3,744)

for the financial year ended 30 June 2008

Note	Consolidated		Company	
	2008 (\$'000)	2007 (\$'000)	2008 (\$'000)	2007 (\$'000)
3 Income Taxes (continued)				
Unrecognised deferred tax balances				
The following deferred tax assets have not been brought to account as assets:				
Tax losses - revenue	6,613	7,191	-	-
Tax losses - capital	4,274	4,274	-	-
Temporary differences	1,041	987	1,041	987
	11,928	12,452	1,041	987

	Consolidated		Company	
	2008 (\$)	2007 (\$)	2008 (\$)	2007 (\$)
4 Remuneration of Auditors				
<u>Auditor of the Parent Entity</u>				
Audit or review of the financial report	99,500	96,500	74,500	71,500
Taxation services	51,058	57,577	44,458	50,977
Accounting advice	10,250	12,750	3,000	12,750
	160,808	166,827	121,958	135,227

The auditor of Webster Limited is Deloitte Touche Tohmatsu.

	Consolidated		Company	
	2008 (\$'000)	2007 (\$'000)	2008 (\$'000)	2007 (\$'000)
5 Trade and Other Receivables				
Current				
Trade receivables	6,922	18,170	2,612	13,688
Allowance for doubtful debts	(10)	(10)	-	-
	6,912	18,160	2,612	13,688
Goods and services tax (GST) recoverable	174	71	12	22
	7,086	18,231	2,624	13,710

- (i) The average credit period on sales of goods of the operating divisions within the company is 30 days. No interest is charged on the trade receivables. An allowance has been made for estimated irrecoverable amounts from the sale of goods and services, determined by reference to past default experience. The movement in the allowance was Nil (company: Nil).

Ageing of past due but not impaired

61 - 90 days	1,586	150	413	-
91 - 120 days	103	146	-	110
121 + days	131	89	17	13
Total	1,820	385	430	123

Movement in allowance for doubtful debts

Balance at the beginning of the year	(10)	(10)	(10)	(10)
Impairment losses recognised on receivables	-	-	-	-
Amounts written off an uncollectible	-	-	-	-
Amounts recovered during the year	-	-	-	-
Balance at the end of the year	(10)	(10)	(10)	(10)

In determining the recoverability of a trade receivable, the consolidated entity considers any change in the credit quality of the trade receivables from the date credit was initially granted up to the reporting date. The directors believe that there is no further credit provision required in excess of the allowance for doubtful debts.

for the financial year ended 30 June 2008

	Note	Consolidated		Company	
		2008 (\$'000)	2007 (\$'000)	2008 (\$'000)	2007 (\$'000)
6 Other Financial Assets					
(a) Current					
At fair value					
Foreign currency forward contracts		349	51	-	-
		<u>349</u>	<u>51</u>	<u>-</u>	<u>-</u>
At amortised cost					
Interest-bearing loans advanced to:					
- Other related parties		-	4,156	7,135	4,156
Non-interest bearing, non-trade receivables from:					
- Wholly-owned controlled entities		-	-	3,044	3,044
		<u>-</u>	<u>4,156</u>	<u>10,179</u>	<u>7,200</u>
		<u>349</u>	<u>4,207</u>	<u>10,179</u>	<u>7,200</u>
(b) Non-Current					
At fair value					
Loans relating to employee share purchase plans		-	13	-	13
		<u>-</u>	<u>13</u>	<u>-</u>	<u>13</u>
At amortised cost					
Shares in:					
Subsidiaries		-	-	13,617	8,975
Associates		-	-	45,972	39,267
		<u>-</u>	<u>-</u>	<u>59,589</u>	<u>48,242</u>
		<u>-</u>	<u>13</u>	<u>59,589</u>	<u>48,255</u>
7 Inventories					
Current					
Raw materials at cost		1,429	1,251	-	-
Work in progress at cost		1,622	453	-	-
Non-living produce extracted from biological assets at net market value		118	119	118	119
Finished goods at cost		1,685	-	-	-
		<u>4,854</u>	<u>1,823</u>	<u>118</u>	<u>119</u>
Classified as part of discontinued operations (note 31)		-	5,748	-	5,748
Less Impairment Loss		-	(2,831)	-	(2,831)
		<u>4,854</u>	<u>4,740</u>	<u>118</u>	<u>3,036</u>
8 Other Assets					
Prepayments		336	506	335	506
9 Assets classified as held for sale					
Assets related to the industrial businesses and Kelp Industries Pty Ltd (note 31)		-	9,136	-	9,136

for the financial year ended 30 June 2008

10 Investments Accounted for Using the Equity Method

Associates:

Tassal Group Limited
 - salmon producer & processor
 - incorporated in Australia
 - quoted price at 30 June 2008 \$2.60
 Webster Walnuts Pty Ltd
 - walnut orchardist
 - incorporated in Australia

Note	Consolidated Carrying Amount		Ownership Interest	
	2008 (\$'000)	2007 (\$'000)	2008 (%)	2007 (%)
(i)	52,464	39,887	26	28
(ii) (iii)	-	2,219	100	50
	<u>52,464</u>	<u>42,106</u>		

- (i) Webster Limited acquired additional shares in Tassal Group Limited during the year and currently has a 26.08% ownership interest.
- (ii) The Directors conducted an impairment analysis in relation to the investment in Webster Walnuts Pty Ltd as at 30 June 2007. This analysis resulted in an impairment loss of \$2 million being recognised in the profit and loss during the 2007 financial year. This loss is disclosed in the Income Statement under "Impairment loss on associate".
- (iii) On 22 January 2008, Webster Limited completed the acquisition of all outstanding shares in Webster Walnuts Pty Ltd, thereby increasing its shareholding to 100% (refer to note 24).

Summarised financial information of associates:

Current Assets	148,765	113,783
Non-Current Assets	131,105	106,424
Current Liabilities	(48,490)	(36,956)
Non-Current Liabilities	(42,292)	(68,551)
Net Assets	<u>189,088</u>	<u>114,700</u>
Revenue	<u>287,951</u>	<u>248,720</u>
Net profit	<u>19,534</u>	<u>19,181</u>
Share of associates' profit or loss:		
Share of profit/(loss) before income tax	7,054	7,471
Income tax expense	(1,879)	(2,412)
Share of associates' profit/(loss)	<u>5,175</u>	<u>5,059</u>

Dividends received from associates

During the year the consolidated entity received dividends of \$1,985 thousand (2007: \$1,688 thousand) from its associates.

Contingent Liabilities and Capital Commitments

There are no contingent liabilities and capital commitments related to associates.

for the financial year ended 30 June 2008

11 Property, Plant and Equipment

	Consolidated					TOTAL (\$'000)
	Freehold land at cost (\$'000)	Buildings at cost (\$'000)	Leasehold improve- ments at cost (\$'000)	Plant and equipment at cost (\$'000)	Equipment under finance lease at cost (\$'000)	
Gross carrying amount						
Balance at 1 July 2006	611	5,031	631	11,133	2,968	20,374
Additions	-	24	5	1,094	227	1,350
Disposals	(19)	-	-	(136)	(1,445)	(1,600)
Impairment loss	-	-	-	(130)	-	(130)
Classified as held for sale	-	-	(371)	(5,575)	(844)	(6,790)
Balance at 30 June 2007	592	5,055	265	6,386	906	13,204
Accumulated depreciation/ amortisation and impairment						
Balance at 1 July 2006	-	(99)	(257)	(6,773)	(1,350)	(8,479)
Disposals	-	-	-	125	1,115	1,240
Depreciation expense	-	(58)	(59)	(1,008)	(459)	(1,584)
Classified as held for sale	-	-	226	4,259	381	4,866
Balance at 30 June 2007	-	(157)	(90)	(3,397)	(313)	(3,957)
Net book value						
As at 30 June 2006	611	4,932	374	4,360	1,618	11,895
As at 30 June 2007	592	4,898	175	2,989	593	9,247
Gross carrying amount						
Balance at 1 July 2007	592	5,055	265	6,386	906	13,204
Additions	-	-	-	2,907	446	3,353
Disposals	-	-	-	(262)	(19)	(281)
Acquisitions through business combinations	4,850	547	-	3,595	20	9,012
Classified as held for sale	(97)	(460)	-	(25)	-	(582)
Balance at 30 June 2008	5,345	5,142	265	12,601	1,353	24,706
Accumulated depreciation/ amortisation and impairment						
Balance at 1 July 2007	-	(157)	(90)	(3,397)	(313)	(3,957)
Disposals	-	-	-	181	12	193
Depreciation expense	-	(27)	(29)	(689)	(209)	(954)
Acquisitions through business combinations	-	(73)	-	-	(1,601)	(1,674)
Classified as held for sale	-	-	-	-	-	-
Balance at 30 June 2008	-	(257)	(119)	(3,905)	(2,111)	(6,392)
Net book value						
As at 30 June 2007	592	4,898	175	2,989	593	9,247
As at 30 June 2008	5,345	4,885	146	8,696	(758)	18,314

for the financial year ended 30 June 2008

11 Property, Plant and Equipment
(continued)

	Company					TOTAL (\$'000)
	Freehold land at cost (\$'000)	Buildings at cost (\$'000)	Leasehold improve- ments at cost (\$'000)	Plant and equipment at cost (\$'000)	Equipment under finance lease at cost (\$'000)	
Gross Carrying Amount						
Balance at 1 July 2006	611	5,030	531	6,926	2,831	15,929
Additions	-	24	5	946	227	1,202
Disposals	(19)	-	-	(128)	(1,445)	(1,592)
Impairment loss	-	-	-	(130)	-	(130)
Classified as held for sale	-	-	(371)	(5,575)	(844)	(6,790)
Balance at 30 June 2007	592	5,054	165	2,039	769	8,619
Accumulated depreciation/ amortisation and impairment						
Balance at 1 July 2006	-	(99)	(234)	(4,738)	(1,249)	(6,320)
Disposals	-	-	-	75	1,115	1,190
Depreciation expense	-	(58)	(50)	(595)	(434)	(1,137)
Classified as held for sale	-	-	226	4,259	381	4,866
Balance at 30 June 2007	-	(157)	(58)	(999)	(187)	(1,401)
Net Book Value						
As at 30 June 2006	611	4,931	297	2,188	1,582	9,609
As at 30 June 2007	592	4,897	107	1,040	582	7,218
Gross Carrying Amount						
Balance at 1 July 2007	592	5,054	165	2,039	769	8,619
Additions	-	-	-	1,244	446	1,690
Disposals	-	-	-	(41)	(19)	(60)
Recoverable amount write-downs	-	-	-	-	-	-
Impairment loss	-	-	-	-	-	-
Classified as held for sale	(97)	(460)	-	(25)	-	(582)
Balance at 30 June 2008	495	4,594	165	3,217	1,196	9,667
Accumulated depreciation/ amortisation and impairment						
Balance at 1 July 2007	-	(157)	(58)	(999)	(187)	(1,401)
Disposals	-	-	-	32	12	44
Depreciation expense	-	(22)	(21)	(213)	(201)	(457)
Classified as held for sale	-	-	-	-	-	-
Balance at 30 June 2008	-	(179)	(79)	(1,180)	(376)	(1,814)
Net Book Value						
As at 30 June 2007	592	4,897	107	1,040	582	7,218
As at 30 June 2008	495	4,415	86	2,037	820	7,853

for the financial year ended 30 June 2008

11	Property, Plant and Equipment (<i>continued</i>)	Note	Consolidated		Company	
			2008 (\$'000)	2007 (\$'000)	2008 (\$'000)	2007 (\$'000)
	Aggregate depreciation allocated, whether recognised as an expense or capitalised as part of the carrying amount of other assets during the year:					
	Buildings		27	58	22	58
	Leasehold improvements		29	59	21	50
	Plant and equipment		689	1,008	213	595
	Equipment under finance lease		209	459	201	434
			<u>954</u>	<u>1,584</u>	<u>457</u>	<u>1,137</u>

12 Investment Property

	Consolidated			Company		
	Freehold land at cost (\$'000)	Buildings at cost (\$'000)	TOTAL (\$'000)	Freehold land at cost (\$'000)	Buildings at cost (\$'000)	TOTAL (\$'000)
Gross Carrying Amount						
Balance at 1 July 2006	398	674	1,072	337	674	1,011
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Balance at 30 June 2007	<u>398</u>	<u>674</u>	<u>1,072</u>	<u>337</u>	<u>674</u>	<u>1,011</u>
Accumulated depreciation/ amortisation and impairment						
Balance at 1 July 2006	-	(14)	(14)	-	(14)	(14)
Disposals	-	-	-	-	-	-
Depreciation expense	-	(8)	(8)	-	(8)	(8)
Balance at 30 June 2007	<u>-</u>	<u>(22)</u>	<u>(22)</u>	<u>-</u>	<u>(22)</u>	<u>(22)</u>
Net Book Value						
As at 30 June 2006	<u>398</u>	<u>660</u>	<u>1,058</u>	<u>337</u>	<u>660</u>	<u>997</u>
As at 30 June 2007	<u>398</u>	<u>652</u>	<u>1,050</u>	<u>337</u>	<u>652</u>	<u>989</u>
Gross Carrying Amount						
Balance at 1 July 2007	398	674	1,072	337	674	1,011
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Balance at 30 June 2008	<u>398</u>	<u>674</u>	<u>1,072</u>	<u>337</u>	<u>674</u>	<u>1,011</u>
Accumulated depreciation/ amortisation and impairment						
Balance at 1 July 2007	-	(22)	(22)	-	(22)	(22)
Disposals	-	-	-	-	-	-
Depreciation expense	-	(7)	(7)	-	(7)	(7)
Balance at 30 June 2008	<u>-</u>	<u>(29)</u>	<u>(29)</u>	<u>-</u>	<u>(29)</u>	<u>(29)</u>
Net Book Value						
As at 30 June 2007	<u>398</u>	<u>652</u>	<u>1,050</u>	<u>337</u>	<u>652</u>	<u>989</u>
As at 30 June 2008	<u>398</u>	<u>645</u>	<u>1,043</u>	<u>337</u>	<u>645</u>	<u>982</u>

Investment properties are depreciated using the straight line method over their useful lives of 100 years.

The investment properties are both commercial and residential buildings occupied by short to medium term tenants. Investment properties are measured at cost.

for the financial year ended 30 June 2008

	Note	Consolidated		Company	
		2008 (\$'000)	2007 (\$'000)	2008 (\$'000)	2007 (\$'000)
13 Biological Assets					
(a) Current					
At net market value					
- Nursery walnut trees	(i)	989	299	989	299
Non-Current					
- Walnut orchards	(ii)	9,852	-	-	-
		10,841	299	989	299

(b) Reconciliation of changes in the carrying amount of Biological Assets

	Consolidated 2008 (\$'000)	Company 2008 (\$'000)
Carrying value at the beginning of the financial year	299	299
Acquisition through business combinations	9,563	-
Purchases	1,136	847
Sales	(157)	(157)
Revaluation of biological assets	-	-
Carrying value at the end of the financial year	10,841	989

(i) Nursery Walnut Trees

Webster Limited owns and operates walnut tree nurseries at Merseylea and Forthside in Tasmania. Budwood is grafted to rootstock and buds are patch budded to rootstock, then grown for a minimum of 6 months before sale. The net market value of the rootstock has been based on cost as there is no active market for Webster Limited to trade in walnut rootstock. The net market value of grafted and budded nursery walnut trees is based on the expected sale value of the trees according to age, quality and target market. The total number of grafted and budded walnut trees on hand at the end of the financial year was 65,661 (2007: 5,159). The total number of rootstocks on hand to be used for grafting at the end of the financial year was 100,000 (2007: 160,000). The change in fair value less any point of sale costs is disclosed in note 2(a).

(ii) Walnut Orchards

Webster Walnuts Pty Ltd, a 100% owned subsidiary of Webster Limited owns 540 hectares of walnut orchard located at Swansea and Cranbrook on the East Coast of Tasmania. The Swansea orchard comprises 500 hectares of planted area which was established between 1998 and 2002, whilst Cranbrook comprises 40 hectares of planted area which was established in 1995 and 1996. The net market value is exclusive of the land component. The new market value of the orchards is based on a Directors valuation.

	Note	Consolidated		Company	
		2008 (\$'000)	2007 (\$'000)	2008 (\$'000)	2007 (\$'000)
14 Goodwill					
Gross carrying amount					
Balance at beginning of financial year		286	286	-	-
Additional amounts recognised from business combinations occurring during the year (note 24)		111	-	-	-
Balance at end of financial year		397	286	-	-
Net book value					
At the beginning of the financial year		286	286	-	-
At the end of the financial year		397	286	-	-

Allocation of goodwill

Goodwill has been allocated for impairment testing purposes to the following cash generating units:

- vegetable operations - global
- walnut operations - global

for the financial year ended 30 June 2008

14 Goodwill (continued)
Vegetable operations - global

The recoverable amount of the vegetable operations - global units is determined based on a value in use calculation which uses cash flow projections covering a five year period, and a discount rate of 13.4% p.a. (2007: 12%). Management believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash generating unit.

Walnut operations - global

The recoverable amount of the walnut operations - global units is determined based on a value in use calculation which uses cash flow projections covering a 10 year period, and a discount rate of 15% p.a. Management believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash generating unit.

15 Trade and Other Payables
Current

Trade payables
 Goods and services tax (GST) payable

Note	Consolidated		Company	
	2008 (\$'000)	2007 (\$'000)	2008 (\$'000)	2007 (\$'000)
	7,497	12,601	3,260	8,233
	10	661	9	660
	7,507	13,262	3,269	8,893

- (i) The average credit period on purchases is 30 days. Interest is charged on a creditor by creditor basis. The consolidated entity has financial risk management policies in place to ensure that all payables are paid within the credit time frame.

16 Borrowings
(a) Current
At amortised cost
Secured

Bank loans	(i)	11,723	4,000	10,000	4,000
Loans from other entities	(ii)	140	140	140	140
Finance lease liabilities	(iii)	292	184	285	168

Unsecured

Loans from					
- Wholly-owned controlled entities		-	-	10,091	11,112
- Other related parties		-	54	-	54
- Other entities		5,718	8,059	5,718	8,059
		17,873	12,437	26,234	23,533

- (i) Secured by floating charge over assets, the value of which exceeds the loan.
 (ii) Secured by mortgage over the property, the value of which exceeds the loan.
 (iii) Secured by assets leased, the value of which exceeds the lease liability.

for the financial year ended 30 June 2008

	Note	Consolidated		Company	
		2008 (\$'000)	2007 (\$'000)	2008 (\$'000)	2007 (\$'000)
16 Borrowings (continued)					
(b) Non-Current					
At amortised cost					
<u>Secured</u>					
Bank loans	(i)	5,329	-	-	-
Loans from other entities	(ii)	187	327	187	327
Finance lease liabilities	(iii)	549	438	549	430
<u>Unsecured</u>					
Loans from other entities		1,021	1,698	1,021	1,698
Non-redeemable cumulative preference shares	(iv)	394	394	394	394
		7,480	2,857	2,151	2,849

- (i) Secured by floating charge over assets, the value of which exceeds the loan.
 (ii) Secured by mortgage over the property, the value of which exceeds the loan.
 (iii) Secured by assets leased, the value of which exceeds the lease liability.
 (iv) 394,000 9% non-redeemable cumulative preference shares were issued on 15 March 1986 at an issue price of \$1.00 per share.

17 Other Financial Liabilities

(a) Current

At fair value:

Foreign currency forward contracts

	2008	2007	2008	2007
Foreign currency forward contracts	75	12	-	-
	75	12	-	-

18 Provisions

(a) Current

 Employee benefits
 Export sales rebates

	2008	2007	2008	2007
Employee benefits	483	386	266	235
Export sales rebates	233	113	-	-
	716	499	266	235

(b) Non-Current

Employee benefits

	2008	2007	2008	2007
Employee benefits	53	133	10	113

(c) Movements in Provisions

	Consolidated Export Sales Rebates (i) (\$'000)
Balance at 30 June 2007	113
Additional provision recognised	181
Reductions arising from payments/other sacrifices of future economic benefits	(61)
Balance at 30 June 2008	233
Current	233
Non-Current	-
	233

- (i) The provision for export sales rebates represents the directors' best estimate of potential claims made by customers with respect to the quality of fresh produce exported overseas. The estimate has been made based on historical trends and current claims outstanding at the end of the financial year.

for the financial year ended 30 June 2008

	Note	Consolidated		Company	
		2008 (\$'000)	2007 (\$'000)	2008 (\$'000)	2007 (\$'000)
19 Liabilities directly associated with assets classified as held for sale					
Liabilities related to the industrial businesses and Kelp Industries Pty Ltd (note 31)		-	5,205	-	5,205
20 Issued Capital					
63,158,149 (2007: 62,111,170) fully paid ordinary shares	(i)	41,256	39,819	41,256	39,819
		41,256	39,819	41,256	39,819

	Note	2008		2007	
		No.	(\$'000)	No.	(\$'000)
(i) Fully Paid Ordinary Share Capital					
Balance at beginning of financial year		62,111,170	39,819	60,850,338	38,798
Shares issued under dividend re-investment plan	(ii) (iii)	1,046,979	1,437	1,260,832	1,021
Balance at end of financial year		63,158,149	41,256	62,111,170	39,819

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

(ii) Share Capital Issued During the Previous Financial Year

On 31 October 2006, Webster Limited paid a 3c final dividend with a dividend re-investment option. Under the dividend re-investment plan Webster Limited issued an additional 1,001,123 shares.

On 30 April 2007, Webster Limited paid a 1c interim dividend with a dividend re-investment option. Under the dividend re-investment plan Webster Limited issued an additional 259,709 shares.

(iii) Share Capital Issued During the Financial Year

On 31 October 2007, Webster Limited paid a 4.5c final dividend with a dividend re-investment option. Under the dividend re-investment plan Webster Limited issued an additional 790,478 shares.

On 30 April 2008, Webster Limited paid a 1c interim dividend with a dividend re-investment option. Under the dividend re-investment plan Webster Limited issued an additional 256,501 shares.

	Note	Consolidated		Company	
		2008 (\$'000)	2007 (\$'000)	2008 (\$'000)	2007 (\$'000)
21 Retained Earnings					
Balance at beginning of financial year		10,639	10,779	7,242	13,018
Net profit/(loss) attributable to members of the parent entity		6,106	2,305	1,829	(3,331)
Dividends provided for or paid	23	(3,424)	(2,445)	(3,424)	(2,445)
Rounding adjustment		3	-	3	-
Balance at end of financial year		13,324	10,639	5,650	7,242

for the financial year ended 30 June 2008
22 Earnings Per Share

	Note	Consolidated	
		Cents per Share	
		2008	2007
Basic earnings per share			
From continuing operations	(a)	9.50	8.83
From discontinued operations	(a)	0.25	(5.08)
Total basic earnings per share		9.74	3.74
Diluted earnings per share			
From continuing operations	(b)	9.50	8.83
From discontinued operations	(b)	0.25	(5.08)
		9.74	3.74

(a) Basic Earnings per Share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

		2008	2007	2008	2007
		(\$'000)	(\$'000)	No.	No.
Earnings	(i)	6,106	2,305		
Earnings from continuing operations	(i)	5,952	5,435		
Weighted average number of ordinary shares for the purposes of basic earnings per share	(ii)			62,680,301	61,557,500

(i) Earnings used in the calculation of total basic earnings per share and basic earnings per share reconciles to net profit in the income statement as follows:

	2008	2007
	(\$'000)	(\$'000)
Net profit/(loss)	6,106	2,305
Earnings used in the calculation of basic EPS	6,106	2,305
Adjustments to exclude (profit)/loss for the period from discontinued operations	(154)	3,130
Earnings used in the calculation of basic EPS from continuing operations	5,952	5,435

(b) Diluted Earnings per Share

The earnings and weighted average number of ordinary and potential ordinary shares used in the calculation of diluted earnings per share are as follows:

		2008	2007	2008	2007
		(\$'000)	(\$'000)	No.	No.
Earnings	(i)	6,106	2,305		
Earnings from continuing operations	(i)	5,952	5,435		
Weighted average number of ordinary and potential ordinary shares for the purpose of diluted earnings per share	(ii)			62,680,301	61,557,500

for the financial year ended 30 June 2008

22 Earnings Per Share (continued)

- (i) Earnings used in the calculation of total diluted earnings per share and diluted earnings per share from continuing operations reconciles to net profit in the income statement as follows:

	2008 (\$'000)	2007 (\$'000)
Net profit/(loss)	6,106	2,305
Earnings used in the calculation of basic EPS	6,106	2,305
Adjustments to exclude profit/(loss) for the period from discontinued operations	(154)	3,130
Earnings used in the calculation of diluted EPS from continuing operations	5,952	5,435

- (ii) Weighted average number of ordinary and potential ordinary shares used in the calculation of diluted earnings per share reconciles to the weighted average number of ordinary shares used in the calculation of basic earnings per share as follows:

	2008 No.	2007 No.
Weighted average number of ordinary shares used in the calculation of basic EPS	62,680,301	61,557,500
Weighted average number of shares used in the calculation of diluted EPS	62,680,301	61,557,500

Note	2008		2007	
	Cents per share	Total (\$'000)	Cents per share	Total (\$'000)

23 Dividends
Fully paid ordinary shares

Final Dividend franked to 5.15%	4.5	2,795	3.0	1,826
Interim Dividend unfranked	1.0	629	1.0	619
		<u>3,424</u>		<u>2,445</u>

Adjusted franking account balance
 Impact on franking account balance of dividends not recognised
 Income tax consequences of unrecognised dividends.

Franking account balance at 1 July

	Company	
	2008 (\$'000)	2007 (\$'000)
Adjusted franking account balance	477	69
Impact on franking account balance of dividends not recognised	24	69
Income tax consequences of unrecognised dividends.	-	-
Franking account balance at 1 July	69	1,093
Tax paid	31	-
Dividends received	-	39
Dividends paid	(69)	(1,063)
Franking account balance at 30 June	31	69
Franking credits that will arise from the payment of income tax payable as at the reporting date	446	-
Net franking credits available	477	69

Franking account balance at 30 June
 Franking credits that will arise from the payment of income tax payable as at the reporting date

Net franking credits available

The Directors have declared a 4.5 cent per share dividend franked to 1.94% at 30% corporate income tax rate, payable on 31 October 2008. The record date for determining entitlement to the dividend is 9 October 2008.

for the financial year ended 30 June 2008

24 Subsidiaries

	Note	Country of Incorporation	Ownership Interest	
			2008 (%)	2007 (%)
Parent Entity				
Webster Limited		Australia		
Controlled Entities				
Clements Marshall Consolidated Limited	(iii)	Australia	100	100
Cygnets Canning Company Pty Ltd	(iii)	Australia	100	100
Clements and Marshall Pty Ltd	(iii)	Australia	100	100
Webster Fresh Partnership	(iii)	Australia	100	100
Webster Finance Pty Ltd	(iii)	Australia	100	100
Walnuts Australia Pty Ltd		Australia	100	100
Webster Walnuts Pty Ltd	(iv)	Australia	100	50

(i) The above entities are audited by Deloitte Touche Tohmatsu.

(ii) All entities carry on business in Australia.

(iii) These wholly-owned controlled entities have obtained approval under the ASIC Class Order granting relief from the requirement to produce audited financial reports and are party to a cross guarantee.

(iv) On 22 January 2008 Webster Limited completed the acquisition of all outstanding shares in Webster Walnuts Pty Ltd, thereby increasing its shareholding to 100%. Prior to this Webster Walnuts was an equity accounted associate owned 50% by Webster Limited.

(v) The parent entity has entered into a range of cross guarantees and registered mortgage debentures over all assets and capital of Webster Limited, which include all of the above entities under its banking arrangements with National Australia Bank dated 10 July 2008.

for the financial year ended 30 June 2008

24 Subsidiaries (continued)

The consolidated balance sheet and income statement of entities which are party to the deed of cross guarantee are:

(a) Income Statement

The Income Statement presented on page 13 represents the consolidated financial performance of entities which are party to the deed of cross guarantee. Walnuts Australia Pty Ltd, which was not a trading entity during the financial year, and Webster Walnuts Pty Ltd are not parties to the cross guarantee.

	Consolidated	
	2008	2007
	(\$'000)	(\$'000)
Revenue	37,437	45,900
Cost of sales	(19,264)	(21,157)
Gross Profit	18,173	24,743
Other income	1,605	1,875
Share of net profits of associates and joint ventures accounted for using the equity method	5,639	5,059
Distribution expenses	(9,508)	(8,665)
Marketing expenses	(676)	(778)
Operational expenses	(3,137)	(7,223)
Administration expenses	(2,619)	(2,928)
Finance costs	(1,391)	(1,315)
Impairment loss on subsidiary	-	-
Other expenses	(63)	(161)
Profit/(loss) before significant items and before income tax expense	8,023	10,607
Non-recurring profit on disposal of investment	-	-
Impairment loss on associate	-	(2,000)
Impairment of walnut assets	-	(500)
Termination package	-	(800)
Profit/(loss) after significant items and before income tax expense	8,023	7,307
Income tax (expense)/income	(2,002)	(1,872)
Profit/(loss) from continuing operations	6,021	5,435
Gain/ (loss) from discontinued operations	154	(3,130)
Profit/(loss) for the period	6,175	2,305
Profit/(loss) attributable to members of the parent entity	6,175	2,305

for the financial year ended 30 June 2008

24 Subsidiaries (continued)

Note	Consolidated	
	2008 (\$'000)	2007 (\$'000)
(b) Balance Sheet		
Current Assets		
Cash and cash equivalents	1,355	4,285
Trade and other receivables	7,085	18,231
Other financial assets	7,553	4,207
Inventories	3,112	1,823
Other assets	336	506
Biological assets	989	299
	20,430	29,351
Assets classified as held for sale	-	9,136
Total current assets	20,430	38,487
Non-Current Assets		
Other financial assets	-	13
Investments accounted for using the equity method	57,106	42,106
Property, plant and equipment	11,074	9,247
Investment property	1,043	1,050
Goodwill	397	286
Total non-current assets	69,620	52,702
Total assets	90,050	91,189
Current Liabilities		
Trade and other payables	7,501	13,262
Borrowings	16,150	12,437
Current tax liability	449	-
Other financial liabilities	75	12
Provisions	716	499
	24,891	26,210
Liabilities directly associated with assets classified as held for sale	-	5,205
Total current liabilities	24,891	31,415
Non-Current Liabilities		
Borrowings	2,151	2,857
Deferred tax liabilities	6,213	4,038
Provisions	53	133
Total non-current liabilities	8,417	7,028
Total liabilities	33,308	38,443
Net assets	56,742	52,746
Equity		
Issued capital	41,256	39,819
Reserves	2,093	2,288
Retained earnings *	13,393	10,639
Total equity	56,742	52,746
* Retained Earnings		
Retained earnings at the beginning of the financial year	10,639	10,779
Net profit	6,175	2,305
Dividend provided for or paid	(3,424)	(2,445)
Rounding adjustment	3	-
Retained earnings at the end of the financial year	13,393	10,639

for the financial year ended 30 June 2008

24 Subsidiaries (continued)

(c) Acquisition of Businesses	Principal Activity	Date of Acquisition	Proportion	Cost of	Previous	Equity	Total
			of Shares Acquired	Acquisition	Share Holding	Accounted Carrying Value	
Names of Businesses Acquired 2008			(%)	(\$'000)	(%)	(\$'000)	(\$'000)
	Walnut Orchard						
Webster Walnuts Pty Ltd	Owner	22/01/2008	50%*	2,603	50%	1,755	4,358
							4,358

* Webster Walnuts Pty Ltd was previously held by Webster Limited as a 50% owned investment in associate prior to acquiring the remaining 50% on 22 January 2008.

	Book Value	Fair Value Adjustment	Fair Value on Acquisition	Total Fair Value on Acquisition
	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Net Assets Acquired				
Current Assets				
Trade and Other Receivables	30	-	30	30
Inventories	123	-	123	123
Non-Current Assets				
Biological Assets	9,563	-	9,563	9,563
Property, Plant and Equipment	7,339	-	7,339	7,339
Current Liabilities				
Trade and Other Payables	(11)	-	(11)	(11)
Borrowings	(1,717)	-	(1,717)	(1,717)
Non-Current Liabilities				
Borrowings	(11,080)	-	(11,080)	(11,080)
				4,247
				111
				4,358

Net cash flow on acquisition

	Consolidated		Company	
	2008	2007	2008	2007
	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Total purchase consideration	2,603	-	2,603	-
Less: non-cash considerations for Webster Walnuts Pty Ltd	-	-	-	-
Consideration paid in cash	2,603	-	2,603	-
Less: cash and cash equivalent balances acquired	-	-	-	-
				-
				2,603

Goodwill arose in the business combination because the consideration paid for the combination exceeded the book and fair values at the date of the acquisition.

Had the above business combination been effected at 1 July 2007, the revenue of the Group would be \$37,856 thousand, and net profit \$5,775 thousand. The directors of the Group consider these 'pro forma' numbers to represent an approximate measure of the performance of the combined group on an annualised basis and to provide a reference point for comparison in future periods.

In determining the 'pro forma' revenue and profit of the Group had Webster Walnuts Pty Ltd been acquired at the beginning of the current reporting period, the directors have:

- calculated depreciation and amortisation of plant and equipment acquired on the basis of the carrying amounts recognised in the pre-acquisition financial statements.
- based borrowing costs on the funding levels, credit ratings and debt/equity position of the Group after the business combination.
- eliminated directors' fees no longer payable as a result of the business combination.

for the financial year ended 30 June 2008

	Note	Consolidated		Company	
		2008 (\$'000)	2007 (\$'000)	2008 (\$'000)	2007 (\$'000)
25 Commitments for Expenditure					
(a) Lease Commitments					
<u>Non-cancellable operating leases</u>	(i)				
Not longer than 1 year		467	1,212	242	995
Longer than 1 year and not longer than 5 years		604	3,615	305	3,121
Longer than 5 years		-	705	-	705
		<u>1,071</u>	<u>5,532</u>	<u>547</u>	<u>4,821</u>
<u>Non-cancellable operating leases</u>					
Continuing operations		1,071	1,475	547	764
Discontinued operations		-	4,057	-	4,057
		<u>1,071</u>	<u>5,532</u>	<u>547</u>	<u>4,821</u>
The non-cancellable operating leases of the discontinued operation transferred to the purchaser on the disposal of the discontinued operation (note 31).					
<u>Finance lease liabilities</u>	(ii)				
Not longer than 1 year		385	579	377	560
Longer than 1 year and not longer than 5 years		679	744	679	735
Longer than 5 years		-	-	-	-
Minimum lease payments		<u>1,064</u>	<u>1,323</u>	<u>1,056</u>	<u>1,295</u>
Less: Future finance charges		(126)	(110)	(126)	(109)
Less: Goods and services tax (GST)		(97)	(119)	(96)	(116)
Finance lease liabilities		<u>841</u>	<u>1,094</u>	<u>834</u>	<u>1,070</u>
Present value of minimum future lease payments:					
- Not longer than 1 year		292	467	285	451
- Longer than 1 year and not longer than 5 years		549	627	549	619
		<u>841</u>	<u>1,094</u>	<u>834</u>	<u>1,070</u>
<u>Continuing operations included in the financial statements as:</u>					
- Current interest-bearing liabilities		292	184	285	168
- Non-current interest-bearing liabilities		549	438	549	430
		<u>841</u>	<u>622</u>	<u>834</u>	<u>598</u>
<u>Discontinued operations</u>					
- Current interest-bearing liabilities	(iii)	-	283	-	283
- Non-current interest-bearing liabilities	(iii)	-	189	-	189
		<u>-</u>	<u>472</u>	<u>-</u>	<u>472</u>
(b) Capital Expenditure Commitments					
<u>Plant and equipment</u>					
Not longer than 1 year		1,070	-	-	-
Longer than 1 year and not longer than 5 years		-	-	-	-
Longer than 5 years		-	-	-	-
		<u>1,070</u>	<u>-</u>	<u>-</u>	<u>-</u>

(i) Operating lease commitments relate to properties and equipment with lease terms of up to 10 years.

(ii) Finance lease liabilities relate to various plant and equipment with lease terms of up to 5 years.

(iii) The finance leases of the discontinued operation transferred to the purchaser on the disposal of the discontinued operation (note 31).

for the financial year ended 30 June 2008

Note	Consolidated		Company	
	2008 (\$'000)	2007 (\$'000)	2008 (\$'000)	2007 (\$'000)
26 Contingent Liabilities				
Indemnity by the company in respect of employees transferred to an associated company	-	46	-	46
Guarantees by subsidiary company under deeds of assignment of property leases - estimated maximum potential liability equivalent to six months rent	339	583	-	-
Claims and litigation against the company which is being defended and for which no provision is made in the financial statements	30	980	30	980
	369	1,609	30	1,026

In respect of the consolidated entity's share of contingent liabilities of associates, the extent to which an outflow of funds will be required is dependent on the future operations of the associates being more or less favourable than currently expected. The consolidated entity's share of contingent liabilities of associates is disclosed at note 10.

for the financial year ended 30 June 2008

27 Segment Information

(a) Information on Business Segments

	Industry Services (discontinued operations)		Horticulture		Aquaculture		TOTAL	
	2008 (\$'000)	2007 (\$'000)	2008 (\$'000)	2007 (\$'000)	2008 (\$'000)	2007 (\$'000)	2008 (\$'000)	2007 (\$'000)
Continuing Operations								
Revenues								
External sales	-	-	37,798	45,900	-	-	37,798	45,900
Other revenue	-	-	2,051	3,002	-	-	2,051	3,002
Segment total	-	-	39,849	48,902	-	-	39,849	48,902
Unallocated/Consolidation Adj							610	(1,127)
Total							40,459	47,775
Results								
Segment result	-	-	5,116	4,614	5,638	5,629	10,754	10,243
Borrowing costs							(1,744)	(1,315)
Unallocated							(1,056)	(1,621)
Profit before tax							7,954	7,307
Income tax (expense)/benefit							(2,002)	(1,872)
Profit/(loss) for the year from continuing operations							5,952	5,435
Discontinued operations								
Revenues								
External sales	11,093	35,562	-	-	-	-	11,093	35,562
Internal sales	-	126	-	-	-	-	-	126
Other revenue	-	228	-	-	-	-	-	228
Segment total	11,093	35,916	-	-	-	-	11,093	35,916
Total							11,093	35,916
Results								
Segment result	379	(3,216)	-	-	-	-	379	(3,216)
Borrowing costs							-	(93)
Profit/(loss) before tax							379	(3,309)
Income tax (expense)/benefit							(225)	179
Profit/(loss) for the year from discontinued operations							154	(3,130)
Profit for the year							6,106	2,305
Segment Assets & Liabilities								
Assets								
Segment assets	-	8,586	35,868	30,516	52,464	39,887	88,332	78,989
Unallocated							8,707	12,200
Total							97,039	91,189
Liabilities								
Segment liabilities	-	(5,205)	(14,762)	(11,666)	-	-	(14,762)	(16,871)
Unallocated							(25,604)	(21,572)
Total							(40,366)	(38,443)

for the financial year ended 30 June 2008

27 Segment Information (continued)

	Industry Services (discontinued operations)		Horticulture		Aquaculture	
	2008	2007	2008	2007	2008	2007
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Other Information						
Acquisition of non-current assets	-	488	3,007	760	-	-
Depreciation and amortisation	-	495	716	596	-	-
Other non-cash expenses	-	-	-	500	-	-
Carrying value of investments accounted for using the equity method	-	-	-	2,219	52,464	39,887
Share of net profit/(loss) of associate and joint venture entities accounted for under equity method	-	-	(464)	(570)	5,638	5,629

Products within each business segment

For management purposes, the consolidated entity is organised into three major operating divisions. These divisions are the basis on which the consolidated entity reports its primary segment information. The principal products and services of each of these divisions are as follows:

Industry Services (discontinued operations) -	Wholesaling of a range of finished goods including industrial supplies, heavy machinery and automotive parts throughout Tasmania.
Horticulture -	Growing, processing, packing and marketing of vegetables and nuts for export and domestic markets.
Aquaculture -	Investment in the production, processing, value-adding and marketing of salmon for export and domestic markets.

(b) Information on Geographical Segments

The consolidated entity is based solely in Tasmania. Goods are sold in both domestic and international markets.

Geographical Segment	Revenue from external customers		Segment assets		Acquisition of segment assets	
	2008	2007	2008	2007	2008	2007
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Australia	13,818	57,053	97,039	91,189	3,007	1,248
Europe	20,930	20,307	-	-	-	-
Asia	3,050	4,102	-	-	-	-

The consolidated entity's three divisions operate in three principal geographical locations - Australia, Europe and Asia. The composition of each geographical segment is as follows:

Australia	The Webster Group manufactures, produces and sells a broad range of its products in Australia.
Europe	The Webster Group sells onions into Northern Europe.
Asia	The Webster Group sells onions and carrots into Asia.

for the financial year ended 30 June 2008

Note	Consolidated		Company	
	2008 (\$'000)	2007 (\$'000)	2008 (\$'000)	2007 (\$'000)
28 Notes to the cash flow statement				
(a) Reconciliation of cash and cash equivalents				
For the purpose of the cash flow statement, cash and cash equivalents include cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:				
Cash and cash equivalents	1,355	4,285	1,087	4,201
Cash and cash equivalents attributable to discontinued operations (note 31)	-	-	-	-
	1,355	4,285	1,087	4,201

(b) Businesses Acquired

On 22 January 2008 Webster Limited completed the acquisition of all outstanding shares in Webster Walnuts Pty Ltd, thereby increasing its shareholding to 100%. Prior to this Webster Walnuts was an equity accounted associate owned 50% by Webster Limited.

(c) Business Disposed

During the 2007 financial year, Webster Limited decided to dispose of its Trucks & Machinery and Bearings & Engineering Supplies businesses, as well as the company's 50% investment in Kelp Industries Pty Ltd. The cash flows and balance sheet implications are detailed in note 31. This sale was realised in the 2008 financial year.

(d) Non-Cash Financing and Investing Activities

During the financial year, the consolidated entity acquired equipment via finance leases to the value of \$445,000 (2007: \$227,000).

(e) Financing Facilities

Secured finance facilities reviewed annually and payable at call

- Amount used	-	-	-	-
- Amount unused	6,000	6,000	6,000	6,000
	6,000	6,000	6,000	6,000

Secured bank loan rolling facilities reviewed annually and payable at call

- Amount used	17,052	4,000	10,000	4,000
- Amount unused	2,000	8,000	2,000	8,000
	19,052	12,000	12,000	12,000

(f) Cash Balances not Available for Use

There were no cash balances unavailable for use at balance date.

for the financial year ended 30 June 2008

Note	Consolidated		Company	
	2008 (\$'000)	2007 (\$'000)	2008 (\$'000)	2007 (\$'000)
28 Notes to the cash flow statement (continued)				
(g) Reconciliation of profit for the period to net cash flows from operating activities				
Profit/(loss) for the period	6,106	2,305	1,829	(3,331)
Depreciation and amortisation of non-current assets	961	1,597	464	1,149
Adjustments relating to self-generating and regenerating assets	(1,046)	-	-	-
Net (profit)/loss on sale of non-current assets	(17)	(67)	(26)	(36)
Net (profit)/loss on disposal of discontinued operations	(379)	-	(379)	-
Impairment loss on discontinued operation	-	2,943	-	2,939
Impairment of plant & equipment	-	130	-	130
Impairment of biological assets	-	370	-	370
Impairment of investments and subsidiaries	-	2,000	180	3,290
Interest income received or receivable	(336)	(476)	(322)	(462)
Debt instrument dividends paid	36	36	36	36
Share of associates' (profit)/loss and dividends	(5,174)	(5,147)	(1,985)	(1,688)
Other	(75)	3	44	66
Net goods and services tax refunded/(paid)	-	(726)	-	(1,497)
Changes in net assets and liabilities, net of effects from the disposal of businesses (excluding impairment loss of discontinued operation):				
- Decrease/(increase) in receivables	12,019	(4,640)	11,838	(3,608)
- Decrease/(increase) in inventories	(2,552)	2,500	(689)	1,252
- Increase/(decrease) in payables	(6,208)	5,981	(5,975)	3,996
- Increase/(decrease) in provisions	137	(101)	(72)	(13)
- Increase/(decrease) in tax balances	2,195	1,693	1,176	585
Net cash flows from operating activities	5,667	8,401	6,119	3,178

29 Financial Instruments

(a) Capital risk management

The consolidated entity's manages its capital to ensure that entities in the group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Group's overall strategy remains unchanged from 30 June 2007.

The capital structure of the Group consists of debt, which includes the borrowings disclosed in note 16, cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital as disclosed in note 20, reserves and retained profits as disclosed in note 21.

The Group operates globally, primarily through subsidiary companies established in the markets in which the Group trades. None of the Group's entities are subject to externally imposed capital requirements.

Gearing Ratio

The consolidated entity's Board of Directors reviews the capital structure on an annual basis. As a part of this review the committee considers the cost of capital and the risk associated with each class of capital. The Group has a target end of financial year gearing ratio of no more than 40 - 45%, that is determined as the proportion of net debt to equity. The Board of Directors of the Group in considering its overall capital structure takes into account the payment of dividends, new share issues as well as the issue of new debt or the redemption of existing debt.

for the financial year ended 30 June 2008

29 Financial Instruments (continued)

The gearing ratio at year end was as follows:

Financial assets

	Note	Consolidated		Company	
		2008 (\$'000)	2007 (\$'000)	2008 (\$'000)	2007 (\$'000)
Debt	(i)	25,353	15,294	28,385	26,382
Cash and cash equivalents		(1,355)	(4,285)	(1,087)	(4,201)
Net debt		23,998	11,009	27,298	22,181
Equity	(ii)	56,673	52,746	46,906	47,061
Net debt to equity ratio	(iii)	42%	21%	58%	47%

(i) Debt is defined as long and short-term borrowings, as detailed in note 16.

(ii) Equity includes all capital and reserves.

(iii) The increase in the net debt to equity ratio in 2008 as compared to 2007 is due to the consolidation of an additional \$7 million of debt on the acquisition of the remaining 50% of Webster Walnuts Pty Ltd and additional bank facilities drawn down to fund the purchase of shares in Tassal Group Limited.

(b) Categories of financial instruments

Financial assets

Derivative instrument in designated hedge accounting relationships

Cash and cash equivalents

Loans and receivables

Shares and borrowings

Financial Liabilities

Derivative instrument in designated hedge accounting relationships

Financial guarantee contract

Borrowings

	Consolidated		Company	
	2008 (\$'000)	2007 (\$'000)	2008 (\$'000)	2007 (\$'000)
Derivative instrument in designated hedge accounting relationships	349	51	-	-
Cash and cash equivalents	1,355	4,285	1,087	4,201
Loans and receivables	6,939	22,326	12,491	20,888
Shares and borrowings	-	-	59,589	48,242
Derivative instrument in designated hedge accounting relationships	75	12	-	-
Financial guarantee contract	-	-	-	-
Borrowings	17,873	12,437	26,234	23,533

(c) Financial Risk Management Objectives

The consolidated entity's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets and manages the financial risks relating to the operations of the consolidated entity.

The consolidated entity does not enter in to or trade financial instruments, including derivative financial instruments, for speculative purposes. The use of financial derivatives is governed by the consolidated entity's policies approved by the board of directors, which provide written principles on the use of financial derivatives. Compliance with policies and exposure limits are monitored by the Treasury Committee on a continuous basis.

The consolidated entity's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The consolidated entity enters in to a variety of derivative financial instruments to manage its exposure to interest rate and foreign currency risk, including:

- forward foreign exchange contracts to hedge the exchange rate risks arising on the export of produce to Europe and Asia; and
- interest rate swaps to mitigate the risk of rising interest rates.

for the financial year ended 30 June 2008

29 Financial Instruments (continued)

(e) Hedges of Anticipated Future Transactions

The economic entity has entered into contracts to supply onions and carrots to customers in Europe and Japan. The economic entity has entered into forward foreign exchange contracts (for the 2008/09 season) to hedge the exchange rate risk arising from these anticipated future transactions and the freight costs associated with supplying product to these customers.

As at the reporting date the aggregate amount of unrealised profits under forward foreign exchange contracts relating to anticipated future transactions is \$248,000 (2007: \$39,000) and is deferred in the hedging reserve to the extent that the hedge has been determined to be effective. Such unrealised profits will be realised during the 2009 financial year when the anticipated future transactions take place.

The Group is mainly exposed to the currencies as tabled below.

The following table details the Group's sensitivity to a 10% increase and decrease in the Australian dollar against the relative currency. 10% is the sensitivity rate used as it represents management's assessment of the possible change in foreign exchange rates. A positive number indicates an increase in other equity where the Australian Dollar strengthens against the respective currency. For a weakening of the Australian Dollar against the respective currency there would be an equal and opposite impact on other equity, and the balances below would be negative.

	Consolidated		Company	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Other equity				
- British Pound	35	11	-	-
- Euro	98	36	-	-
- Japanese Yen	97	93	-	-
- United States Dollar	20	-	-	-

(f) Interest Rate Risk Management

The company and the Group is exposed to interest rate risk as it borrows funds at both fixed and floating interest rates. The company uses interest rate swap contracts to manage interest rate exposure. Under these contracts, the company agrees to exchange the difference between fixed and floating interest amounts calculated on agreed notional principal amounts. Such contracts enable the company to mitigate the risk of rising interest rates. The interest rate swap settles on a quarterly basis. The floating rate on the interest rate swap is the Australian BBSW.

The following table details the interest rate swap contracts outstanding as at the reporting date:

	Average Fixed Interest Rate		Notional Principal Amount	
	2008 (%)	2007 (%)	2008 (\$'000)	2007 (\$'000)
Outstanding Contracts				
Less than 1 year	-	5.82	-	5,000
1 to 2 years	-	-	-	-
2 to 5 years	-	-	-	-
			-	5,000
			Fair Value	
			2008 (\$'000)	2007 (\$'000)
Less than 1 year			-	29
1 to 2 years			-	-
2 to 5 years			-	-
			-	29

for the financial year ended 30 June 2008

29 Financial Instruments (continued)
(f) Interest Rate Risk Management (continued)
Interest Rate Sensitivity Analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivative and non-derivative instruments at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the possible change in interest rates.

At reporting date, if interest rates had been 100 basis points higher or lower and all other variables were held constant, the impact on the group is as follows:

	Effect on Profitability			
	2008		2007	
	+1%	-1%	+1%	-1%
Consolidated				
Financial Assets				
Cash & cash equivalents	14	(14)	43	(43)
Financial Liabilities				
Borrowings	183	(183)	124	(124)
Company				
Financial Assets				
Cash & cash equivalents	11	(11)	42	(42)
Financial Liabilities				
Borrowings	113	(113)	235	(235)

(g) Credit Risk Management

Credit Risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity undertakes credit check prior to dealing with any new counterparty and obtains sufficient collateral or other security, where appropriate, as a means of mitigating the risk of financial loss from defaults. The consolidated entity exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded are spread amongst approved counterparties. The consolidated entity measures credit risk on a fair value basis.

Trade accounts receivable consist of a large number of customers, spread across diverse industries and geographical locations. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, credit guarantee insurance cover is purchased.

The consolidated entity does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit rating agencies.

The carrying amount of financial instruments recorded in the financial statements, net of any allowances for losses, represent the consolidated entity's maximum exposure to credit risk without taking account of the value of any collateral obtained.

(h) Fair Value of Financial Instruments

The directors consider that the carrying amount of financial assets and financial liabilities recorded in the financial statements approximate their fair value (2007: net fair value).

The fair values and net fair values of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices;
- the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis; and
- the fair value of derivative instruments, included in hedging assets and liabilities, are calculated using quoted prices. Where such prices are not available use is made of discounted cash flow analysis using the applicable yield curve for the duration of the instruments.

The transaction costs are included in the determination of net fair value.

for the financial year ended 30 June 2008

29 Financial Instruments (continued)

The following tables detail the fair value of financial assets and financial liabilities

	Carrying amount	Fair value	Carrying amount	Fair value
	2008 (\$'000)	2008 (\$'000)	2007 (\$'000)	2007 (\$'000)
Financial Assets				
Interest rate swap	-	-	-	29
Forward foreign exchange contracts	349	349	51	51
	349	349	51	80
Financial Liabilities				
Cumulative non-redeemable preference shares	394	394	394	394
	394	394	394	394

(i) Liquidity Risk Management

The consolidated entity manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continually monitoring forecasts and actual cash flows and matching the maturity profiles of financial assets and liabilities.

for the financial year ended 30 June 2008

29 Financial Instruments (continued)
(j) Maturity Profile of Financial Instruments

The following table details the consolidated entity's exposure to interest rate risk as at 30 June 2008:

	Weighted Average Effective Rate (%)	Fixed Maturity Dates				
		Less than 1 month (\$'000)	1 to 3 months (\$'000)	3 months to 1 year (\$'000)	1 to 5 years (\$'000)	5 + years (\$'000)
2008						
Financial Assets						
Continuing operations						
Non Interest Bearing	-	3,543	3,710	1,133	-	52,464
Variable Interest Rate Instruments	5.89	740	-	-	-	-
		4,283	3,710	1,133	-	52,464
Financial Liabilities						
Continuing operations						
Non Interest Bearing	-	2,652	3,939	1,005	1,243	-
Finance Lease Liability	8.01	-	14	118	709	-
Variable Interest Rate Instruments	9.17	2,954	5,364	105	10,186	-
Fixed Interest Rate Instruments	6.98	619	770	3,056	1,021	394
		6,225	10,087	4,284	13,159	394

The following table details the consolidated entity's exposure to interest rate risk as at 30 June 2007:

	Weighted Average Effective Rate (%)	Fixed Maturity Dates				
		Less than 1 month (\$'000)	1 to 3 months (\$'000)	3 months to 1 year (\$'000)	1 to 5 years (\$'000)	5 + years (\$'000)
2007						
Financial Assets						
Continuing operations						
Non Interest Bearing	-	7,393	7,760	4,172	-	42,106
Variable Interest Rate Instruments	7.57	3,761	-	-	4,156	-
Discontinued operations						
Non Interest Bearing	-	4,091	-	204	-	-
		15,245	7,760	4,376	4,156	42,106
Financial Liabilities						
Continuing operations						
Non Interest Bearing	-	4,821	7,740	398	988	-
Finance Lease Liability	7.21	-	-	184	438	-
Variable Interest Rate Instruments	6.81	1,597	35	4,105	326	-
Fixed Interest Rate Instruments	6.71	843	1,516	1,427	4,388	394
Discontinued operations						
Non Interest Bearing	-	2,935	-	813	-	-
Finance Lease Liability	7.17	-	-	472	-	-
Variable Interest Rate Instruments	8.24	-	-	985	-	-
		10,196	9,291	8,384	6,140	394

for the financial year ended 30 June 2008

29 Financial Instruments (continued)

The following table details the company's exposure to interest rate risk as at 30 June 2008:

	Weighted Average Effective Rate (%)	Fixed Maturity Dates				
		Less than 1 month (\$'000)	1 to 3 months (\$'000)	3 months to 1 year (\$'000)	1 to 5 years (\$'000)	5 + years (\$'000)
2008						
Financial Assets						
Continuing operations						
Non Interest Bearing	-	1,527	1,268	784	-	46,061
Variable Interest Rate Instruments	7.10	468	-	-	-	-
		<u>1,995</u>	<u>1,268</u>	<u>784</u>	<u>-</u>	<u>46,061</u>
Financial Liabilities						
Continuing operations						
Non Interest Bearing	-	662	1,462	712	1,200	-
Finance Lease Liability	8.01	-	14	111	709	-
Variable Interest Rate Instruments	8.38	1,231	35	105	10,186	-
Fixed Interest Rate Instruments	6.98	619	770	3,056	1,021	394
		<u>2,512</u>	<u>2,281</u>	<u>3,984</u>	<u>13,116</u>	<u>394</u>

The following table details the company's exposure to interest rate risk as at 30 June 2007:

	Weighted Average Effective Rate (%)	Fixed Maturity Dates				
		Less than 1 month (\$'000)	1 to 3 months (\$'000)	3 months to 1 year (\$'000)	1 to 5 years (\$'000)	5 + years (\$'000)
2007						
Financial Assets						
Continuing operations						
Non Interest Bearing	-	5,942	4,688	4,121	-	42,310
Variable Interest Rate Instruments	7.61	3,679	-	-	4,156	-
Discontinued operations						
Non Interest Bearing	-	4,091	-	204	-	-
		<u>13,712</u>	<u>4,688</u>	<u>4,325</u>	<u>4,156</u>	<u>42,310</u>
Financial Liabilities						
Continuing operations						
Non Interest Bearing	-	3,191	4,887	236	968	11,111
Finance Lease Liability	7.21	-	-	168	430	-
Variable Interest Rate Instruments	6.81	1,597	35	4,105	326	-
Fixed Interest Rate Instruments	6.71	843	1,516	1,427	4,388	394
Discontinued operations						
Non Interest Bearing	-	2,935	-	813	-	-
Finance Lease Liability	7.17	-	-	472	-	-
Variable Interest Rate Instruments	8.24	-	-	985	-	-
		<u>8,566</u>	<u>6,438</u>	<u>8,206</u>	<u>6,112</u>	<u>11,505</u>

for the financial year ended 30 June 2008

30 Related Party Disclosures
(a) Key Management Personnel Details

The key management personnel of Webster Limited during the year were:

D W Robinson (Non-executive Chairman), Appointed Non-executive Chairman 29 August 2007

C E Bright (Non-executive Director)

R J Roberts (Non-executive Director), Resigned as Chairman 29 August 2007 and as Chief Executive Officer 30 November 2007

S J L Stone (Non-executive Director)

C D Corrigan (Non-executive Director), Appointed 30 November 2007

P L Myers (Chief Executive Officer), Appointed 30 November 2007

N Abbott (Chief Financial Officer & Company Secretary), Appointed Company Secretary 24 September 2007

N D Carey (General Manager, Webster Fresh)

L F Titmus (General Manager, Webster Walnuts)

T M Gadsby (Information Technology and Communications Manager)

S J Stegmann (Commercial Manager, Webster Fresh and Webster Walnuts)

R P Gilham (Operations Manager, Webster Fresh)

R J Birtill (Agriculture Manager, Webster Fresh), Appointed 1 February 2008

B R Davey (Commercial Services Manager and Company Secretary), Resigned as Company Secretary 24 September 2007 and as Commercial Services Manager 12 October 2007

L G Curran (State Manager, Webster Trucks & Machinery), Resigned 12 October 2007

(b) Key Management Personnel Compensation

The aggregate compensation of the key management personnel of the consolidated entity and the company is set out below:

	Consolidated		Company	
	2008	2007	2008	2007
	(\$)	(\$)	(\$)	(\$)
Short-term employee benefits	1,460,606	2,018,420	1,055,795	1,524,909
Post-employment benefits	364,808	108,505	304,339	82,563
Termination benefits	112,714	817,462	112,714	817,462
	1,938,128	2,944,387	1,472,848	2,424,934

Further information on key management personnel is contained in the remuneration report within the directors' report.

(c) Loan disclosures
Current

Loans from key management personnel form part of the Agriwise Unsecured Notes and do not carry a fixed term.

Deposit accounts held by directors

- R J Roberts

	-	317	-	317
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- Interest paid on deposit accounts @ 6.50% (2007: 5.35%)

	57	40	57	40
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There were no loans to directors or director-related entities.

Deposit accounts held by key management personnel

- L Curran (balance at date of resignation 12/10/07)

	859	455	859	455
--	-----	-----	-----	-----

- Interest paid on deposit accounts @ 6.50% (2007: 5.35%) to date of resignation 12/10/07

	11	25	11	25
--	----	----	----	----

All transactions with directors and key management personnel of the company and controlled entities and their director-related entities, including those stated above and those involving the purchase or sale of goods and services, were within normal customer or employee relationships, on terms no more favourable than those available to other customers, employees or shareholders.

for the financial year ended 30 June 2008

30 Related Party Disclosures (continued)

Number of ordinary shares (ORD) held directly, indirectly or beneficially	Type	Balance @ 1/7/07	Received on exercise of options	Net other change	Balance @ 30/6/08
<i>Key management personnel</i>					
D W Robinson	ORD	5,892	-	-	5,892
C E Bright	ORD	16,720,854	-	4,019,143	20,739,997
R J Roberts	ORD	4,901,478	-	(1,421,406)	3,480,072
S J L Stone	ORD	1,000	-	-	1,000
C D Corrigan	ORD	-	-	2,601,009	2,601,009
P L Myers	ORD	-	-	-	-
N Abbott	ORD	2,745	-	806	3,551
N D Carey	ORD	1,752	-	1,991	3,743
L F Titmus	ORD	3,406	-	751	4,157
T M Gadsby	ORD	1,033	-	751	1,784
S J Stegmann	ORD	2,745	-	-	2,745
R P Gilham	ORD	1,185	-	-	1,185
R J Birtill	ORD	-	-	-	-
B R Davey	ORD	1,562	-	(1,562)	-
L Curran	ORD	1,182	-	-	1,182
		<u>21,644,834</u>	<u>-</u>	<u>5,201,483</u>	<u>26,846,317</u>

No Webster Limited shares or share options were issued to directors or director-related entities during the financial year.

Other Transactions with Key Management Personnel

During the financial year, directors and their director-related entities purchased goods, which were domestic or trivial in nature, from the company on the same terms and conditions available to other employees and customers.

(e) Equity Interests in Related Parties

Equity Interests in Controlled Entities

Details of percentage of ordinary shares held in controlled entities are disclosed in note 24 to the financial statements.

Equity Interests in Associates & Joint Ventures

Details of interests in associates are disclosed in note 10 to the financial statements.

(f) Transactions within the wholly owned group

During the year, the company advanced and repaid loans, received loans and provided accounting and administrative assistance to other entities in the consolidated group.

These transactions were on normal commercial terms and conditions, with the exception of an interest-free loan by the company to Webster Finance Pty Ltd of \$1,093,000 (2007: \$1,093,000) and to Clements Marshall Consolidated Ltd of \$1,951,000 (2007: \$1,951,000). Amounts receivable from and payable to controlled entities are disclosed in notes 6 and 16 to the financial statements. Interest and dividend revenues and interest expenses are disclosed in note 2 to the financial statements.

(g) Transactions with other related parties

Transactions between the company and associated companies consist of the sale of industrial supplies, loans to and from these companies, the payment and receipt of interest thereon, the provision of accounting and administrative assistance and the receipt of dividends. Interest and dividend revenue and interest expenses are disclosed in note 2 to the financial statements.

Expenses totalling \$25,392 were paid by the company on behalf of Non-executive Director R J Roberts during the year.

All transactions with other related parties are made on normal commercial terms and conditions and there are no material transactions that require further disclosure.

(h) Parent Entity

The parent entity in the consolidated entity is Webster Limited.

The ultimate Australian parent entity is Webster Limited.

for the financial year ended 30 June 2008

31 Discontinued Operations
Disposal of the industrial businesses and interest in Kelp Industries Pty Ltd

During the 2007 financial year, Webster Limited disposed of its Trucks & Machinery and Bearings & Engineering Supplies businesses, as well as the company's 50% investment in Kelp Industries Pty Ltd. As disclosed in the 2007 annual report the divestment process ultimately resulted in the businesses being sold for a value higher than originally recorded in the 2007 accounts, with earnings adjustments to be recorded in the 2008 financial year.

The profit for the period from the discontinued operations is as follows:

	Consolidated	
	2008 (\$'000)	2007 (\$'000)
Profit from discontinued operations		
Revenue (note 2)	11,093	35,688
Other income (note 2)	-	228
Share of net profits of associate accounted for using the equity method	40	88
	11,133	36,004
Expenses	(10,861)	(36,370)
Profit/(Loss) before income tax expense	272	(366)
Attributable income tax (expense)/benefit	-	179
	272	(187)
Gain/(loss) on disposal of operation	107	(2,943)
	107	(2,943)
Attributable income tax expense	(225)	-
	(118)	(2,943)
Gain/(loss) for the year from discontinued operations	154	(3,130)
Cash flows from discontinued operations		
Net cash flow from operating activities	-	704
Net cash flow from investing activities	-	(138)
Net cash flow from financing activities	-	(690)
Net cash flows	-	(124)

The major classes of assets and liabilities comprising the operations and investments classified as held for sale at balance date are as follows:

	Consolidated	
	2008 (\$'000)	2007 (\$'000)
Trade and other receivables	-	4,051
Inventories	-	5,748
Other assets	-	40
Investments accounted for using the equity method	-	204
Property, plant and equipment	-	1,924
Impairment loss	-	(2,831)
Total assets classified as held for sale	-	9,136
Trade and other payables	-	(2,935)
Borrowings	-	(1,457)
Provisions	-	(813)
Total liabilities associated with assets classified as held for sale	-	(5,205)
Net assets held for sale	-	3,931

for the financial year ended 30 June 2008

32 Subsequent Events

Final dividend declared

On 28 August 2008, the Directors declared a final dividend of 4.5 cents per ordinary share in respect to the financial year ended 30 June 2008. The dividend will be franked to 1.94% at the 30% corporate income tax rate and will be paid on 31 October 2008. The record date for determining entitlement to this dividend is 9 October 2008. The Company's Dividend Reinvestment Plan will apply to the dividend, with a discount rate of 5% applicable.

Since the end of the year the directors are not aware of any matter or circumstance that has arisen, other than that which has been described above, that has significantly or may significantly affect the operations of the consolidated group, the results of those operations or the state of affairs of the consolidated group in subsequent financial years.