BSA LIMITED APPENDIX 4D AND HALF-YEAR REPORT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

APPENDIX 4D

REPORTING PERIOD	**HALF-YEAR ENDED 31 DECEMBER 2014**
PREVIOUS CORRESPONDING PERIOD	**HALF-YEAR ENDED 31 DECEMBER 2013**

HALF-YEAR INFORMATION TO THE ASX UNDER LISITNG RULE 4.2A

CONTENTS

APPENDIX 4D

1. RESULTS FOR ANNOUNCEMENT TO THE MARKET

	Up/Down			$'000
Revenue from ordinary activities	Up	7.1%	to	265,929
Profit/(Loss) from ordinary activities after income tax attributable to members	Up	106.7%	to	1,566
Net profit/(loss) for the period attributable to members	Up	106.7%	to	1,566

DIVIDENDS PER SHARE

	Amount per share		Franked amount per share at 100% tax	
Final - FY 2014	0.0	cents	0.0	cents
Interim - FY 2015	0.0	cents	0.0	cents

Record date for determining entitlements to dividends	**N/A**
Payment date of dividend	**N/A**

For commentary on results for the period and review of operations refer to the Directors' Report in the Half-Year Report.

2. NET TANGIBLE ASSETS PER ORDINARY SHARE (NTA backing)

	Current Period	Previous corresponding period
Net tangible assets per ordinary share	2.84 cents	(3.32) cents

3. DETAILS OF CONTROLLED ENTITIES

3.1 Control Gained Over Entities During the Period

Name of Entity	N/A
Date control acquired, i.e. date from which profit/(loss) has been calculated.	-
Profit/(loss) from ordinary activities after extraordinary items and income tax of the controlled entity (or group of entities) during the current period since the date on which control was acquired.	-
Profit/(loss) from ordinary activities after extraordinary items and income tax of the controlled entity (or group of entities) for the whole of the previous corresponding period.	-

3.2 Loss of Control of Entities During the Period

Nil

4. DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES

4.1 Equity Accounted Associates and Joint Venture Entities

	% Ownership Interest	
	Current Period %	Previous corresponding period %
Triple M and Premier Fire JV Co Limited	50%	0%

4.2 Aggregate Share of Profits(Losses) of Associates and Joint Venture Entities

	Current Period $'000	Previous corresponding period $'000
Group's Share of Associates and Joint Venture Entities:		
Profit (Loss) before income tax	426	-
Income tax expense	-	-
Net profit (loss)	426	-
Adjustments	-	-
Share of net profit (loss) of associates and joint venture entities	426	-

5. DIVIDENDS

5.1 Dividends per Share

	Current Period $'000	Previous corresponding period $'000
(a) Ordinary Shares		
No final dividend for FY14 was paid. (2013: Nil).	Nil	Nil
(b) Dividends not recognised at the end of the current period		
The directors have not declared the payment of an interim dividend for the current financial year (2013: Nil).	Nil	Nil
(c) None of these dividends are foreign sourced		

5.2 Dividend Reinvestment Plan

The Company has established a dividend reinvestment plan under which holders of ordinary shares may elect to have all or part of their dividend entitlements satisfied by the issue of new ordinary shares rather than by being paid in cash. Shares will be allotted or transferred under the DRP for a price which is equal to the arithmetic average of the daily volume weighted average market price (rounded to the nearest whole cent) of all fully paid shares of that class sold on the ASX (excluding special crossings and other categories reasonably determined by the Directors as distorting the fair market value of the shares) during the ten trading days commencing on the second trading day following the relevant Record Date, determined by reference to such information as the Directors approve for the purpose from time to time.

The Company's Dividend Reinvestment Plan (DRP) has been suspended since FY13.

6. ACCOUNTING STANDARDS

AASB Standards, other AASB authoritative pronouncements and Interpretations have been used in compiling the information contained in this Appendix 4D.

7. AUDIT DISPUTES OR QUALIFICATIONS

Nil

HALF-YEAR REPORT

FOR THE HALF-YEAR ENDED **31 DECEMBER 2014**

CONTENTS **Page**

This Half-Year Report covers the consolidated entity consisting of BSA Limited and its subsidiaries. The Financial Report is presented in the Australian currency.

BSA Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

BSA Limited
7 Figtree Drive
Sydney Olympic Park NSW 2127

This interim financial report does not include all the notes of the type normally included in an Annual Financial Report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2014 and any public announcements made by BSA Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The Half-Year Report was authorised for issue by the Directors on 26 February 2015

BSA LIMITED AND ITS
CONTROLLED ENTITIES DIRECTORS' REPORT

The Directors of BSA Limited submit herewith the Financial Report of BSA Limited and its subsidiaries (the Group) for the half-year ended 31 December 2014. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

The names of the Directors of the Company during or since the end of the half-year are:

Mr Ross Johnston	Mr Paul Teisseire
Mr Nicholas Yates	Mr Michael Givoni
Mr Mark Lowe	Mr Max Cowley

The above named Directors held office during and since the end of the half-year.

REVIEW OF OPERATIONS

Operating Cash Flow

Operating cash out-flow totalled $59,000 (prior corresponding period (pcp): $10.481million out-flow). Net operating cashflow was affected by the stage of the lifecycle of key projects and a reduction in creditors in the period.

Balance Sheet

The Group achieved a significant improvement in the debt position and was in a net cash position of $19,000 at the period end compared to a net debt position of $18.800 million at 30th June 14 ($32.743 million at 31st December 13). The improvement in the net debt was largely due to the $19.834 million net proceeds received from the successful capital raising during the period and improved business performance and working capital focus over the last 12 months. Short term borrowings were reduced by $7.973 million in the 6 month period and the cash balance increased from $5.297 million to $12.910 million. Net tangible assets increased by $22.018 million in the six month period to 31st December 2014.

Technical Design & Construction Projects (TDCP)

The TDCP business unit had a higher first half revenue of $126.280 million compared with the prior corresponding period of $123.783 million primarily due to increased volumes at New Royal Adelaide Hospital compared to the prior period. TDCP had a higher EBITDA of $7.518 million compared to $13.298 million loss for the prior corresponding period primarily as a result of non-recurring project provisions and write downs in the prior period.

The contracted work on hand for the TDCP business unit remains strong and stood at $216.714 million at the period end.

Technical Maintenance Services (TMS)

The TMS business unit had a lower first half revenue of $39.489 million compared with revenue of $50.090 million for the prior corresponding period due to a large upgrade project in the previous corresponding period and reduced project volumes in Western Australia as a result of the resources slow down. In addition, the business has refocussed on longer term maintenance opportunities and transferred project opportunities to TDCP. Service and maintenance annuity income increased by $1.500 million compared to the previous corresponding period.

EBITDA in the first half totalled $0.298 million compared to $1.043 million in the prior corresponding period. The lower EBITDA was primarily due to lower project volumes combined with some project write downs and restructure costs in the period.

Technical Field Force Solutions (TFFS)

The TFFS business unit, had a higher first half revenue of $100.198 million compared to the prior corresponding period of $74.531 million due to increased volumes in the Foxtel and Optus contracts. EBITDA for the first half of $2.114 million was also higher compared with EBITDA of $1.804 million for the prior corresponding period largey due to the increased revenue in the period.

Auditor's Independence Declaration

A copy of the independence declaration by the lead auditor under section 307C is included on page 9.

Rounding of Amounts

The company satisfies the requirements of Class Order 98/0100 issued by the Australian Securities and Investments Commission relating to "rounding off" of amounts in the Directors' Report and the Financial Report to the nearest thousand dollars. Amounts have been rounded off in the Directors' Report and Financial Report in accordance with that Class Order.

This report is made in accordance with a resolution of the Directors made pursuant to s. 306(3) of the Corporations Act 2001 and is signed for and on behalf of the Directors by:

Ross Johnston
Chairman

Nicholas Yates
Managing Director &
Chief Executive Officer

26 February 2015

Disclosing Non-IFRS Financial Information

In accordance with ASIC Regulatory Guidance on the disclosure of non-IFRS information, below is a reconciliation of statutory profit to EBITDA and Underlying EBITDA.

	H1 FY15 A$'000	H1 FY14 A$'000
Profit /(Loss) for the period from continuing operations	1,566	(23,367)
Add back:		
Income tax expense/(benefit)	320	(5,642)
Finance costs	721	1,098
Interest revenue	(14)	(69)
Depreciation	3,395	3,441
Amortisation expense	720	720
Impairment of intangibles	-	10,000
EBITDA	**6,708**	**(13,819)**
Total non-recurring key project provisions, profit reductions and provision releases and restructure costs	788	20,353
Underlying EBITDA excluding key profit provisions, profit reductions and provision releases and restructure costs	**7,496**	**6,534**

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The Board of Directors
BSA Limited
7 Figtree Drive
Sydney Olympic Park
NSW 2127

26 February 2015

Dear Board Members

BSA 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 BSA Limited.

As lead audit partner for the review of the financial statements of BSA Limited for the half-year ended 31 December 2014, 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 review; and

(ii) any applicable code of professional conduct in relation to the review.

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

D. Black

David Black
Partner
Chartered Accountants

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED **31 DECEMBER 2014**

		Consolidated	
		Half Year Ended	
	Note	**31 December 2014**	**31 December 2013**
		$'000	**$'000**
Revenue	3	265,929	248,352
Other Income	3	52	121
Share of profits of joint venture		426	-
Changes in inventories of finished goods and work in progress		603	(599)
Subcontractors and raw materials used (Note A below)	9	(221,982)	(217,647)
Employee benefits expense		(22,432)	(21,054)
Depreciation and amortisation expenses (Note A below)	9,10	(4,115)	(14,161)
Finance costs		(721)	(1,098)
Occupancy expense		(3,196)	(3,418)
Other expenses		(12,678)	(19,505)
Profit / (Loss) before tax	9	1,886	(29,009)
Income tax (expense) / benefit		(320)	5,642
Profit / (Loss) for the period	9	1,566	(23,367)
Other comprehensive income for the period (net of tax)		-	-
Total Comprehensive Income	9	1,566	(23,367)

	Cents	**Cents**
Basic earnings per share	0.56	(10.21)
Diluted earnings per share	0.56	(10.21)

Note A: Includes amounts classified as significant items. Refer to Note 9 for further details.

The above Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT **31 DECEMBER 2014**

		Consolidated Entity	
	Note	**31 December 2014**	**30 June 2014**
		$'000	**$'000**
CURRENT ASSETS			
Cash and cash equivalents		12,910	5,297
Trade and other receivables		81,109	86,403
Inventories		5,299	4,696
Current tax assets		-	1,483
Total Current Assets		**99,318**	**97,879**
NON-CURRENT ASSETS			
Trade and other receivables		1,421	1,279
Property, plant and equipment		12,448	14,819
Deferred tax assets		8,244	8,564
Goodwill		15,185	15,185
Intangible assets		5,312	6,032
Investment in Joint Venture		591	165
Other financial assets		3	3
Total Non-Current Assets		**43,204**	**46,047**
TOTAL ASSETS		**142,522**	**143,926**
CURRENT LIABILITIES			
Trade and other payables		74,349	78,488
Borrowings	8	8,095	16,068
Provisions		12,110	19,738
Total Current Liabilities		**94,554**	**114,294**
NON-CURRENT LIABILITIES			
Borrowings	8	4,796	8,029
Provisions		1,838	1,673
Total Non-Current Liabilities		**6,634**	**9,702**
TOTAL LIABILITIES		**101,188**	**123,996**
NET ASSETS		**41,334**	**19,930**
EQUITY			
Issued capital		97,631	77,797
Reserves		1,299	1,295
Accumulated losses		(63,024)	(63,024)
Profit Reserve	2	5,428	3,862
Total Equity		**41,334**	**19,930**

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED **31 DECEMBER 2014**

		Consolidated Entity	
		Half Year Ended	
	Notes	31 December 2014	31 December 2013
		$'000	$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		301,819	284,156
Payments to suppliers and employees		(302,640)	(292,857)
Interest and other costs of finance paid		(721)	(1,116)
Income taxes received / (paid)		1,483	(664)
Net cash outflow from operating activities		**(59)**	**(10,481)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		14	87
Payments for plant and equipment		(789)	(1,972)
Proceeds from sale of plant and equipment		38	109
Net cash outflow from investing activities		**(737)**	**(1,776)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		21,345	-
Expenses paid for issue of shares		(1,511)	-
Proceeds from borrowings		3,199	16,542
Repayment of borrowings		(13,265)	(3,363)
Payment of finance lease liabilities		(1,359)	(1,426)
Net cash inflow from financing activities		**8,409**	**11,753**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		7,613	(504)
Cash and cash equivalents at the beginning of the period		5,297	2,009
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		**12,910**	**1,505**

The above Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED **31 DECEMBER 2014**

	Consolidated Entity					
	Issued capital	**Accumulated losses**	**Profit Reserve (refer Note 2)**	**Share-based payment reserve**	**Cash flow hedge reserve**	**Total equity**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Balance at 1 July 2013	**77,797**	**(8,177)**	**3,862**	**1,354**	**(41)**	**74,795**
Loss for the period	-	(23,367)	-	-	-	(23,367)
Total comprehensive income for the period	-	(23,367)	-	-	-	(23,367)
Dividends paid	-	-	-	-	-	-
Share-based payment expense	-	-	-	21	-	21
Shares issued during period	-	-	-	-	-	-
Balance at 31 December 2013	**77,797**	**(31,544)**	**3,862**	**1,375**	**(41)**	**51,449**
Balance at 1 July 2014	77,797	(63,024)	3,862	1,301	(6)	19,930
Profit for the period	-	-	1,566	-	-	1,566
Total comprehensive income for the period	-	-	1,566	-	-	1,566
Dividends paid	-	-	-	-	-	-
Share-based payment expense	-	-	-	4	-	4
Shares issued during period	19,834	-	-	-	-	19,834
Balance at 31 December 2014	**97,631**	**(63,024)**	**5,428**	**1,305**	**(6)**	**41,334**

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Note 1. Significant accounting policies

(a) Statement of compliance

The Half-Year Financial Report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 Interim Financial Reporting. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting. The Half-Year Report does not include notes of the type normally included in an Annual Financial Report and should be read in conjunction with the most recent Annual Financial Report.

(b) Basis of preparation

The condensed consolidated financial statements have been prepared on the basis of historical cost. 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 Directors' Report and the Half-Year Financial Report are rounded off to the nearest thousand dollars unless otherwise indicated.

The accounting policies and methods of computation adopted in preparation of the Half-Year Financial Report are consistent with those adopted and disclosed in the Company's 2014 Annual Financial Report for the financial year ended 30 June 2014, except for the impact of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

(c) Significant accounting judgements, estimates and assumptions

In the application of the BSA Limited’s accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts 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.

(d) Adoption of new and revised standards

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to their operations and effective for the current half-year.

New and revised Standards and amendments thereof and Interpretations effective for the current half-year that are relevant to the Group include:

- AASB 1031 ‘Materiality’ (2013)
- AASB 2012-3 ‘Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities’
- AASB 2013-3 ‘Amendments to AASB 136 – Recoverable Amount Disclosures for Non- Financial Assets’
- AASB 2013-4 ‘Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting ‘
- AASB 2013-9 ‘Amendments to Australian Accounting Standards’ – Part B: ‘Materiality’
- AASB 2014-1 ‘Amendments to Australian Accounting Standards’
  - . Part A: ‘Annual Improvements 2010-2012 and 2011-2013 Cycles’
  - . Part C: ‘Materiality’
- Interpretation 21 ‘Levies’

Impact of the application of AASB 1031 ‘Materiality’ (2013)

The revised AASB 1031 is an interim standard that cross-references to other Standards and the Framework for the Preparation and Presentation of Financial Statements (issued December 2013) that contain guidance on materiality. The AASB is progressively removing references to AASB 1031 in all Standards and Interpretations, and once all these references have been removed, AASB 1031 will be withdrawn. The adoption of AASB 1031 did not have any material impact on the disclosures or the amounts recognised in the Group's condensed consolidated financial statements.

Note 1. Significant accounting policies (cont'd)

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

The Group has applied the amendments to AASB 132 for the first time in the current year. The amendments to AASB 132 clarify the requirements relating to the offset of financial assets and financial liabilities. Specifically, the amendments clarify the meaning of 'currently has a legally enforceable right of set-off' and 'simultaneous realisation and settlement'.

The amendments have been applied retrospectively. The Group has assessed whether certain of its financial assets and financial liabilities qualify for offset based on the criteria set out in the amendments and concluded that the application of the amendments does not have any material impact on the amounts recognised in the Group's condensed consolidated financial statements.

Impact of the application of AASB 2013-3 'Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets'

The Group has applied the amendments to AASB 136 for the first time in the current year. The amendments to AASB 136 remove the requirement to disclose the recoverable amount of a cash- generating unit (CGU) to which goodwill or other intangible assets with indefinite useful lives had been allocated when there has been no impairment or reversal of impairment of the related CGU. Furthermore, the amendments introduce additional disclosure requirements applicable to when the recoverable amount of an asset or a CGU is measured at fair value less costs of disposal. These new disclosures include the fair value hierarchy, key assumptions and valuation techniques used which are in line with the disclosure required by AASB 13 'Fair Value Measurements'.

The application of these amendments did not have any material impact on the disclosures in the Group's condensed consolidated financial statements.

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

The Group has applied the amendments to AASB 139 for the first time in the current year. The amendments to AASB 139 provide relief from the requirement to discontinue hedge accounting when a derivative designated as a hedging instrument is novated under certain circumstances. The amendments also clarify that any change to the fair value of the derivative designated as a hedging instrument arising from the novation should be included in the assessment and measurement of hedge effectiveness.

As the Group does not have any derivatives that are subject to novation, the application of these amendments did not have any material impact on the disclosures or on the amounts recognised in the Group's condensed consolidated financial statements.

Impact of the application of AASB 2013-9 'Amendments to Australian Accounting Standards' – Part B: 'Materiality'

This amending standard makes amendments to particular Australian Accounting Standards to delete references to AASB 1031, at the same time it makes various editorial corrections to Australian Accounting Standards as well. The adoption of this amending standard did not have any material impact on the disclosures or the amounts recognised in the Group's condensed consolidated financial statements.

Note 1. Significant accounting policies (cont'd)

Impact of the application of AASB 2014-1 ‘Amendments to Australian Accounting Standards’

Part A: ‘Annual Improvements 2010-2012 and 2011-2013 Cycle’

The Annual Improvements 2010-2012 Cycle include a number of amendments to various AASBs, which are summarised below.

The amendments to AASB 2 (i) change the definitions of ‘vesting condition’ and ‘market condition’; and (ii) add definitions for ‘performance condition’ and ‘service condition’ which were previously included within the definition of ‘vesting condition’. The amendments to AASB 2 are effective for share-based payment transactions for which the grant date is on or after 1 July 2014.

The amendments to AASB 3 clarify that contingent consideration that is classified as an asset or a liability should be measured at fair value at each reporting date, irrespective of whether the contingent consideration is a financial instrument within the scope of AASB 9 or AASB 139 or a non-financial asset or liability. Changes in fair value (other than measurement period adjustments) should be recognised in profit and loss. The amendments to AASB 3 are effective for business combinations for which the acquisition date is on or after 1 July 2014.

The amendments to AASB 8 (i) require an entity to disclose the judgements made by management in applying the aggregation criteria to operating segments, including a description of the operating segments aggregated and the economic indicators assessed in determining whether the operating segments have ‘similar economic characteristics’; and (ii) clarify that a reconciliation of the total of the reportable segments’ assets to the entity’s assets should only be provided if the segment assets are regularly provided to the chief operating decision-maker.

The amendments to the basis for conclusions of AASB 13 clarify that the issue of AASB 13 and consequential amendments to AASB 139 and AASB 9 did not remove the ability to measure short-term receivables and payables with no stated interest rate at their invoice amounts without discounting, if the effect of discounting is immaterial. As the amendments do not contain any effective date, they are considered to be immediately effective.

The amendments to AASB 116 and AASB 138 remove perceived inconsistencies in the accounting for accumulated depreciation/amortisation when an item of property, plant and equipment or an intangible asset is revalued. The amended standards clarify that the gross carrying amount is adjusted in a manner consistent with the revaluation of the carrying amount of the asset and that accumulated depreciation/amortisation is the difference between the gross carrying amount and the carrying amount after taking into account accumulated impairment losses.

The amendments to AASB 124 clarify that a management entity providing key management personnel services to a reporting entity is a related party of the reporting entity. Consequently, the reporting entity should disclose as related party transactions the amounts incurred for the service paid or payable to the management entity for the provision of key management personnel services. However, disclosure of the components of such compensation is not required.

The ‘Annual Improvements 2011-2013 Cycle’ include a number of amendments to various AASBs, which are summarised below.

The amendments to AASB 3 clarify that the standard does not apply to the accounting for the formation of all types of joint arrangement in the financial statements of the joint arrangement itself.

The amendments to AASB 13 clarify that the scope of the portfolio exception for measuring the fair value of a group of financial assets and financial liabilities on a net basis includes all contracts that are within the scope of, and accounted for in accordance with, AASB 139 or AASB 9, even if those contracts do not meet the definitions of financial assets or financial liabilities within AASB 132.

The amendments to AASB 140 clarify that AASB 140 and AASB 3 are not mutually exclusive and application of both standards may be required. Consequently, an entity acquiring investment property must determine whether:

(a) the property meets the definition of investment property in terms of AASB 140; and

(b) the transaction meets the definition of a business combination under AASB 3.

Note 1. Significant accounting policies (cont'd)

Part C – ‘Materiality’

This amending standard makes amendments to particular Australian Accounting Standards to delete their references to AASB 1031, which historically has been referenced in each Australian Accounting Standard.

The adoption of this amending standard did not have any material impact on the disclosures or the amounts recognised in the Group's condensed consolidated financial statements.

Impact of the application of Interpretation 21’Levies’

The Group has applied Interpretation 21 ‘Levies’ for the first time in the current year. Interpretation 21 addresses the issue as to when to recognise a liability to pay a levy imposed by a government. The Interpretation defines a levy, and specifies that the obligating event that gives rise to the liability is the activity that triggers the payment of the levy, as identified by legislation. The Interpretation provides guidance on how different levy arrangements should be accounted for, in particular, it clarifies that neither economic compulsion nor the going concern basis of financial statements preparation implies that an entity has a present obligation to pay a levy that will be triggered by operating in a future period.

Interpretation 21 has been applied retrospectively. The application of this Interpretation did not have any material impact on the disclosures or on the amounts recognised in the Group's condensed consolidated financial statements.

Note 2. Profit Reserve

	31 December 2014 $'000	31 December 2013 $'000
Movements in profit reserve were as follows:		
Balance at beginning of period	3,862	3,862
Net profit for the period	1,566	-
Dividends paid	-	-
Balance at end of reporting period	**5,428**	**3,862**

Note 3. Segment Information

(a) AASB 8 Operating Segments

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

Information regarding these segments is presented below. The accounting policies of the reportable segments are the same as the Group's accounting policies.

(b) Products and services from which reportable segments derive their revenues

Information reported to the Group's Chief Executive Officer for the purposes of resource allocation and assessment of performance is more specifically focused on the category of customer for each type of service. The Group's reportable segments under AASB 8 are therefore as follows:

Technical Field Force Solutions

Technical Field Force Solutions provides contracting services to the telecommunications, subscription television and communication industries. The contracting services includes the delivery of bundled services over hybrid fibre coax network, the installation of subscription television, the installation of free to air television antennas and security systems.

Technical Design and Construction Projects

Technical Design and Construction Projects provides the design and installation of building services for commercial and industrial buildings including mechanical services, air conditioning, heating and ventilation (HVAC), refrigeration and fire services.

Technical Maintenance Services

Technical Maintenance Services provides the maintenance of building services for commercial and industrial buildings including, mechanical services, HVAC, electrical and fire services.

Other

Interest income that is not allocated to the operating segments.

Note 3. Segment Information (cont'd)

The following is an analysis of the Group's revenue and results by reportable operating segment for the periods under review:

	Revenue Half-year ended		Segment Profit Half-year ended	
	31 Dec 14	**31 Dec 13**	**31 Dec 14**	**31 Dec 13**
	$'000	**$'000**	**$'000**	**$'000**
Continuing Operations				
Technical Field Force Solutions	100,198	74,531	1,336	1,053
Technical Design and Construction Projects	126,280	123,783	6,418	(24,489)
Technical Maintenance Services	39,489	50,090	(1,221)	(409)
Other	14	69	-	-
Revenue from external customers	**265,981**	**248,473**	**6,533**	**(23,845)**
Corporate costs including legal and advisory			(3,926)	(4,066)
Finance costs			(721)	(1,098)
Profit / (loss) before tax			1,886	(29,009)
Income tax (expense) / benefit			(320)	5,642
Consolidated segment revenue and profit / (loss) for the period	**265,981**	**248,473**	**1,566**	**(23,367)**

The following is an analysis of the Group's assets by reportable operating segment:

	31 December 2014 $'000	**30 June 2014 2013 $'000**
Continuing Operations		
Technical Field Force Solutions	60,085	86,105
Technical Design and Construction Projects	67,532	54,083
Technical Maintenance Services	14,905	3,738
Total assets	**142,522**	**143,926**

Note 4. Dividends

	Half Year Ended	
	31 December 2014 $'000	**31 December 2013 2013 $'000**
Ordinary Shares		
There were no dividends paid during the half-year (2013: Nil)	**Nil**	**Nil**
Dividends not recognised at the end of the half-year		
The Directors have not declared the payment of an interim dividend for the current financial year (2013:nil per fully paid ordinary share fully franked at the rate of 30%). The aggregate amount of the proposed dividend which has not been included as a liability in the Half-Year Financial Report, is:	**Nil**	**Nil**

Note 5. Issued Capital

	Half-year ended	
	31 Dec 14	31 Dec 13
	Number of Shares	Number of Shares
Ordinary shares - fully paid	422,907,346	228,861,202

Movement on ordinary share capital

Date	Details	Number of Shares	$'000
1 January 2013	Opening Balance	228,861,202	77,797
31 December 2013	Closing Balance	228,861,202	77,797
22 October 2014	Issue of shares under the Share Placement offer	34,329,180	3,776
19 November 2014	Issue of shares under the Rights offer	155,626,055	17,119
1 December 2014	Issue of shares by way of placement to executives	4,090,909	450
	Less: transaction costs arising on shares issued	-	(1,511)
		422,907,346	**97,631**

Note 6. Subsequent Events

No significant events have occurred since balance date.

Note 7. Key Management Personnel

Remuneration arrangements of key management personnel are disclosed in the Annual Report for the period ending 30 June 2014.

Note 8. Financing Facilities

		Consolidated	
		31 December 2014	**30 June 2014**
		$'000	**$'000**
The following facilities were available at balance date:			
Total Facilities:			
i	Bank Loans	7,650	10,300
ii	Debtor Finance Facility	16,000	16,000
ii	Overdraft Facility	4,000	-
ii	Equipment Finance Facility	5,000	7,500
ii	Multi Option Facility: Business Overdraft	-	11,000
	Other	994	29
		33,644	**44,829**
Used at balance date			
i	Bank Loans	7,650	10,300
ii	Debtor Finance Facility	-	8,382
ii	Overdraft Facility	-	-
ii	Equipment Finance Facility	4,247	5,386
ii	Multi Option Facility: Business Overdraft	-	-
	Other	994	29
		12,891	**24,097**
Unused at balance date			
i	Bank Loans	-	-
ii	Debtor Finance Facility	16,000	7,618
ii	Overdraft Facility	4,000	-
ii	Equipment Finance Facility	753	2,114
ii	Multi Option Facility: Business Overdraft	-	11,000
	Other	-	-
		20,753	**20,732**

i All facilities have an expiry date of 30 March 2016.

ii All these facilities are renewed annually and expire on 30 November 2015.

The Group is in compliance with Bank Covenants and knows no reason why facilities will not be renewed.

The Directors consider that all other financial assets and financial liabilities recognised in the condensed consolidated financial statements approximate their fair values.

Note 9. Significant Items

	Consolidated	
	31 December 2014	**31 December 2013**
	$'000	**$'000**
Impairment of intangible goodwill assets	-	10,000
Non-recurring key project provisions, releases and write downs	108	20,353
Restructure costs	173	-
Other contract one-off items	507	-
Total significant items	**788**	**30,353**

Note 10. Non-Current Assets - Goodwill

	Consolidated	
	31 December 2014	**31 December 2013**
	$'000	**$'000**
Cost		
Balance at the beginning of period TFFS	13,025	13,025
Balance at the beginning of period TDCP	34,142	34,142
Balance at the beginning of period TMS	9,553	9,553
Balance at the beginning of period	**56,720**	**56,720**
Balance at end of period TFFS	13,025	13,025
Balance at end of period TDCP	34,142	34,142
Balance at end of period TMS	9,553	9,553
Balance at end of period	**56,720**	**56,720**
Accumulated imparment losses		
Balance at the beginning of period TFFS	(13,025)	(1,535)
Balance at the beginning of period TDCP	(18,957)	-
Balance at the beginning of period TMS	(9,553)	-
Balance at the beginning of period	**(41,535)**	**(1,535)**
Impairment losses recognised in the period TFFS	-	-
Impairment losses recognised in the period TDCP	-	(10,000)
Impairment losses recognised in the period TMS	-	-
Impairment losses recognised in the period	**-**	**(10,000)**
Balance at end of period TFFS	(13,025)	(1,535)
Balance at end of period TDCP	(18,957)	(10,000)
Balance at end of period TMS	(9,553)	-
Balance at end of period	**(41,535)**	**(11,535)**
Closing carrying value at 31 December		
Closing carrying value TFFS	-	11,490
Closing carrying value TDCP	15,185	24,142
Closing carrying value at TMS	-	9,553
Total closing carrying value	**15,185**	**45,185**

Note 10. Non-Current Assets - Goodwill (cont'd)

The recoverable amount of each cash generating unit is determined based on value-in-use calculations. Value-in-use is calculated based on the present value of cash flow projections over a three year period with the period extending beyond three years extrapolated using an estimated growth rate of 2.0% for TFFS, 2.0% for TDCP and 2.5% for TMS. The cash flows are discounted using the weighted average cost of capital with mid-year discounting.

The following assumptions were used in the value-in-use calculations:

	Growth Rate	WACC/Discount Rate
Technical Field Force Solutions (TFFS)		
2015	31.40%	17.11%
2016	(4.20%)	17.11%
2017	(14.00%)	17.11%
Terminal Year	2.00%	17.11%
Technical Design & Construction Projects (TDCP)		
2015	11.40%	17.99%
2016	(4.20%)	17.99%
2017	1.00%	17.99%
Terminal Year	2.00%	17.99%
Technical Maintenance Services (TMS)		
2015	(15.00%)	15.67%
2016	5.00%	15.67%
2017	2.40%	15.67%
Terminal Year	2.50%	15.67%

Other assumptions used in the value-in-use model include Cost of Goods Sold (COGs), Operating Expenses (OPEX), Debtor Days, Creditor Days, Provisions and Work in Progress (WIP) Days.

Forecasts used historical weighted average growth rates at which contracts are currently being written to project revenue. Costs are calculated taking into account historical gross margins. Discount rates are pre-tax and are adjusted to incorporate risks associated with a particular segment.

The Board considers that it has taken a moderate view of the market conditions and business operations. Recent improvements and the future impact of planned improvements and business re-engineering have not been fully incorporated in the value-in-use model. Management expects a potential uplift in the performance through these changes and the overall performance of the CGUs.

Impact of possible changes to key assumptions

Growth Rate

TFFS - In a sensitivity analysis, Management estimates that a 5% reduction in top line revenue growth over the model period would cause a reduction in enterprise value of $13.744 million and a 5% increase in the overall revenue growth would result in an increase in enterprise value by $13.744 million. A sensitivity analysis of 5% has been chosen due to the underlying stability of the TFFS business operation model, predominantly based on the back of long term contracts with major clients. The impact on enterprise value excludes any compensating adjustments to operating expenses.

TDCP - In a sensitivity analysis, Management estimates that a 5% reduction in top line revenue growth over the model period would cause a reduction in enterprise value of $11.609 million and a 5% increase in the overall revenue growth would result in an increase in enterprise value by $11.609 million. A sensitivity analysis of 5% has been chosen due to the mature construction market and the current environment projected over a longer term. The impact on enterprise value excludes any compensating adjustments to operating expenses.

Note 10. Non-Current Assets - Goodwill (cont'd)

TMS - In a sensitivity analysis, Management estimates that a 5% reduction in top line revenue growth over the model period would cause a reduction in enterprise value of $11.468 million and a 5% increase in the overall revenue growth would result in an increase in enterprise value by $11.468 million. A sensitivity analysis of 5% has been chosen due to the overall growth of the construction and maintenance market conditions. The impact on enterprise value excludes any compensating adjustments to operating expenses.

Gross Margin: Revenue less Costs of Goods Sold (Direct Costs)

TFFS - In a sensitivity analysis, Management estimates that a 1% reduction in gross margin would cause a reduction in enterprise value of $12.483 million and an improvement in gross margin of 1% will increase the enterprise value of the division by $12.483 million. A sensitivity analysis of 1% has been chosen due to the underlying stability of the TFFS business operation model, predominantly based on the back of long term contracts with major clients. Whilst the value-in-use model has gross margin steady, Management anticipates that based on current initiatives that gross margin percentages may improve slightly over the value-in-use cash flow projection period.

TDCP - In a sensitivity analysis, Management estimates that a 1% reduction in gross margin would cause a reduction in enterprise value of $16.786 million and an improvement in gross margin of 1% would increase the enterprise value by $16.786 million. A sensitivity analysis of 1% has been chosen due to the competitive nature of the industry that TDCP operates in that has resulted in lower than expected margin performance. Whilst the value-in-use model has gross margin steady, Management anticipates that based on current initiatives that gross margin percentages may improve slightly over the value-in-use cash flow projection period.

TMS - In a sensitivity analysis, Management estimates that a 1% reduction in gross margin would cause a reduction in enterprise value of $7.095 million and an improvement in gross margin of 1% would result in an increase in enterprise value of $7.095 million. A sensitivity analysis of 1% has been chosen due to the underlying stability of the TMS business operation model, predominantly based on a spread of work across maintenance contracts, service and small project work. Whilst the value-in-use model has gross margin steady, Management anticipates that based on current initiatives that gross margin percentages may improve slightly over the value-in-use cash flow projection period.

Working Capital

Key components affecting working capital include debtor day collections, accounts payable days and project work In progress days. Management believe the assumptions used in the cash flow projection period are conservative based on historical performance and do not take into account initiatives to improve these metrics going forward. Applying sensitivity analysis impacts each respective cash-generating-unit as follows:

TFFS – A sensitivity in adversely impacting working capital based on collecting debtors two days later and paying creditors two days earlier would reduce enterprise value by $1.967 million.

TDCP – A sensitivity in adversely impacting working capital based on collecting debtors five days later and paying creditors two days earlier, and WIP reducing two days would reduce enterprise value by $6.591 million.

TMS - A sensitivity in adversely impacting working capital based on collecting debtors two days later and paying creditors two days earlier, and WIP reducing two days would reduce enterprise value by $1.416 million.

Combined Scenario (Gross Margin, Working Capital, OPEX and Growth Rate)

An assessment of combining the impact of the following key variables:

. Revenue reduction of 1%

. Gross Margin reduction of 0.5%

. OPEX increase of 0.5%

. Working capital movements due to collecting debtors two days later and paying creditors two days earlier and WIP reducing two days (TDCP and TMS)

results in a potential reduction in enterprise value of $50.546 million (Reduction by CGU's: TFFS $17.053 million, TDCP $22.725 million, TMS $10.768 million).

In the event of the value-in-use model in line with this combined scenario occurring, Management expects that action would be taken to mitigate the impact of one or more variables.

In the event that the value-in-use model indicates impairment, intangible assets in TDCP and TMS (Customer Relationships and Order Backlog) would be tested for impairment as well as tangible assets for each CGU.

Declaration by Directors

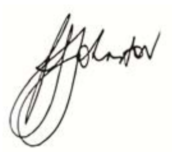
The Directors declare that:

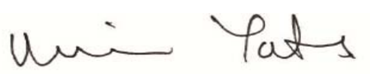
(a) in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

(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 consolidated entity.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the Corporations Act 2001.

On behalf of the Directors





Ross Johnston
Chairman

Nicholas Yates
Managing Director &
Chief Executive Officer

26 February 2015

Deloitte.

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Independent Auditor's Review Report to the Members of BSA Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of BSA Limited, which comprises the condensed consolidated statement of financial position as at 31 December 2014, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of cash flows and the condensed consolidated statement of changes in equity for the half-year ended on that date, selected explanatory notes and, the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year as set out on pages 10 to 26.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of BSA Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Deloitte.

Auditor's Independence Declaration

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of BSA Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of BSA Limited is not in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

D. Black

David Black
Partner
Chartered Accountants
Parramatta, 26 February 2015

CORPORATE DIRECTORY

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