

# WEBSTER LIMITED

## Appendix 4E: Preliminary Final Report

### Financial Year Ended 30 June 2013



It is recommended that this Preliminary Final Report is read in conjunction with the Annual Report for Webster Limited for the Financial Year ended 30 June 2012, the December 2012 Half-Year Report and any public announcements made by Webster Ltd and its controlled entities during the year ended 30 June 2013 in accordance with the continuous disclosure obligations arising under the ASX Listing Rules.

# Appendix 4E: Preliminary Final Report

## Contents

	<b>Page</b>
Commentary on Results for the Year	2-4
Consolidated Statement of Profit or Loss and Other Comprehensive Income	5
Consolidated Statement of Financial Position	6
Consolidated Statement of Changes in Equity	7
Consolidated Statement of Cash Flows	8
Notes to the Financial Statements	9-14
Compliance Statement	15

## Appendix 4E Preliminary Final Report

**WEBSTER LIMITED**  
ACN 009 476 000

### Reporting Period

Financial year ended 30 June 2013 ("current period")  
Previous corresponding period, financial year ended 30 June 2012

### Results for Announcement to the Market

				(\$'000) Current Period
Revenue from Ordinary Activities	Up	28%	to	61,774
Profit after Income Tax Expense	Up	74%	to	6,967
Net Profit after Income Tax Attributable to Members	Up	74%	to	6,967
<b>Dividends</b>				
				<b>Franked</b>
				<b>Amount per Security</b>
				<b>Amount per Security</b>
				<b>(cents)</b>
				<b>(cents)</b>
Final dividend on Cumulative Preference Shares (payable 30/9/13)				4.5
Final dividend on Ordinary Shares (payable 31/10/13)				1.5
Record date for determining entitlements to Cumulative Preference Dividend				20-Sep-13
Record date for determining entitlements to Ordinary Dividend				7-Oct-13

### Brief explanation of any of the figures reported above

Net profit before tax from continuing operations included a net gain of \$1,679 thousand resulting from an independent valuation of the consolidated entity's orchards. Please refer to the "Commentary on Results for the Year" section which forms part of the Appendix 4E Preliminary Final Report for further information.

### Dividends

Dividends paid by Webster Limited during the current reporting period

		Payment Date	Amount	Amount Per Security of foreign sourced dividend
			(\$'000)	(cents)
Cumulative Preference Dividends	Final	28-Sep-12	18	0 cents
	Interim	28-Mar-13	18	0 cents
Ordinary Dividends	Final	31-Oct-12	1,610	0 cents
	Interim	30-Apr-13	1,341	0 cents

### Net Tangible Assets per Security

	Current Reporting Period	Previous Reporting Period
	(cents)	(cents)
Net Tangible Assets per Security	73.22	80.22

### Annual Meeting

The annual meeting will be held as follows:

Place: TBC

Date: Friday 15th November 2013

Time: 11.00 a.m.

The attached Preliminary Final Report for the Year ended 30 June 2013, prepared pursuant to Appendix 4E and ASX Listing Rule 4.3A, is based on accounts which are in the process of being audited and therefore no audit report is attached. It is not expected that the accounts will be subject to dispute or qualification.

## Commentary on Results for the Year

Webster Limited recorded a consolidated pre-tax profit of \$9.922 million for the year ending 30 June 2013 as compared to \$5.196 million for the prior year. The reported pre-tax profit includes a net orchard assets valuation gain of \$1.7 million. After income tax, profit was \$6.967 million for the 2013 year. This compares with an after tax profit in 2012 of \$3.998 million.

Walnut earnings continue to rise in line with growing yields and expectations. Walnuts have grown to be the major contributor to profit. Despite conditions remaining challenging in the onion business with currency exchange rates remaining at historically high levels and large Southern Hemisphere onion supply in the important European market, the onion operation improved significantly after a difficult 2012 season and recorded a satisfactory year.

The company made considerable progress during the year in three important areas. The yet-to-mature existing orchards yielded a large increase in harvested walnuts, in advance of forecast. Secondly, as a consequence of this and relatively buoyant market expectations, directors proceeded with two key decisions – the approval to construct a company owned, value adding plant and the purchase of land sufficient to expand the orchard estate by around 900 hectares. And finally, ensuring an appropriately low financial risk, directors moved to strengthen the company's equity capital base, such that at balance date Webster carried zero net debt.

During the year three new Directors joined the company – Chris Corrigan, David Cushing and Chris Langdon, with Ernie Eves retiring from the board.

Succession planning was a major focus for directors during the year. Managing Director Leigh Titmus signalled early in the year his intention to retire at the end of his employment contract. The board were pleased to make an internal appointment and John Hosken (previously heading up marketing and sales) was appointed as the incoming Chief Executive Officer.

Extreme heat was experienced during the walnut harvest window in our Riverina, NSW orchards resulting in hull split being delayed and some adverse effect on kernel colour. Despite the heat, with appropriate water management, trees handled the conditions adequately and yielded above our expectations. A highlight of the year was the yield and quality performance of Webster's Tasmanian walnut orchards at Swansea and Cranbrook.

The Northern Tasmanian climate delivered warm and mostly dry growing conditions for onions and as such our crop did not yield or 'size up' as forecast. The crop was lifted and harvested at expected times and the packing and shipping program commenced in earnest at the end of January. A late cold spell in our main market, Europe assisted the keeping quality of local onions and demand for Webster product was later than expected. After some initial delays, the marketing season stabilised and the year can be viewed as satisfactory, with a lift in profit contribution.

The building of a state of the art walnut cracking facility on our Leeton Orchard to be commissioned in March 2014 is the next major milestone in the company's evolution towards a leading, world class, fully integrated walnut business. This will provide the company with increased flexibility, improved avenues to market and new value adding opportunities.

Following the purchase of the 1,000ha property, Avondale, near Tabbita, NSW the company will commence establishment and planting of this property in winter 2014. It is currently planned to plant out the property over four years and first production is expected in FY18. Peak production for the group is forecast to go to circa 17,000 tonnes by 2015.

Directors have approved capital investment for improvements in the onion operation aimed at quality and efficiencies. Focus is in both field and factory. In the field a new lifter will deliver more efficient and product friendly harvesting. For the factory and packing operation changes are aimed at quality improvement with older machinery being modernised, new packing lines introduced and extra storage capacity coming on line.

Following an interim 1 cent dividend, directors are pleased to declare a final 1.5 cents per share, fully franked dividend on ordinary shares and a 4.5 cent fully franked dividend on preference shares.

The Webster Limited annual general meeting will be held on the 15<sup>th</sup> of November in Sydney.

For enquiries please contact:

Rod Roberts  
Chairman  
Ph: (03) 6427 5000

# Webster Limited

## Consolidated statement of profit or loss and other comprehensive income

For the financial year ended 30 June 2013

Continuing Operations	Note	2013 (\$'000)	2012 (\$'000)
Revenue	2(a)	52,867	44,751
Cost of sales	2(c)	<u>(26,453)</u>	<u>(21,418)</u>
<b>Gross profit</b>		26,414	23,333
Other income	2(b)	4,742	2,522
Revaluation of non-current biological assets		4,165	886
Impairment of land and building assets		(2,486)	-
Distribution expenses		(9,111)	(7,492)
Marketing expenses		(1,107)	(779)
Operational expenses		(8,662)	(9,746)
Administration expenses		(3,370)	(2,771)
Finance costs	2(c)	(253)	(406)
Other expenses		<u>(410)</u>	<u>(351)</u>
<b>Profit before income tax expense</b>		9,922	5,196
Income tax (expense)/income		<u>(2,955)</u>	<u>(1,198)</u>
<b>Net profit for the period</b>		<u>6,967</u>	<u>3,998</u>
<b>Other comprehensive income, net of income tax</b>			
<i>Items that may be reclassified subsequently to profit and loss</i>			
Loss on cash flow hedges taken to equity		<u>(1,121)</u>	<u>(140)</u>
Other comprehensive loss for the period (net of tax)		<u>(1,121)</u>	<u>(140)</u>
<b>Total comprehensive income for the period</b>		<u>5,846</u>	<u>3,858</u>
<b>Profit attributable to:</b>			
Owners of the parent		6,967	3,998
Non-controlling interests		-	-
<b>Total comprehensive income attributable to:</b>			
Owners of the parent		5,846	3,858
Non-controlling interests		-	-
<b>Earnings per share</b>			
Basic (cents per share)		5.62	4.31
Diluted (cents per share)		5.62	4.31

Notes to the financial statements are included on pages 9 to 14.

**Webster Limited**  
**Consolidated statement of financial position**  
As at 30 June 2013

	Note	2013 (\$'000)	2012 (\$'000)
<b>Current Assets</b>			
Cash and cash equivalents	6(a)	15,269	987
Trade and other receivables		14,738	23,763
Other financial assets		-	447
Inventories		12,034	8,030
Other assets		550	173
<b>Total current assets</b>		<b>42,591</b>	<b>33,400</b>
<b>Non-Current Assets</b>			
Trade and other receivables		3,541	-
Property, plant and equipment		40,086	36,458
Biological assets		27,661	23,115
Investment property		824	829
Deferred tax asset		3,037	3,063
Intangibles		4,758	4,884
<b>Total non-current assets</b>		<b>79,907</b>	<b>68,349</b>
<b>Total assets</b>		<b>122,498</b>	<b>101,749</b>
<b>Current Liabilities</b>			
Trade and other payables		9,929	9,696
Borrowings		318	308
Current tax liability		1,234	1,130
Other financial liabilities		1,153	-
Provisions		1,484	2,076
<b>Total current liabilities</b>		<b>14,118</b>	<b>13,210</b>
<b>Non-Current Liabilities</b>			
Borrowings		700	5,518
Deferred tax liabilities		4,656	3,255
Provisions		53	34
<b>Total non-current liabilities</b>		<b>5,409</b>	<b>8,807</b>
<b>Total liabilities</b>		<b>19,526</b>	<b>22,017</b>
<b>Net assets</b>		<b>102,971</b>	<b>79,732</b>
<b>Equity</b>			
Issued capital	3	73,458	53,114
Reserves		(807)	1,133
Retained earnings		30,320	25,485
<b>Total equity</b>		<b>102,971</b>	<b>79,732</b>

Notes to the financial statements are included on pages 9 to 14.

**Webster Limited**  
**Consolidated statement of changes in equity**  
For the financial year ended 30 June 2013

	Share capital (\$'000)	Properties revaluation reserve (\$'000)	Cash flow hedging reserve <sup>1</sup> (\$'000)	Retained earnings (\$'000)	Attributable to the owners of the parent (\$'000)	Total (\$'000)
<b>Balance at 1 July 2011</b>	<b>42,580</b>	<b>819</b>	<b>454</b>	<b>22,887</b>	<b>66,740</b>	<b>66,740</b>
Profit or loss for the year	-	-	-	3,998	3,998	3,998
Other comprehensive income for the year, net of tax	-	-	(140)	-	(140)	(140)
Total comprehensive income for the year	-	-	(140)	3,998	3,858	3,858
Payment of dividends	-	-	-	(1,400)	(1,400)	(1,400)
Equity issued under rights issue	10,534	-	-	-	10,534	10,534
<b>Balance at 30 June 2012</b>	<b>53,114</b>	<b>819</b>	<b>314</b>	<b>25,485</b>	<b>79,732</b>	<b>79,732</b>
Profit or loss for the year	-	-	-	6,967	6,967	6,967
Other comprehensive income for the year, net of tax	-	-	(1,121)	-	(1,121)	(1,121)
Total comprehensive income for the year	-	-	(1,121)	6,967	5,846	5,846
Payment of dividends	-	-	-	(2,951)	(2,951)	(2,951)
Equity issued under placement and rights issue	20,344	-	-	-	20,344	20,344
Transfer to retained earnings	-	(819)	-	819	-	-
<b>Balance at 30 June 2013</b>	<b>73,458</b>	<b>-</b>	<b>(807)</b>	<b>30,320</b>	<b>102,971</b>	<b>102,971</b>

1. 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.

Notes to the financial statements are included on pages 9 to 14.



**Webster Limited**  
**Consolidated statement of cash flows**  
For the financial year ended 30 June 2013

	<b>Note</b>	<b>2013</b>	<b>2012</b>
		(\$'000)	(\$'000)
<b>Cash Flows from Operating Activities</b>			
Receipts from customers		59,338	44,475
Payments to suppliers and employees		(47,930)	(44,736)
Interest and other costs of finance paid		(159)	(241)
Income tax paid		(903)	(3,625)
<b>Net cash provided by/(used in) operating activities</b>	6(e)	<u>10,346</u>	<u>(4,127)</u>
<b>Cash Flows from Investing Activities</b>			
Interest received		740	261
Payment for biological assets, property, plant and equipment		(9,497)	(5,999)
Proceeds from sale of property, plant and equipment		144	838
<b>Net cash used in investing activities</b>		<u>(8,613)</u>	<u>(4,900)</u>
<b>Cash Flows from Financing Activities</b>			
Proceeds from borrowings from others		-	85
Repayment of borrowings from others		(4,500)	-
Principal repayments under finance lease		(308)	(495)
Dividends paid		(2,987)	(1,436)
Proceeds from the issue of equity securities		20,344	10,534
<b>Net cash provided by financing activities</b>		<u>12,549</u>	<u>8,688</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		14,282	(339)
<b>Cash and cash equivalents at the beginning of the financial year</b>		987	1,326
<b>Cash and cash equivalents at the end of the financial year</b>	6(a)	<u><b>15,269</b></u>	<u><b>987</b></u>

Notes to the financial statements are included on pages 9 to 14.

# **Webster Limited**

## **Notes to the Financial Statements**

For the financial year ended 30 June 2013

### **1 Summary of Accounting Policies**

#### **Statement of Compliance**

The preliminary final report has been prepared in accordance with ASX Listing Rule 4.3A, the disclosure requirements of ASX Appendix 4E, the *Corporations Act 2001*, Accounting Standards and Urgent Issues Group Interpretations and complies with other requirements of the law. 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 consolidated entity comply with International Financial Reporting Standards (IFRS).

The preliminary final report does not include notes of the type normally included in an annual report and should be read in conjunction with the 30 June 2012 Annual Financial Report, the December 2012 Half-Year Financial Report and any public announcements made by Webster Ltd and its controlled entities during the year ended 30 June 2013 in accordance with the continuous disclosure obligations arising under the ASX Listing Rules.

The preliminary final report was authorised for issue by the directors on 27 August 2013.

#### **Basis of Preparation**

The preliminary final 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 are rounded off to the nearest thousand dollars, unless otherwise indicated.

#### **Significant Accounting Policies**

The accounting policies and methods of computation adopted in the preparation of the preliminary final report are consistent with those adopted and disclosed in the company's 2012 Annual Financial Report for the year ended 30 June 2012, other than as detailed below.

#### **Adoption of new and revised Accounting Standards**

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 are effective for the current annual reporting period.

# **Webster Limited**

## **Notes to the Financial Statements**

For the financial year ended 30 June 2013

### **1 Summary of Accounting Policies (continued)**

#### **Standards and Interpretations issued not yet effective**

At the date of authorisation of the preliminary final report, a number of Standards and Interpretations were in issue but not yet effective.

AASB 9 'Financial Instruments' and the relevant amending standards

Effective for annual reporting periods beginning on or after 1 January 2015 and expected to be initially applied in the financial year ending 30 June 2016.

AASB 10 'Consolidated Financial Statements' and AASB 2011-7 'Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards'

Effective for annual reporting periods beginning on or after 1 January 2013 and expected to be initially applied in the financial year ending 30 June 2014.

AASB 11 'Joint Arrangements' and AASB 2011-7 'Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards'

Effective for annual reporting periods beginning on or after 1 January 2013 and expected to be initially applied in the financial year ending 30 June 2014.

AASB 12 'Disclosure of Interests in Other Entities' and AASB 2011-7 'Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards'

Effective for annual reporting periods beginning on or after 1 January 2013 and expected to be initially applied in the financial year ending 30 June 2014.

AASB 127 'Separate Financial Statements' (2011) and AASB 2011-7 'Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards'

Effective for annual reporting periods beginning on or after 1 January 2013 and expected to be initially applied in the financial year ending 30 June 2014.

AASB 128 'Investments in Associates and Joint Ventures' (2011) and AASB 2011-7 'Amendments to Australian Accounting Standards arising from the consolidation and Joint Arrangements standards'

Effective for annual reporting periods beginning on or after 1 January 2013 and expected to be initially applied in the financial year ending 30 June 2014.

AASB 13 'Fair Value Measurement' and AASB 2011-8 'Amendments to Australian Accounting Standards arising from AASB 13'

Effective for annual reporting periods beginning on or after 1 January 2013 and expected to be initially applied in the financial year ending 30 June 2014.

AASB 119 'Employee Benefits' (2011) and AASB 2011-10 'Amendments to Australian Accounting Standards arising from AASB 119 (2011)'

Effective for annual reporting periods beginning on or after 1 January 2013 and expected to be initially applied in the financial year ending 30 June 2014.

AASB 2011-4 'Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements

Effective for annual reporting periods beginning on or after 1 January 2013 and expected to be initially applied in the financial year ending 30 June 2014.

# **Webster Limited**

## **Notes to the Financial Statements**

For the financial year ended 30 June 2013

### **1 Summary of Accounting Policies (continued)**

#### **Standards and Interpretations issued not yet effective (continued)**

AASB 2012-2 'Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities'

Effective for annual reporting periods beginning on or after 1 January 2013 and expected to be initially applied in the financial year ending 30 June 2014.

AASB 2012-3 'Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities'

Effective for annual reporting periods beginning on or after 1 January 2014 and expected to be initially applied in the financial year ending 30 June 2015.

AASB 2012-5 'Amendments to Australian Accounting Standards arising from Annual Improvements 2009–2011 Cycle'

Effective for annual reporting periods beginning on or after 1 January 2013 and expected to be initially applied in the financial year ending 30 June 2014.

AASB 2012-10 'Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments'

Effective for annual reporting periods beginning on or after 1 January 2013 and expected to be initially applied in the financial year ending 30 June 2014.

AASB 2013-3 'Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets'

Effective for annual reporting periods beginning on or after 1 January 2014 and expected to be initially applied in the financial year ending 30 June 2015.

AASB 2013-4 'Amendments to Australian Accounting Standards - Novation of Derivatives and Continuation of Hedge Accounting'

Effective for annual reporting periods beginning on or after 1 January 2014 and expected to be initially applied in the financial year ending 30 June 2015.

AASB 2013-5 'Amendments to Australian Accounting Standards - Investment Entities'

Effective for annual reporting periods beginning on or after 1 January 2014 and expected to be initially applied in the financial year ending 30 June 2015.

The company is currently reviewing the impact of these changes on the financial statements.

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.

## Notes to the Financial Statements

For the financial year ended 30 June 2013

	Note	2013 (\$'000)	2012 (\$'000)
<b>2 Profit from Operations</b>			
Profit from operations before income tax includes the following items of revenue and expense:			
<b>(a) Revenue</b>			
Revenue from the sale of goods		41,119	34,778
Revenue from the rendering of services		10,315	9,012
Interest revenue		740	261
Rental revenue		693	700
<b>Total revenue</b>		<u>52,867</u>	<u>44,751</u>
<b>(b) Other Income</b>			
Gain on disposal of property, plant and equipment and biological assets		91	647
Increment/(decrement) in net market value of agricultural assets held as inventory		2,548	(674)
Net foreign exchange gains		574	99
Research and development grants		161	255
Other		1,368	2,195
<b>Total other income</b>		<u>4,742</u>	<u>2,522</u>
<b>(c) Expenses</b>			
<b>Cost of sales</b>		<u>26,453</u>	<u>21,418</u>
Interest on loans		95	183
Dividends on instruments classified as financial liabilities		35	35
Other finance costs		123	188
<b>Total finance costs</b>		<u>253</u>	<u>406</u>
Depreciation of non-current assets		2,827	2,497
Amortisation of non-current assets		252	388
<b>Total depreciation and amortisation</b>		<u>3,079</u>	<u>2,885</u>
Post employment benefits		496	546
Termination benefits		30	129
Other employee benefits		6,036	6,489
<b>Total employee benefits expense</b>		<u>6,562</u>	<u>7,164</u>

### 3 Issued Capital

134,127,365 (2012: 93,306,317) fully paid ordinary shares	(i)	<u>73,458</u>	<u>53,114</u>		
		<u>73,458</u>	<u>53,114</u>		
		<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
		Number	(\$'000)	Number	(\$'000)
(i) Fully paid ordinary share capital					
Balance at beginning of financial year		93,306,317	53,114	64,597,159	42,580
Shares issued under rights issue	(ii) (iii)	40,821,048	20,344	28,709,158	10,534
Balance at end of financial year		<u>134,127,365</u>	<u>73,458</u>	<u>93,306,317</u>	<u>53,114</u>
Fully paid ordinary shares carry one vote per share and carry the right to dividends.					
(ii) Share capital issued during the previous financial year					
28,709,158 ordinary shares were issued during the financial year under a four for nine rights issue in July 2011.					
(iii) Share capital issued during the financial year					
40,821,048 ordinary shares were issued during the financial year under 15% placement in September 2012 and a 1 for 4 rights issue in October 2012.					

## Notes to the Financial Statements

For the financial year ended 30 June 2013

		<b>Consolidated Cents per Share</b>			
		<b>2013</b>	<b>2012</b>		
<b>4 Earnings Per Share</b>					
Basic earnings per share	(a)	5.62	4.31		
Diluted earnings per share	(b)	5.62	4.31		
<b>(a) Basic Earnings per Share</b>					
The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:					
		<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
		(\$'000)	(\$'000)	No.	No.
Earnings from operations	(i)	6,967	3,998		
Weighted average number of ordinary shares for the purposes of basic earnings per share				123,988,423	92,835,675
<b>(b) Diluted Earnings per Share</b>					
The earnings and weighted average number of ordinary and potential ordinary shares used in the calculation of diluted earnings per share are as follows:					
		<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
		(\$'000)	(\$'000)	No.	No.
Earnings from operations	(i)	6,967	3,998		
Weighted average number of ordinary and potential ordinary shares for the purpose of diluted earnings per share				123,988,423	92,835,675
	<b>Note</b>	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
		<b>Cents per share</b>	<b>Total (\$'000)</b>	<b>Cents per share</b>	<b>Total (\$'000)</b>
<b>5 Dividends</b>					
<b>Fully paid ordinary shares</b>					
Final Dividend		1.5	1,610	1.0	933
Interim Dividend		1.0	1,341	0.5	467
			<u>2,951</u>		<u>1,400</u>

The Directors have declared a fully franked 1.5 cents per share dividend on ordinary shares, payable on 31 October 2013. The record date for determining entitlement to the ordinary dividend is 7 October 2013. The Directors have also declared a fully franked 4.5 cent per share dividend on cumulative preference shares payable on 30 September 2013. The record date for determining entitlement to the preference dividend is 20 September 2013.

		<b>Company</b>	
		<b>2013</b>	<b>2012</b>
		(\$'000)	(\$'000)
<b>Franking account balance at 1 July</b>		3,764	746
Tax paid		875	3,625
Dividends paid		(1,272)	(607)
<b>Franking account balance at 30 June</b>		3,367	3,764
Franking credits that will arise from the payment of income tax payable as at the reporting date		1,234	1,130
<b>Net franking credits available</b>		4,601	4,894
Impact on franking account balance of dividends not recognised		(862)	(600)

## Notes to the Financial Statements

For the financial year ended 30 June 2013

<b>Consolidated</b>	
<b>2013</b>	<b>2012</b>
(\$'000)	(\$'000)

### 6 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	15,269	987
	<u>15,269</u>	<u>987</u>

#### (b) Non-Cash Financing and Investing Activities

During the financial year, the consolidated entity did not acquire equipment via finance leases (2012: \$85 thousand).

#### (c) Financing Facilities

Secured finance facilities reviewed annually and payable at call

- Amount used	-	-
- Amount unused	-	12,000
	<u>-</u>	<u>12,000</u>

Secured bank loan rolling facilities reviewed annually and payable at call

- Amount used	-	4,500
- Amount unused	8,000	3,500
	<u>8,000</u>	<u>8,000</u>

#### (d) Cash Balances not Available for Use

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

#### (e) Reconciliation of profit for the period to net cash flows from operating activities

Profit for the period	6,967	3,998
Depreciation and amortisation of non-current assets	3,079	2,885
Adjustments relating to agricultural/biological assets	(6,712)	(213)
Net profit on sale of non-current assets	(91)	(647)
Impairment of land and buildings	2,486	-
Interest income received or receivable	(740)	(261)
Debt instrument dividends paid	36	36
Other	-	93
Movements in working capital:		
- Decrease/(increase) in receivables	5,108	(2,564)
- Decrease/(increase) in inventories	(1,457)	(3,698)
- Increase/(decrease) in payables	232	(2,016)
- Increase/(decrease) in provisions	(573)	908
- Increase/(decrease) in tax balances	2,011	(2,648)
Net cash flows from operating activities	<u>10,346</u>	<u>(4,127)</u>

### 7 Segment Information

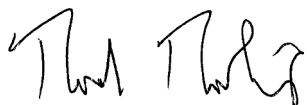
The company has a single reportable segment for continuing operations as the companies remaining products have similar characteristics and are similar in the nature of the production process, the methods of distribution and the class of customer supplied.

### 8 Subsequent Events

Since the end of the financial year the company has entered into third party contracts for the construction of buildings and storage facilities and the purchase of equipment for a new walnut packing and cracking facility. The company has also entered into a contract for the sale of its carrot plant and equipment. In addition directors have approved long and short term incentive schemes for senior executives. 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.

## **Compliance Statement**

- (a) This preliminary final report has been prepared in accordance with AASB Standards, other AASB authoritative pronouncements and Interpretations and other standards acceptable to the ASX.
- (b) This preliminary final report and the accounts upon which the report is based, use the same accounting policies.
- (c) This preliminary final report gives a true and fair view of the matters disclosed.
- (d) This preliminary final report is based on financial statements, which are in the process of being audited. It is not expected that the financial statements will be subject to dispute or qualified.
- (e) The entity has a formally constituted audit & risk committee.



**R J Roberts**  
**Chairman**  
**Webster Limited**  
**27 August 2013**