Appendix 4E - Results for Announcement to the Market and Annual Report

BSA Limited
50 088 412 748

FOR THE YEAR ENDED **30 JUNE 2015**

CONTENTS

RESULTS FOR **ANNOUNCEMENT TO THE MARKET**

FOR THE PERIOD ENDED **30 JUNE 2015**

PREVIOUS CORRESPONDING PERIOD 30 JUNE 2014

APPENDIX 4E

				$'000
Revenue from ordinary activities	Up	10.6%	to	543,693
Profit from ordinary activities after income tax attributable to members	Up	107.1%	to	3,875
Net profit for the period attributable to members	Up	107.1%	to	3,875

	2015 cents	2014 cents
Basic earnings per share	1.11	(23.97)
Diluted Earnings per share	1.10	(23.97)
Net tangible asset backing per ordinary share	3.94	(4.38)

DIVIDENDS

	Amount per security (cents)	Franked amount per security at 30% tax (cents)
Interim dividend (fully franked)	Nil	Nil
Final dividend (fully franked)	Nil	Nil

This report is based on the consolidated financial statements which have been audited by Deloitte Touche Tohmatsu, with the Independent Auditor's Report included in the financial statements.

BSA Limited
Annual Report
2015

Pacific Fair Development, Queensland
Aerial view of the largest retail redevelopment in Queensland. Triple 'M' are providing mechanical services to this project.

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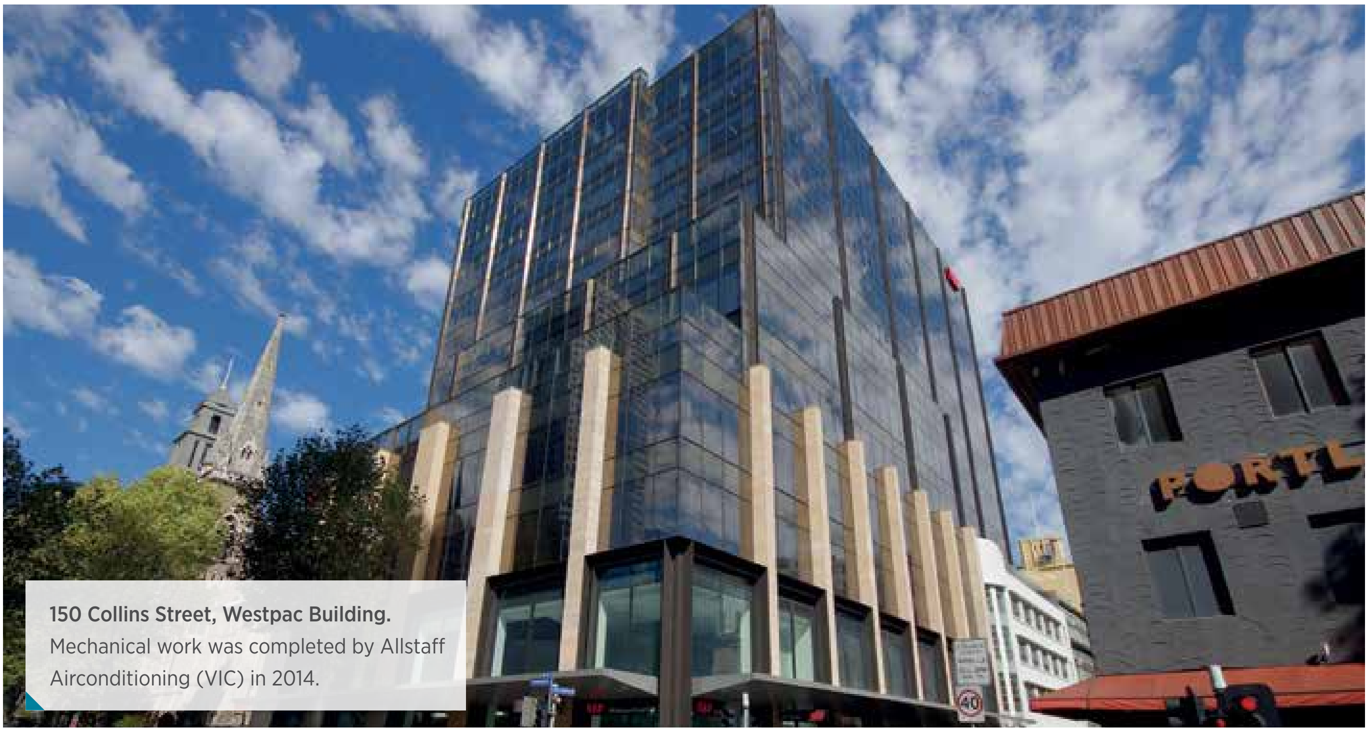


150 Collins Street, Westpac Building.
Mechanical work was completed by Allstaff Airconditioning (VIC) in 2014.

TFFS continues to deliver telecommunications exchange work across the country.

KEY HIGHLIGHTS

$543.7 million

Revenue

$14.2 million*

EBITDA

$3.9 million

Net Profit

* Reconciliation on Page 13

Michael Givoni
Chairman

For BSA Limited (BSA), FY15 represented a move to a more favourable financial position. In what has been a challenging number of years, we are now seeing improvement in our operational sectors. The Group continues to make progress and has built a solid platform for growth. The implementation of contracting and fundamental business disciplines has underpinned the turnaround. We are optimistic about the outlook across our Business Units, bolstered by a construction Forward Order Book of $206 million and annualised recurring revenues of $284m.

BSA has built a strong forward workload despite the underlying challenges.

Within the 2015 financial year, BSA announced that Mr Ross Johnston stepped down from his role at BSA, and that an additional Non-Executive Director, Graeme Barclay, had been appointed.

During his time as Chairman, Ross led the Business through significant challenges across all of the markets in which BSA operates. BSA thanks Mr Johnston for his leadership, support and drive throughout his seven years with the Group. Under Ross' Chairmanship BSA broadened its business base, significantly increased its scale, grew recurring revenue streams, strengthened management and established systems and processes to provide improved risk management and controls.

Incoming Director Graeme Barclay has extensive experience in Executive leadership and strategy development. For more than a decade, Mr Barclay led a major telecommunications group in the role of Group CEO. Graeme also has senior Executive level experience with investment banking and accounting businesses.

A detailed review of our results is provided within the Managing Director's report; however the key highlights are as follows:

- Revenue $543.7 million (2014: $491.5 million);
- EBITDA $14.2 million (2014: $10.7 million loss);
- Net profit $3.9 million (2014: $54.8 million loss);
- Operating cash inflow $19.6 million (2014: $5.6 million)
- Basic earnings per share of 1.11 cents (2014: loss per share of 23.97 cents);
- Net cash increased to $18.4 million (2014: Net Debt of $18.8 million);
- Nil final dividend declared.

In FY15, a successful capital raising of $21.3 million (Net $19.8 million) significantly strengthened the Group. This, along with improved management of working capital, allowed the Group to pay down a significant amount of debt and has provided BSA with a platform to pursue future growth initiatives.

Technical Design and Construction Projects (TDCP) returned to profitability in FY15 after closing out a number of contractual disputes. An enhanced Senior Management Team, a back-to-basics foundation, and an improved focus on account management, has ensured TDCP maintains a strong Forward Order Book and pipeline of opportunities.

Technical Field Force Solutions (TFFS) completed a total of 900,000 tickets of work during FY15. BSA's heritage business renewed its focus on business development and diversified its services to existing clients.

Technical Maintenance Services (TMS) was awarded a number of contracts in FY15, including Fiona Stanley Hospital, Charles Sturt University and Sydney Water. However, a downturn in the resource industry sector, combined with moving larger projects out of the Business Unit, resulted in a revenue decrease. TMS continues to develop its award winning IT Mobility Solution, and is focusing on a national capability to provide a multi-service offering to capital cities and major regional centres.

BSA's continued investment in workplace health and safety has been rewarded with significant reductions in all reportable incidents across the Group.

While the Board resolved not to pay a final dividend for FY15, we anticipate reviewing the matter on an ongoing basis as the business returns to a more consistent earnings profile.

With a number of solid opportunities within each Business Unit, the resolution of legacy issues, embedded disciplines around contract management and a renewed focus on business development, the outlook for FY16 is positive.

BSA has continued to enjoy a strong and supportive relationship with its financiers in FY15, and we look forward to their continued support in FY16.

I would like to thank my fellow Directors for their contribution to BSA and for their support during the year. I would also like to thank the Board for the opportunity to contribute as the newly appointed Chairman.

Our staff and Executive Team have continued to show their commitment to our customers, shareholders and employees in FY15. On behalf of the Board, thank you.

Michael Givoni
Chairman

28 August 2015

Macquarie Shopping Centre, Sydney NSW. Triple 'M' completed mechanical services on the recently renovated redevelopment. It is now the largest shopping centre in New South Wales.

Nicholas Yates
Managing Director and
Chief Executive Officer

OPERATIONAL AND FINANCIAL HIGHLIGHTS AND OUTLOOK

FY15 saw BSA deliver major operational improvements that provide a solid and sustainable platform for future growth, and a significantly strengthened financial foundation better tailored to our business portfolio. These pleasing results are in contrast to recent years and have been achieved as a result of a robust management push towards operating efficiency improvements and a strong focus on discipline and risk. While we are very pleased with the result there is still work to be done. We will maintain the disciplined focus in FY16 and with continuing strength in the markets in which we operate we look forward to further business improvements.

In FY15, BSA generated revenue of $543.7m, an uplift of 10.6% compared with the prior comparative period (PCP) (2014: $491.5 million). The Group delivered increased earnings before interest, taxes, depreciation and amortisation (EBITDA) of $14.2m (2014: loss of $10.7m) and the net profit after tax for the year was $3.9m (2014: loss of $54.8m).

As noted, BSA's financial position was significantly strengthened by a successful capital raising of $21.3 million (net proceeds of $19.8m) and by improved working capital management. The funds were applied to the repayment of debt and reduction of creditors during the period. In addition to the capital raising, strong operating cashflows have led to a significantly improved net cash position of $18.4 million compared with a net debt position of $18.8 million at 30 June 2014.

The resolution of a number of legacy issues and variation claims has also contributed to our improvement in profitability in FY15. The resolution of these issues has allowed BSA's Business Units to be less distracted and to return to a business as usual approach, focussing on business development, diversification of services for existing clients, and embedding improved contracting disciplines throughout the Group.

BSA continues to receive the on-going support of our financiers, with working capital facilities renewed through to March 2016. Discussions have commenced on the agreement of longer term facilities.

Despite the approaching completion of the large new Royal Adelaide Hospital Project, the Group continues with a strong Forward Order Book and an increased pipeline of opportunities across all Business Units. Further cost reduction initiatives and focus on margin improvements will continue into FY16 to ensure BSA's results maintain the upward trend.

NSW OFFICE OF STATE REVENUE PAYROLL TAX

BSA has previously advised the market about a possible payroll tax related liability to the New South Wales Office of State Revenue.

BSA has continued, along with its legal representatives, to constructively work with the Office of State Revenue to ensure an equitable and timely conclusion to this matter. BSA has a provision in its FY15 accounts of $2.0 million (FY14 $2.0 million) and, at the date of this Report, there is no further information that would suggest this provision should be changed.

new ROYAL ADELAIDE HOSPITAL

BSA has also previously advised the market about the new Royal Adelaide Hospital Project which has a number of significant and unapproved variations. Whilst some variations have been approved and paid during FY15, there are still a significant number of unapproved variations which are the subject of ongoing negotiations. BSA is progressing well to the completion of the Project expected in FY16, and we have made progress towards resolving the outstanding matters.

GROWTH

BSA enters FY16 with a strong Forward Order Book. We will continue to build our forward workload pipeline with improved market penetration and a focus on implementing solid disciplines around bid and contract management. Each Business Unit continues to prioritise regular formal marketing and business development initiatives to drive further growth and diversification opportunities and the pipeline of opportunities is solid, reflecting underlying strength in the markets in which we operate.

TDCP has a healthy Forward Order Book and continues to source a pipeline of opportunities within both Australia and New Zealand. The Business Unit is now focussing successfully on expanding its client base, growth of its Fire business and the successful completion of the new Royal Adelaide Hospital Project in early 2016.

TFFS has reported a 50% increase in completed installations and maintenance tasks, with a total of 900,000 tickets of work completed in FY15. This Business Unit continues to focus on growth opportunities in the telecommunication and training sectors. Our Registered Training Organisation was rebranded as 'Blue Sky Academy' and has diversified into the health and community sectors.

TMS has maintained its position as a major provider to Tier 1 customers including Harvey Norman, Fiona Stanley Hospital and Brookfield Office Properties. Although there has been a downturn in the resource sector, the recurring revenue for this Business Unit saw an increase in FY15, with TMS now focussing on the expansion of their national multi-services capability. TMS has continued to develop its mobility system; and, in addition, TMS has entered into an agreement with a leading energy management software company, for the deployment of a strategic solution to minimise customer energy consumption.

HEALTH, SAFETY, ENVIRONMENT AND QUALITY

BSA has continued the reduction trend in reported lost time injuries during FY15. A renewed focus on proactive injury management and return to work actions has also seen workers' compensation claims reduce in terms of both numbers and lost days.

Substantial foundational work has been carried out to move BSA to best practice and a leader led health, safety, environment and quality (HSEQ) culture. The move to a simpler, systematic and standard way of operating has been enhanced by the strengthening of Group standards and procedures. These give Business Units the autonomy to engineer and tailor systems to maximise and realise inherent value, leverage their knowledge base and operating methods whilst ensuring compliance within the Group standards and procedures.

Work and investment in the development and implementation of an Integrated Management System (IMS), rationalisation of roles and responsibilities, and a focus on simplification, presents BSA with an exciting opportunity to further progress its HSEQ journey. In the coming year, BSA's operations will focus on hazard identification and a leadership commitment programme that will create a greater understanding of risks faced, both strategically and operationally. This will allow a forward looking perspective through the use of lead indicator tracking and proactive HSEQ leadership.

COMMUNITY SUPPORT

During FY15 BSA, its subsidiaries and its employees, contributed to a number of charity fundraisers including the Women's and Children's Hospital Foundation, Multiple Sclerosis Society, Everyday Hero, the SNRLFC "Sleapy's Cancer Day", the Melanoma March, the Ride to Conquer Cancer for Chris O'Brien Lifehouse, Royal Flying Doctor Service Outback Car Trek and the Mother's Day Classic.

We also continued our longstanding partnership with Youngcare, a not-for-profit foundation that provides age appropriate accommodation to young Australians with high-care needs. Youngcare assists young people to find supported accommodation outside aged care and nursing home environments for young people with severe and profound disabilities.

GENDER DIVERSITY

BSA is committed to providing a workplace for all employees that is free from discrimination, harassment and bullying. BSA provides a working environment that promotes diversity and encourages all employees to reach their potential.

BSA's commitment to diversity ensures the elimination of discrimination against people based on gender, ethnic group, political or religious affiliation, health status or disabilities.

Current staff summary:

	Percentage of Employment	
	Female	**Male**
Board	0%	100%
Senior Executives	12%	88%
Managers and Professionals	8%	92%
Technical, Administration and Other Staff	22%	78%
TOTAL	**19%**	**81%**

The over-arching principle applied at BSA is that where there is an existing vacancy the most suitable person for a job is employed.

BSA is also committed to recruiting, training and retaining talented future leaders, with apprentice and trainee employees making up 9% of our workforce.

MANAGING DIRECTOR'S REPORT

TECHNICAL DESIGN AND CONSTRUCTION PROJECTS (TDCP)

Technical Design and Construction Projects (TDCP), including Group Companies BSA, Allstaff Airconditioning and Triple 'M', continue to be major providers of heating, ventilation, air conditioning (HVAC) and Fire Protection Services in all mainland states and territories.

The 2015 financial year saw TDCP return to profitability as the Business Unit closed out a number of contractual matters and shifted focus to concentrate on getting back to basics. The resolution of these outstanding issues has allowed the Senior Management Team to prioritise re-embedding contracting disciplines around bid management, contract formation, design management and improved project delivery. These disciplines have been underpinned by improved policies and procedures, an enhanced Senior Management Team and a strong effort in reinforcing our cultural values and behaviours.

TDCP has continued to compete on a wide variety of projects in FY15. Our ability to provide an end-to-end in-house capability in the Fire and HVAC sectors, including design, engineering, fabrication, installation, commissioning and service, has ensured we continue to be awarded some of the largest HVAC and Fire contracts in Australia.

In FY15 TDCP has delivered works on a large number of landmark projects, including:

- The new Royal Adelaide Hospital (completion due early 2016),
- Wagga Wagga Hospital (NSW),
- Dubbo Hospital (NSW),
- 480 Queen St, Brisbane, Commercial Office Tower (QLD),
- Pacific Fair Shopping Centre Redevelopment (QLD),
- Eastland Shopping Centre Redevelopment (VIC),
- Werrribee Shopping Centre Redevelopment (VIC),
- Barangaroo Sydney (NSW),
- HMAS Albatross (NSW),
- Old Treasury Building – Commercial Office Tower Perth (WA); and
- Kings Square 2 and 3 Commercial Office Towers Perth (WA).

FY16 has seen TDCP commence with a healthy Forward Order Book of $206 million and a strong pipeline of opportunities across Australia and New Zealand. We have recently been awarded projects worth $106.0m including:

- ICC Hotel (Fire & HVAC) (NSW),
- Westfield Hurstville (NSW),
- 1 Parramatta Square (Fire & HVAC) (NSW),
- Bolte Tower 10 (VIC),
- Epworth Freemasons Hospital (VIC),
- Shell Kings Square fitout (WA); and
- Capital Square Tower (WA).

Our strategy to grow our NSW based Fire business (Triple 'M' Fire) has gained significant traction during FY15 with the establishment of our QLD Fire business and a move to establish a centralised infrastructure division focusing on transport (tunnels and rail), ports and terminals.

We continue our BSA Living initiative to provide a tailored service to the high rise residential market.

The new Royal Adelaide Hospital (nRAH) is Australia's first fully integrated 6D Building Information Modeling (BIM) Project. The BSA scope as the Tier One Mechanical Services Contractor includes the documentation and construction of certain Mechanical Infrastructure Services, and being the lead BIM Coordinator within a BIM MEP Aus environment. During FY15 BSA achieved an on-site milestone of 750,000 man hours completed without a lost time injury (LTI).

TDCP

$252.7 million

Revenue

[2014: $234.1 million]

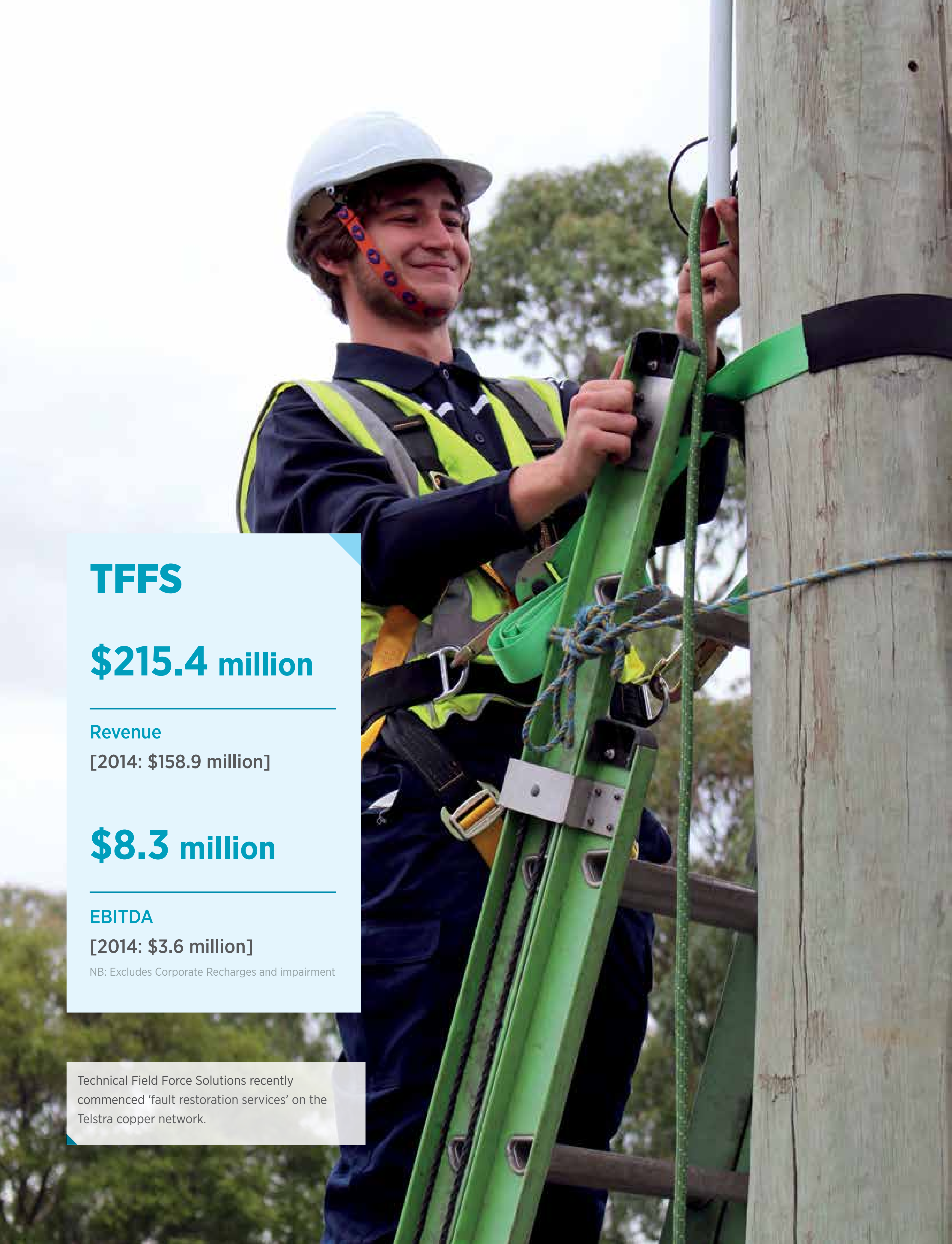
$10.1 million

EBITDA

[2014: EBITDA loss of $12.4m]

NB: Excludes Corporate Recharges and impairment

new Royal Adelaide Hospital Project, Adelaide SA
View of the North side nRAH façade from across the rail line.



TFFS

$215.4 million

Revenue

[2014: $158.9 million]

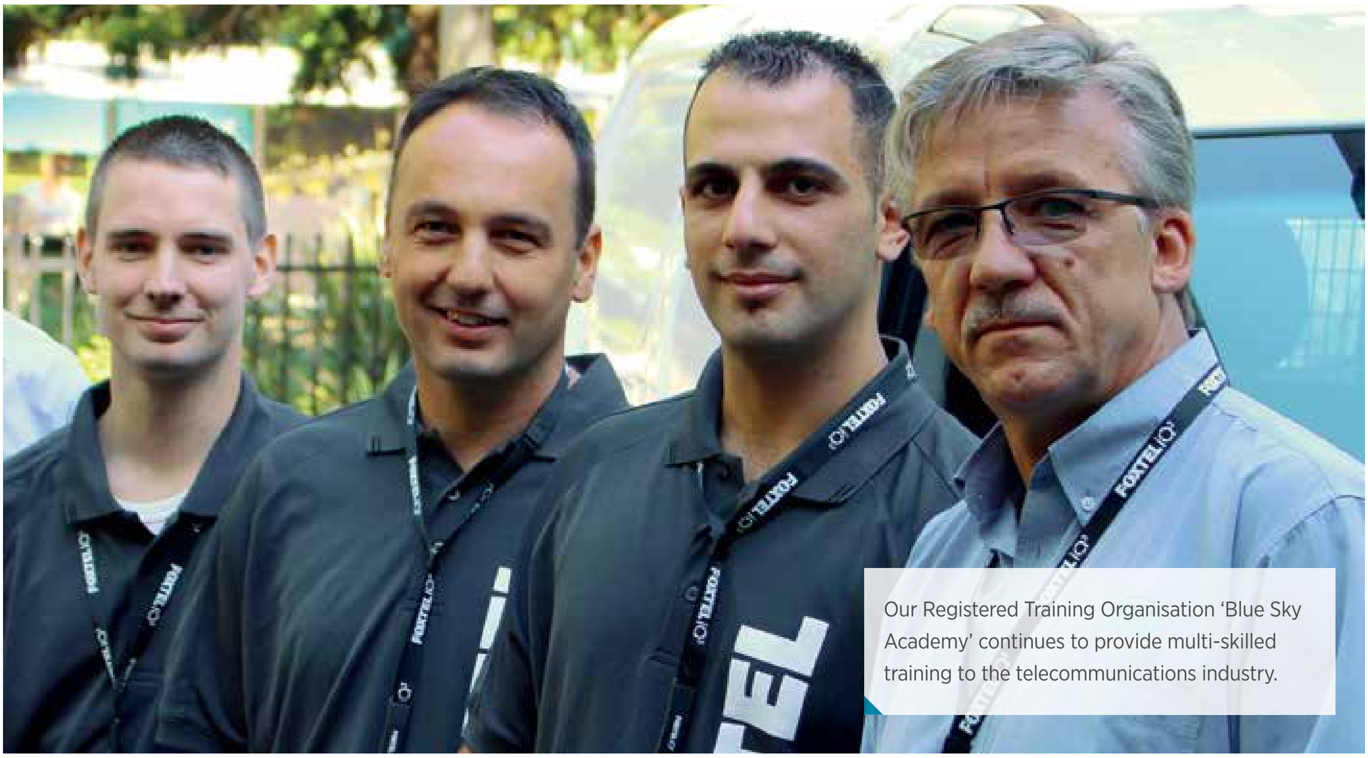
$8.3 million

EBITDA

[2014: $3.6 million]

NB: Excludes Corporate Recharges and impairment

Technical Field Force Solutions recently commenced 'fault restoration services' on the Telstra copper network.



Our Registered Training Organisation 'Blue Sky Academy' continues to provide multi-skilled training to the telecommunications industry.

TECHNICAL FIELD FORCE SOLUTIONS (TFFS)

BSA's Technical Field Force Solutions (TFFS) Business Unit continues to position itself as a market leader in high volume ticket of work management and end to end managed solutions for large scale workforces. FY15 saw a 50% national increase in completed operational and maintenance activities: a total of 900,000 tickets of work.

Our call centre serviced more than 629,000 inbound calls for FY15. TFFS increased its call efficiency by reducing approximately 192,000 incoming calls via a solution that allows work exception handling tasks to be completed in real time by way of our mobility tablet.

TFFS has also made further progress in cementing its position as an advisor on workforce management solutions providing cutting edge and tailored structures to a number of major clients.

The multi-skilling of BSA's national telecommunications workforce and implementation of a strategic recruitment campaign saw the telecommunications Business Unit mature into a well-established operating platform. The launch of Foxtel's new pricing and repackaging campaign, saw an increase in service sales to the Business Unit and a national workforce 'ramp up' of additional field technicians. Furthermore, additional technicians were on boarded to service a substantial increase in telecommunication sales.

BSA has increased its service provision for Optus to include the following support;

- National Pre-port Survey and Porting Services,
- Wireless Internet Protocol (WIP),
- Virtual Private Network (VPN) Project; and
- Extended HFC services.

BSA's Registered Training Organisation (RTO), formerly known as BSA Advanced Learning, was rebranded as *Blue Sky Academy* and received a revised corporate image, logo, website and course scope. TFFS celebrated its first notable technical training achievement in June 2015, attaining the standing 'nbn Approved Training Panel Provider'. The opportunity will see Blue Sky Academy work closely with nbn to train the workforce of Australia's largest infrastructure project.

More recently, Blue Sky Academy diversified into the health, aged care and other community services sectors, and is now delivering safety and management training in these areas.

The telecommunication and workforce management markets are strong and our market share represents a large opportunity for growth.

In line with this, and the previously stated goal of diversifying our client base, a direct relationship with Telstra was established to fulfil a 'skilled field resource' requirement for 'fault restoration services' on the copper network.

In addition, the growth opportunities in this Business Unit are reinforced given the large amount of emerging work with the nbn and the opportunities in the Internet Service Provider market. TFFS has been responding to a number of nbn opportunities and is currently carrying out the nbn HFC trial rollout in Redcliffe Queensland.

With our enhanced skills in outsourced workforce management and operations and genuine partnering relationships, we look forward to improving efficiency and embedding innovation for large workforce clients across a range of new markets.

TMS

$75.6 million

Revenue
[2014: $98.5 million]

$1.7 million

EBITDA
[2014: $3.1 million]

NB: Excludes Corporate Recharges and impairment

1 Shelley Street, Sydney
Technical Maintenance Services recently renewed their contract with Brookfield to provide HVAC maintenance services to Brookfield's premium and A grade CBD properties.

TECHNICAL MAINTENANCE SERVICES (TMS)

Technical Maintenance Services revenue decreased following a downturn in the resource sector and the transfer of larger projects to the Technical Design and Construction (TDCP) Business Unit to provide customers with an improved and more specialised service and asset management solution. Despite the large project revenue decrease, the underlying maintenance contract revenue increased by 4%.

TMS was awarded a number of contracts in FY15 (worth $11 million), including:

- Brookfield Office Properties NSW Mechanical Maintenance portfolio,
- Fiona Stanley Hospital Mechanical and Hydraulic Services,
- Charles Sturt University Mechanical Services,
- Sydney Water Mechanical and Fire Services,
- Mechanical and Fire Services for defence sites in NSW and Victoria,
- Rooty Hill RSL Mechanical and Fire maintenance contract; and
- Mechanical and Fire Services at prisons in WA and the Northern Territory.

The EBITDA result of $1.7 million includes:

- One-off restructuring costs,
- Costs relating to the expansion of national multi-services capability; and
- Costs of marketing and developing the IT Mobility Solution.

The multi-services include mechanical, fire, plumbing, electrical and general maintenance services. TMS has now established a national capability to provide multi-services in capital cities and major regional centres, has secured a number of contracts and is actively pursuing others.

The Business Unit continued to invest in, and develop, its information technology and mobility systems. TMS was recently awarded international recognition with a Distinguished Project Award for its mobility solution. The solution is ideally suited to remote and mobile workforces, and is being promoted as a stand-alone system with strong market interest with some early initial sales opportunities. The mobility system features automated integration which connects field technicians and customer systems to eliminate manual processes, captures asset information and provides data analytics and web based dashboards. TMS is now looking to work more closely with TFFS in a holistic approach to workforce management and efficiency.

In line with the general BSA strategy to move to higher value add and advisory services, in the new financial year, TMS entered into an agreement with Building IQ, a leading energy management software company, for the deployment of its Predictive Energy Optimization™ (PEO) platform.

The Building IQ PEO platform will be offered as part of a strategic solution to minimise customer energy consumption using highly sophisticated and predictive analytics which can automatically make changes to heating and cooling (HVAC) operations. Our agreement with Building IQ is a continuation of our investment in innovative technologies and systems.

LOOKING FORWARD

As mentioned in the Chairman's report, the market outlook for BSA's operational sectors remains steady or improving and with the resolution of key legacy issues, embedded disciplines around contract management and a renewed focus on business development, the outlook for FY16 is positive.

The business stabilisation will continue with BSA Management committed to meeting FY16 with a renewed vigour; specifically focussing on improving earnings and optimising working capital and cash flow, whilst promoting BSA Business Unit capabilities across a wider variety of markets and customers. We will also continue our move to capitilise on the skills and knowledge within the business to provide higher level advice for the benefit of our Clients' businesses.

I would like to take this opportunity to thank BSA's talented and committed team for their efforts in FY15 and I look forward to their continued support throughout FY16.

In what has been a very big year for the Company, the BSA Board has continued to be extremely supportive. I extend my thanks to Ross Johnston as the outgoing BSA Chairman, to Michael Givoni as the newly appointed BSA Chairman, and to the Directors for their guidance and assistance.

Nicholas Yates
Managing Director and Chief Executive Officer

28 August 2015

DISCLOSING NON-IFRS FINANCIAL INFORMATION

Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)

	FY15 A$'000	FY14 A$'000
Profit/(Loss) for the year from continuing operations	3,875	(54,847)
Add back		
Income tax expense/(benefit)	1,564	(6,455)
Finance costs	1,253	2,319
Interest revenue	(294)	(94)
Depreciation	6,362	6,888
Amortisation expense	1,440	1,441
Impairment of intangibles	-	40,000
EBITDA	14,200	(10,748)
Total Key Project Provisions, Write Downs and Restructure Costs	4,199	24,222
EBITDA excluding Key Project Provisions, Write Downs and Restructure Costs	18,399	13,474

THE BOARD OF DIRECTORS PRESENTS ITS REPORT

The Directors of BSA Limited ('BSA' or the 'Company') present their report on the Company and its subsidiaries for the financial year end 30 June 2015.

THE BOARD OF DIRECTORS AS AT 30 JUNE 2015

A - MICHAEL GIVONI

CHAIRMAN (NON-EXECUTIVE)

Mr Givoni has had extensive Executive experience in the business-to-business (B2B) areas of commerce. His particular area of expertise is in Strategy, Business Development and Mergers and Acquisitions. Michael has held senior Executive roles in listed companies including Spotless Group Ltd. Prior to his Executive career, Michael was a Partner in a prominent Melbourne legal practice.

Michael joined BSA as a Non-Executive Director on 23 March 2005, and was appointed Chairman from 28 April 2015. He holds a number of other Non-Executive Director and Advisory Board roles in prominent privately owned businesses.

B - NICHOLAS YATES

MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER

Mr Yates graduated with a Bachelor of Engineering (Mechanical) from the University of Sydney and went on to forge an extensive career in the Building Services and Facilities Management industries. Commencing as a site engineer overseeing mechanical services installations, Nicholas then progressed through various management roles within Lend Lease and eventually moved on to become CEO of APP Corporation Pty Limited, Australia's leading Construction Project Management consulting business. When APP was acquired by Transfield Services, Mr Yates moved into a series of leadership roles within Transfield Services, most recently Chief Executive Officer, Infrastructure ANZ. Nicholas sits on the Boards of a number of private companies and was appointed Managing Director and Chief Executive Officer of BSA Limited on 13 March 2014.

C - PAUL TEISSEIRE

NON-EXECUTIVE DIRECTOR

Mr Teisseire is a professional independent Non-Executive Director. He spent over 20 years in private practice as a corporate lawyer specialising in business and corporate law with a special interest in corporate governance. He is a Non-Executive Director of Drake Supermarkets Pty Ltd. Within the last three years, Paul was a Non-Executive Director of Gunns Limited and Mesbon China Nylon Limited. Paul was appointed as a Non-Executive Director on 23 March 2005.

D - MARK LOWE

NON-EXECUTIVE DIRECTOR

Mr Lowe was appointed as a Director of BSA on 1 August 2007 upon completion of the acquisition of the Triple 'M' Group. Mark brings a wealth of knowledge to the Company from his 30 years' experience in the installation and maintenance of Air Conditioning and Fire Protection Services. He is a former Director of Construction Information Systems Limited (NATSPEC) and a former National President of the Air Conditioning Mechanical Contractors Association of Australia. Following his retirement from Executive duties, Mark was appointed a Non-Executive Director on 2 March 2012.

E - MAX COWLEY

NON-EXECUTIVE DIRECTOR

Mr Cowley practised as Principal of Chartered Accounting firm E M Cowley & Co for 47 years. His years of corporate and financial experience are extensive. Max is a consultant to WIN Corporation Pty Ltd, Australia's largest regional television network and has been involved with that organisation from its commencement and over the past 35 years. Max is a Director of a number of private companies. Having previously served on the Board of BSA from 2 May 2006 until 27 November 2012, Max was appointed as a Non-Executive Director on 14 April 2014.

F - GRAEME BARCLAY

NON-EXECUTIVE DIRECTOR

Mr Barclay has extensive experience in Executive leadership and strategic development in areas that will bring valuable skills to the BSA Board and Company. Mr Barclay successfully led all aspects of a major telecommunications group for more than a decade in the role of Group CEO with responsibility for financial performance, strategy, sales, corporate development, international expansion, operations and capital structure.

Mr Barclay also has senior Executive level experience within investment banking and accounting businesses, with responsibilities including property investment banking, corporate finance and corporate restructuring.

Mr Barclay is a member of the Australian Institute of Company Directors, a Fellow of the Financial Services Institute of Australasia and is a Chartered Accountant in Scotland and Australia/NZ. Mr Barclay is currently a Director and Non-Executive Chairman of Nextgen Group Holdings Pty Ltd and a Non-Executive Director of Codan Limited. Graeme was appointed as a Non-Executive Director on 30 June 2015.

G - ROSS JOHNSTON

PREVIOUSLY CHAIRMAN (NON-EXECUTIVE)

Mr Johnston joined the Board on 29 April 2008 as Chairman and held that position until 28 April 2015 when he retired.

DIRECTOR INDEPENDENCE

The Board considers four of BSA's Directors independent, as defined under the guidelines of the ASX Corporate Governance Council, being: Michael Givoni, Paul Teisseire, Max Cowley and Graeme Barclay.

In assessing the independence of Directors, the Board follows the ASX guidelines as set out in the Corporate Governance Statement within this Annual Report.

PERFORMANCE OF DIRECTORS

In accordance with Principle 2.5 of the ASX Corporate Governance Principles and Recommendations, the Board conducts a review of the performance of its Directors and the Board's function as a whole each year. The evaluation of Directors is carried out in accordance with the process established by the Board, led by the chairman of the Remuneration Committee.

COMPANY SECRETARY

The following person held the position of Company Secretary at the end of the financial year:

Mr Graham Seppelt - Mr Seppelt has had extensive experience as a contract accountant and in corporate advisory roles. He is currently Company Secretary for Legend Corporation Limited, Australian Zircon NL and UXA Resources Limited.

ENVIRONMENTAL REGULATION AND PERFORMANCE

BSA was not subject to any particular or significant environmental regulations of the Commonwealth, individual states, or territories, during the financial year.

CORPORATE GOVERNANCE

BSA continued to follow best practice recommendations as set out by the ASX Corporate Governance Council. Where the Company has not followed best practice for any recommendation, explanation is given in the Corporate Governance Statement which is available on the Company's web site at www.bsa.com.au/about-bsa/corporate-governance

Redevelopment: 5 Martin Place, Sydney
The installation of mechanical services was carried out by Allstaff Airconditioning (NSW) Pty Ltd. This was a refurbishment of the original 1916 building, along with refurbishment of the 1933 extension.

DIRECTORS' REPORT

INFORMATION ON DIRECTORS

As at 30 June 2015, the following information is provided in relation to Directors:

Director	Special Responsibilities	Ordinary Share	Options	Share Rights
Michael Givoni				
	Non-Executive Director	636,400	Nil	Nil
	Chairman of Board			
	Chairman of Remuneration Committee (until appointed as Chairman of the Board in April 2015)			
	Member of Remuneration Committee			
	Member of Audit and Compliance Committee			
Nicholas Yates				
	Executive Director	2,727,273	Nil	1,116,667
	Managing Director			
Max Cowley				
	Non-Executive Director	Nil	Nil	Nil
	Chairman of Remuneration Committee (appointed 28 April 2015)			
	Member of Audit and Compliance Committee			
Paul Teisseire				
	Non-Executive Director	680,012	Nil	Nil
	Member of Remuneration Committee			
	Chairman of Audit and Compliance Committee			
Mark Lowe				
	Non-Executive Director	10,315,403	Nil	Nil
	Member of Remuneration Committee			
	Member of Audit and Compliance Committee			
Graeme Barclay				
	Non-Executive Director	Nil	Nil	Nil
	Member of Remuneration Committee			
	Member of Audit and Compliance Committee			
Ross Johnston				
	Previously Chairman (Non-Executive) (retired 28 April 2015)	900,000	Nil	Nil

DIRECTORSHIPS HELD IN OTHER LISTED ENTITIES

Period of Appointment	Name of Company	Position Held (Non-Executive or Executive Director)
Paul Teisseire		
Appointed March 2008 Resigned 20th July 2012	Gunns Limited	Non-Executive Director and Chairman of the Audit Committee
Appointed September 2007 Resigned 8 November 2012	Mesbon China Nylon Limited	Non-Executive Director Chairman of the Audit and Compliance Committee
Michael Givoni		
Appointed 1 July 2002	The Venture Bank Limited	Non-Executive Director
Graeme Barclay		
Appointed February 2015	Codan Limited	Non-Executive Director

REMUNERATION REPORT - AUDITED

This remuneration report details the nature and amount of remuneration for each Key Management Person of BSA Limited.

The Company's policy for determining the nature and amount of emoluments of Board members and Senior Executives of the Company is as follows and is set out under the following main headings:

A. Principles used to determine the nature and amount of remuneration

B. Details of remuneration

C. Service agreements

D. Cash bonuses

E. Share-based compensation

The information provided in this remuneration report has been audited as required by section 308(3C) of the Corporations Act 2001.

A PRINCIPLES USED TO DETERMINE THE NATURE AND AMOUNT OF REMUNERATION

The objective of the Group's Executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns Executive reward with achievement of strategic objectives, the creation of value for shareholders and conforms to market practice for delivery of the reward. The Board ensures that the Executive reward satisfies the following key criteria for good reward governance practices:

- Competitiveness and reasonableness;
- Acceptability to shareholders;
- Performance linkage/alignment of Executive compensation;
- Transparency; and
- Capital management

In consultation with external remuneration consultants, the Group has structured an Executive remuneration framework that is market competitive and complementary to the reward strategy of the organisation.

Alignment to shareholders' interests:

- Has economic profit as a core component of plan design;
- Focuses on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant return on assets as well as focusing the Executive on key non-financial drivers of value; and
- Attracts and retains high calibre Executives.

Alignment to program participants' interests:

- Rewards capability and experience;
- Reflects competitive reward for contribution to growth in shareholder wealth;
- Provides a clear structure for earning rewards; and
- Provides recognition for contribution.

The framework provides a mix of fixed and variable pay as well as a blend of short and long-term incentives. As Executives gain seniority within the Group, the balance of this mix shifts to a higher proportion of at risk rewards.

The Board has established a Nomination and Remuneration Committee which provides advice on remuneration and incentive policies and practices, as well as specific recommendations on remuneration packages and other terms of employment for Executive Directors, other Senior Executives and Non-Executive Directors. The Corporate Governance Statement provides further information on the role of this committee.

The table below sets out summary information about the consolidated entity's earnings and movements in shareholder wealth for the five years to 30 June 2015:

	30 June 2015	30 June 2014	30 June 2013	30 June 2012	30 June 2011
Revenue	$543.7m	$491.5m	$474.2m	$491.8m	$402.6m
Net profit/(loss) before tax	$5.4m	($61.3)m	$2.8m	$8.2m	$8.1m
Net profit/(loss) after tax	$3.9m	($54.8)m	$3.8m	$5.8m	$8.6m
Share price at start of year	$0.10	$0.15	$0.20	$0.20	$0.20
Share price at end of year	$0.165	$0.10	$0.15	$0.20	$0.20
Interim Dividend [1]	0.00 cps	0.00 cps	0.50 cps	1.00 cps	1.00 cps
Final Dividend [2]	0.00 cps	0.00 cps	0.00 cps	1.00 cps	2.00 cps
Basic earnings per share	1.11 cps	(23.97) cps	1.64 cps	2.57 cps	4.02 cps
Diluted earnings per share	1.10 cps	(23.97) cps	1.60 cps	2.51 cps	3.86 cps

[1] Franked to 100% at 30% corporate income tax rate.

[2] Declared after the end of the reporting period and not reflected in the financial statements.

Non-Executive Directors

Fees and payments to Non-Executive Directors reflect the demands which are made on, and the responsibilities of, the Directors. Non-Executive Directors' fees and payments are reviewed annually by the Board. The Board has also considered the advice of independent remuneration consultants to ensure Non-Executive Directors' fees and payments are appropriate and in line with the market.

The Chairman's fees are determined independently to the fees of Non-Executive Directors based on the Director's experience and comparative roles in the external market. The Chairman is not present at any discussions relating to determination of his own remuneration.

Directors fees

The current base remuneration for Directors was last reviewed on 26 June 2012. Directors' fees are inclusive of superannuation and include the requirement to sit on two or more Board committees for the duration of their tenure. Directors are reimbursed actual expenses or paid a per diem allowance for attendance at the monthly meetings.

Non-Executive Directors' fees are determined within an aggregate Directors' fee pool limit, which is periodically recommended for approval by shareholders. The maximum currently stands at $600,000 per annum and was last approved by shareholders at the Annual General Meeting (AGM) on 26 November 2007. The following fees have applied:

Base fees including superannuation	
Chairman	$158,325
Other Non-Executive Directors	$91,560

Retirement allowances for Directors

Non-Executive Directors do not participate in any share or option incentive plan and there are no retirement schemes or retirement benefits other than statutory benefits for Non-Executive Directors.

Executive Pay

The Executive pay and reward framework has three components:

- Base pay and benefits, including superannuation;
- Short-term performance incentives; and
- Long-term incentives through participation in the employee share scheme, employee option plan and performance rights plan.

The combination of these components comprises the Executive's total remuneration.

Base Pay

Base pay is structured as a total employment cost package which may be delivered as a combination of cash and prescribed non-financial benefits at the Executives' discretion.

Executives are offered a competitive base pay that comprises the fixed component of pay and rewards. Base pay for Senior Executives is reviewed annually to ensure the Executive's pay is competitive with the market and meets the responsibilities of the position. An Executive's pay is also reviewed on promotion. There are no guaranteed base pay increases included in the Senior Executive terms of employment

Benefits

Executives receive benefits including allowances.

Retirement benefits

All employees are eligible to participate in the Company's default superannuation fund. With the change in legislation as at 1 July 2005, employees can now exercise choice as to where their superannuation is paid.

Short-Term Incentives

Executive remuneration packages include a bonus based on a combination of the Company achieving a pre-determined profit target and the operational pre-determined target being met. Using a profit target ensures variable reward is only available when value has been created for shareholders and when profit is consistent with the business plan.

Each Executive with operational responsibilities has a short-term incentive (STI) depending on the accountabilities of the role and impact on organisation and business unit performance. The maximum target bonus opportunity is 30% of base salary.

For the year ended 30 June 2015, the targets linked to the STI plans were based on the Group and individual business objectives. The target achievement required performance in reducing operating cost, increasing revenue and overall increase in EBITDA. The Group targets are generic across the Management Team.

The Nomination and Remuneration Committee is responsible for assessing whether the targets are met. Targets are set at the beginning of the year and are assessed semi-annually. Short-term bonus payments are adjusted up or down in line with under or over achievement against target performance levels. Because short-term targets cover several operational areas of the business as well as the overall Company target, STI may be paid when operational targets are achieved although the Company's overall target may not be met. The STI target annual payment is reviewed annually.

Options

No options were exercised during the year ended 30 June 2015.

No amounts are unpaid on any shares issued on the exercise of options.

All options have expired as at 30 June 2015.

Employee share scheme

A scheme under which shares were issued by the Company to employees for no cash consideration was ratified by shareholders at the 2004 AGM. All permanent employees (including Executive Directors) who were continuously employed by the consolidated entity for a period of at least one year were eligible to participate in the scheme. Employees could elect not to participate in the scheme.

Under the scheme, eligible employees were offered $1,000 worth of fully-paid ordinary shares in BSA Limited for the Year Ended 30 June 2004 for no cash consideration. The market value of shares issued under the scheme, measured as the weighted average market price on the day of issue of the shares, was recognised in the statement of financial position as share capital and as part of employee benefit costs. Offers under the scheme are at the discretion of the Company. No offers were made to Directors of BSA or other Key Management Personnel of the Group during the year ended 30 June 2015.

Executives Securities Loan

The establishment of the BSA Executive Securities Plan was approved by shareholders at the 2005 AGM. The plan was established as a mechanism to provide the Company's key Executives with a direct equity involvement and incentive in the Company which aligns them with the shareholders.

The number of securities to be offered and the time at which securities may be offered from time to time to Executives, and the price and terms of payment shall be determined by the Board in its discretion.

The Board may, at such times as it determines, invite any Executive to be a member of the plan.

If an Executive to whom an invitation has been issued forwards to the Company a duly completed Loan Application and the Transfer Documents together with his acceptance, and where appropriate his Application for Shares, then the Company shall, in accordance with the terms of the Loan Agreement, lend to the Executive such amount as the Executive has applied for in the Loan Application.

The maximum amount of any loan shall be the total subscription price for the shares applied for.

No interest is payable by the Borrower under the Loan Agreement.

All shares are held in escrow until loans are fully repaid. An Executive shall not sell, mortgage, charge, assign or otherwise dispose of or encumber any shares before payment or repayment of any amount outstanding to the Company in respect thereof.

Subject to the above restriction and to the terms of the Loan Agreement (if any) deemed to be entered into by the Executive, an Executive shall from the Date of Allotment, be the absolute beneficial owner of the shares.

Unless the Directors of the Company otherwise provide in the terms of any invitation, all Plan Shares shall rank for dividends declared on or after the Date of Allotment and shall in all respects rank equally with and have the same rights and entitlements as all other fully paid ordinary shares of the Company.

Offers under the scheme are at the discretion of the Company. No offers were made to Directors of BSA Limited or other Key Management Personnel of the Group during the year ended 30 June 2015.

Employee Performance Rights Plan

At the AGM held on 25 November 2008, shareholders approved the introduction of the BSA Employee Performance Rights Plan.

This incentive plan is designed to increase the motivation of eligible key staff and to create a stronger link between increasing shareholder value and employee reward.

To achieve its corporate objectives, the Company needs to attract and retain its key staff. The Board believes that awards made to selected eligible employees under the proposed plan will:

- Provide an incentive for the creation of, and focus on, shareholder wealth;
- Enable the Company to recruit and retain the talented people needed to achieve the Company's business objectives;
- Link the reward of key staff with the achievement of strategic goals and the performance of the Company;
- Align the financial interests of participants in the plan with those of Company shareholders; and
- Ensure the remuneration packages of employees are consistent with market practice.

As part of the Company's strategy, the Board wishes to be in a position to offer rights to acquire shares in the company to selected eligible employees who, in the opinion of the Board, are able by virtue of their skill and their application in performing their allocated tasks within the Company to improve shareholder wealth.

The flexibility of the Plan rules will enable the Board to design grants that best meet the particular circumstances.

The Board is cognisant that long-term equity-based reward for key staff should be linked to the achievement by the Company of testing performance hurdles.

Rights granted to certain Plan participants in each grant will be at zero vesting value and will be subject to the following performance conditions as determined by the Board:

(i) Service condition of two to three years; or

(ii) The Company's performance as measured by earnings per share (EPS), being the EPS for the relevant Measurement Period as determined by the Board having regard to the financial statements. Certain growth in EPS for the shares must be attained in respect of each Measurement Period and pro-rata in respect of the initial Measurement Period and service condition of three years.

The Company must achieve these performance conditions before the rights vest.

Once rights have been exercised by an eligible employee (subject to performance conditions being met), the Company may make non-refundable contributions to either fund the purchase of a new Plan share, or to acquire on the ASX existing shares and transfer these to an eligible employee.

The specific terms of a particular grant, including any performance conditions, will be contained in the invitation and associated documentation sent to the eligible employee.

A right granted to a participant is not transferable and may not otherwise be dealt with, except with the Board's approval, or by operation of law on death or legal incapacity.

Rights to acquire shares will not be exercisable until the end of the final measurement period, and until those rights have satisfied all vesting conditions and all performance hurdles established by the Board. This is subject to a number of exceptions (including death, cessation of employment, takeovers and schemes of arrangement). The rights will have a specified life determined by the Board. All grants of rights will have a life terminating five (5) years after the grant date or such other date as determined by the Board.

The Board will prescribe the date when performance under the hurdle is measured for each tranche.

On or after the end of the final measurement period and provided any performance hurdle prescribed by the Board has been achieved and, where applicable, to the extent it has been achieved, the plan participant may then acquire shares by exercising the rights.

A right lapses if the vesting conditions are not met.

There is a Board policy in relation to the person limiting exposure to risk in relation to the securities issued as part of the remuneration.

There was no new issue of rights in the current year.

B DETAILS OF REMUNERATION

Details of the remuneration of the Directors, the Key Management Personnel of the Group (as defined in AASB 124 Related Party Disclosures) and specified Executives of BSA and the BSA Group are set out in the following tables.

The Key Management Personnel of the Group are the following:

(i) Chairman - Non-Executive
Ross Johnston (Retired 28 April 2015)
Michael Givoni (Appointed 28 April 2015)

(ii) Executive Directors
Nicholas Yates

(iii) Non-Executive Directors
Paul Teisseire
Michael Givoni (Appointed Chairman 28 April 2015)
Max Cowley
Mark Lowe
Graeme Barclay (Appointed 30 June 2015)

(iv) Chief Financial Officer
Nicholas Benson

Ductwork at Gold Coast University Hospital, Queensland
Technical Maintenance Services provides HVAC maintenance services to the new $1.76 billion, 750-bed hospital in Queensland.

Key Management Personnel of the Company and the Group

2015	Short-term Benefits			Post Employment	Long-term Benefits		Share-based payments			
Name	Cash, Salary & Fees	Cash Bonus	Interest Unwind on Loans	Superannuation	Long Service Leave	Termination Benefits	Rights	Rights	Total	Performance Related
	$	$	$	$	$	$	$	%	$	%
Non-Executive Directors										
Ross Johnston (Retired 28 April 2015)	131,162	-	-	7,161	-	-	-	-	138,323	-
Paul Teisseire	83,616	-	-	7,944	-	-	-	-	91,560	-
Michael Givoni	92,151	-	-	8,746	-	-	-	-	100,897	-
Max Cowley	84,000	-	-	7,972	-	-	-	-	91,972	-
Mark Lowe *	276,000	-	-	26,212	-	-	-	-	302,212	-
Graeme Barclay (Appointed 30 June 2015)	-	-	-	-	-	-	-	-	-	-
Sub-total Non-Executive Directors	**666,929**	**-**	**-**	**58,035**	**-**	**-**	**-**		**724,964**	
Executive Directors										
Nicholas Yates	634,500	75,000	-	28,030	14,443	-	184,250	19.68	936,223	27.69
Other Key Management Personnel										
Nicholas Benson	335,000	36,000	-	25,000	7,051	-	-	-	403,051	8.93
Total compensation	**1,636,429**	**111,000**	**-**	**111,065**	**21,494**	**-**	**184,250**		**2,064,238**	

* During FY15 Mark Lowe was contracted to the company within the TDCP business unit, to assist in driving improved performance from the business unit. $192,000 of Mark Lowe's remuneration relates to his role assisting TDCP during the year.

2014	Short-term Benefits			Post Employment	Long-term Benefits		Share-based payments			
Name	Cash, Salary & Fees	Cash Bonus	Interest Unwind on Loans	Superannuation	Long Service Leave	Termination Benefits	Rights	Rights	Total	Performance Related
	$	$	$	$	$	$	$	%	$	%
Non-Executive Directors										
Ross Johnston	150,230	-	-	8,095	-	-	-	-	158,325	-
Paul Teisseire	83,790	-	-	7,770	-	-	-	-	91,560	-
Michael Givoni	84,000	-	-	7,770	-	-	-	-	91,770	-
Max Cowley (Appointed 10 April 2014)	15,184	-	-	1,405	-	-	-	-	16,589	-
Mark Lowe	106,000	-	-	9,620	-	-	-	-	115,620	-
Daniel Collis (Resigned 10 April 2014)	65,138	-	-	6,040	-	-	-	-	71,178	-
Sub-total Non-Executive Directors	**504,342**	**-**	**-**	**40,700**	**-**	**-**	**-**		**545,042**	
Executive Directors										
Stephen Nash (Resigned 11 March 2014)	373,012	-	-	48,652	(20,637)	194,465	-	-	595,492	-
Nicholas Yates (Appointed 11 March 2014)	168,515	-	-	10,692	4,314	-	-	-	183,521	-
Other Key Management Personnel										
Karl Nixon (Resigned 5 July 2013)	18,388	-	-	1,923	(25,244)	179,451	-	-	174,518	-
Nicholas Benson (Appointed 1 October 2013)	237,076	-	-	17,692	5,254	-	-	-	260,022	-
Total compensation	**1,301,333**	**-**	**-**	**119,659**	**(36,313)**	**373,916**	**-**		**1,758,595**	

Performance Income as a Proportion of Total Remuneration

Executive Directors and Executives are paid performance based bonuses based on set monetary figures, rather than proportions of their salary. This has led to the proportions of remuneration related to performance varying between individuals. The Nomination and Remuneration Committee has set these bonuses to encourage achievement of specific goals that have been given a high level of importance to the future growth and profitability of the consolidated Group.

The Nomination and Remuneration Committee will review the performance bonuses to gauge their effectiveness against achievement of the set goals, and adjust future years' incentives as they see fit, to ensure use of the most cost effective and efficient methods.

C SERVICE AGREEMENTS

On appointment to the Board, all Non-Executive Directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the Board policies and terms, including compensation, relevant to the office of Director. A copy of the letter can be found on BSA Limited's website.

Remuneration and other terms of employment for the Managing Director and the other Key Management Personnel are also formalised in service agreements. Each of these agreements provide for the provision of performance-related cash bonuses, other benefits, car allowances, and participation, when eligible, in the BSA Limited Option Plan and the BSA Performance Rights Plan. Other major provisions of the agreements relating to remuneration are set out below.

All contracts with Executives may be terminated early by either party with three to six months' notice.

D CASH BONUSES

Key Management Personnel and Executives are also entitled to a short-term cash incentive based on performance criteria described in section A to this Remuneration Report. Details of these FY15 short-term incentives recognised as remuneration, forfeited or available for vesting in future financial years is outlined below.

Name	Included in Remuneration	% Vested in current year	% Forfeited in current year
Key Management Personnel (Group)			
Nicholas Yates	75,000	100	-
Nicholas Benson	36,000	100	-

E SHARE-BASED COMPENSATION

Executives Securities Plan

Set out below are summaries of securities held in escrow:

Grant Date	Issue Price (cents)	Balance at Start of the Year Number	Granted During the Year Number	Released from Escrow During the Year Based on Full Loan Repayment Number	Balance in Escrow at End of the Year Number
Consolidated and parent entity					
13 Oct 2006	0.23	700,000	-	-	700,000
19 Jul 2007	0.63	1,600,000	-	-	1,600,000
11 Sep 2007	0.68	150,000	-	-	150,000
13 Sep 2007	0.68	200,000	-	-	200,000
14 Dec 2007	0.68	400,000	-	-	400,000
10 Feb 2009	0.10	1,700,000	-	-	1,700,000
Total		**4,750,000**	**-**	**-**	**4,750,000**

Employee Performance Rights Plan

During the year, 1,116,667 rights were granted to Nicholas Yates, a member of the Key Management Personnel, as a sign-on bonus. The grant date of these rights was 25 November 2014 with a fair value of 16.5 cents per right grant. The vesting date of these rights was 1 July 2015. The expiry date of these rights is 25 November 2019. The vesting conditions of these rights was that the Executive was an employee on 1 July 2015. These rights were on issue at the end of the year.

Rights are granted over ordinary shares and nil is payable on exercise.

REMUNERATION CONSULTANTS

During the year under review, the Board did not engage any remuneration consultants to review and make independent recommendations in relation to the long-term and short-term incentive programs available to specific Key Management Personnel and Executive Management and no payments were made during the year (2014: $9,000) for advice.

End of Audited Remuneration Report

MEETINGS OF DIRECTORS

The number of meetings of BSA's Board of Directors and each Board committee held during the year ended 30 June 2015, and the number of meetings attended by each Director were:

	Board Meetings		**Audit and Compliance Meetings**		**Remuneration Committee Meetings**	
	Meetings Attended	Meetings Held during tenure in FY15	Meetings Attended	Meetings Held during tenure in FY15	Meetings Attended	Meetings Held during tenure in FY15
Ross Johnston	17	17	5	5	4	4
Max Cowley	17	19	4	5	4	4
Michael Givoni	18	19	5	5	4	4
Paul Teisseire	18	19	5	5	4	4
Mark Lowe	18	19	4	5	4	4
Nicholas Yates	18	19	*	*	*	*
Graeme Barclay	1	1	-	-	-	-

*Not a member of the relevant committee, but invited to attend the Audit and Remuneration Committee meetings

RETIREMENT, ELECTION AND CONTINUATION IN OFFICE OF DIRECTORS

Directors are subject to retirement by rotation and election by shareholders at a general meeting. No Director, other than the Managing Director, may remain on the Board for more than three years without re-election. Where a Director is appointed during the year, the Director will hold office until the next Annual General Meeting (AGM), and then be eligible for election.

Mark Lowe is the Director who has been longest in office and who, being eligible, offers himself for re-election. Graeme Barclay is a Director elected during the year and, being eligible, offers himself for election.

INDEMNIFYING OFFICERS OR AUDITORS

During the year, the Company paid a premium for a contract insuring all Directors, Secretaries, Executive Officers and Officers of the Company, and of each related body corporate of the Company. The insurance does not provide cover for the independent auditors of the Company, or of a related body corporate of the Company.

In accordance with usual commercial practice, the insurance contract prohibits disclosure of details of the nature of the liabilities covered by the insurance, the limit of indemnity and the amount of the premium paid under the contract.

No liability has arisen under this indemnity as at the date of this report.

OPTIONS

As at the date of this report, there were no unissued ordinary shares of the Company under the BSA Limited Employee Option Plan.

During the year ended 30 June 2015, no ordinary shares of the Company were issued on the exercise of options granted under the BSA Limited Employee Option Plan. No further shares have been issued since that date. No amounts are unpaid on any of the shares.

RIGHTS

As at the date of this report, the unissued ordinary shares of the Company, under right, are as follows:

Grant Date	Date of Expiry	Exercise Price	Number under Right	Number under Option*
24 Aug 2010	24 Aug 2015	$0.00	454,000	308,720
14 Nov 2011	14 Nov 2016	$0.00	621,000	422,280
25 Nov 2014	25 Nov 2019	$0.00	1,116,667	Nil
			2,191,667	731,000

** Subsequent to the Capital Raising announced on 15 October 2014, holders of performance rights under the BSA Limited Employee Performance Rights Plan, who were still employed by BSA, were allocated 17 share options for 25 existing performance rights held. A total number of 963,560 share options were allocated under the BSA Limited Employee Performance Rights Plan all with the same vesting and expiry dates as the existing rights under the Plan. All recipients of these share options were not Key Management Personnel.*

During the year ended 30 June 2015, 574,560 ordinary shares of the Company were issued on the exercise of 342,000 rights and the exercise of and 232,560 options under the BSA Limited Employee Performance Rights Plan. No further shares have been issued since that date. No amounts are unpaid on any of the shares.

No person entitled to exercise the right had, or has, any right by virtue of the right to participate in any share issue of any other body corporate.

During the year, 1,116,667 rights were granted to Nicholas Yates as approved at the AGM on 25 November 2014.

Barangaroo, Sydney NSW.
Triple 'M' Fire is delivering the Fire Protection works on the Barangaroo project and precinct in a Joint Venture.
Image by Bidgee and is licensed by SA 3.0

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the court under section 237 of the Corporations Act 2001 (Cth) for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all, or part, of those proceedings.

No proceedings have been brought or intervened on behalf of the Company with leave of the court under section 237 of the Corporations Act 2001 (Cth).

NON AUDIT SERVICES

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or Group are important.

Details of the amounts paid or payable to the auditor (Deloitte Touche Tohmatsu) for audit and non-audit services during the year are set out below.

The Board of Directors has considered the position and in accordance with the advice received from the audit committee, is satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the Corporations Act 2001 (Cth) for the following reasons:

All non-audit services have been reviewed by the Audit Committee to ensure they do not impact the impartiality and objectivity of the auditor; and

None of the services undermine the general principles relating to auditor independence as set out in Professional Statement APES 110 Code of Ethics for Professional Accountants, including reviewing or auditing the auditors own work, acting in a management or a decision making capacity for the Company, acting as advocate for the Company or jointly sharing economic risk and rewards.

AUDITORS' REMUNERATION

	2015 $	2014 $
Amounts due for the financial year to Deloitte Touche Tohmatsu for:		
Auditing or reviewing the financial report	427,798	531,300
Taxation services	200,071	327,929
Other non-audit services	12,250	14,000

AUDITORS INDEPENDENCE DECLARATION

The lead auditors' independence declaration for the year ended 30 June 2015 as required under section 307C of the Corporations Act 2001 (Cth) has been received and can be found on page 29 of this report.

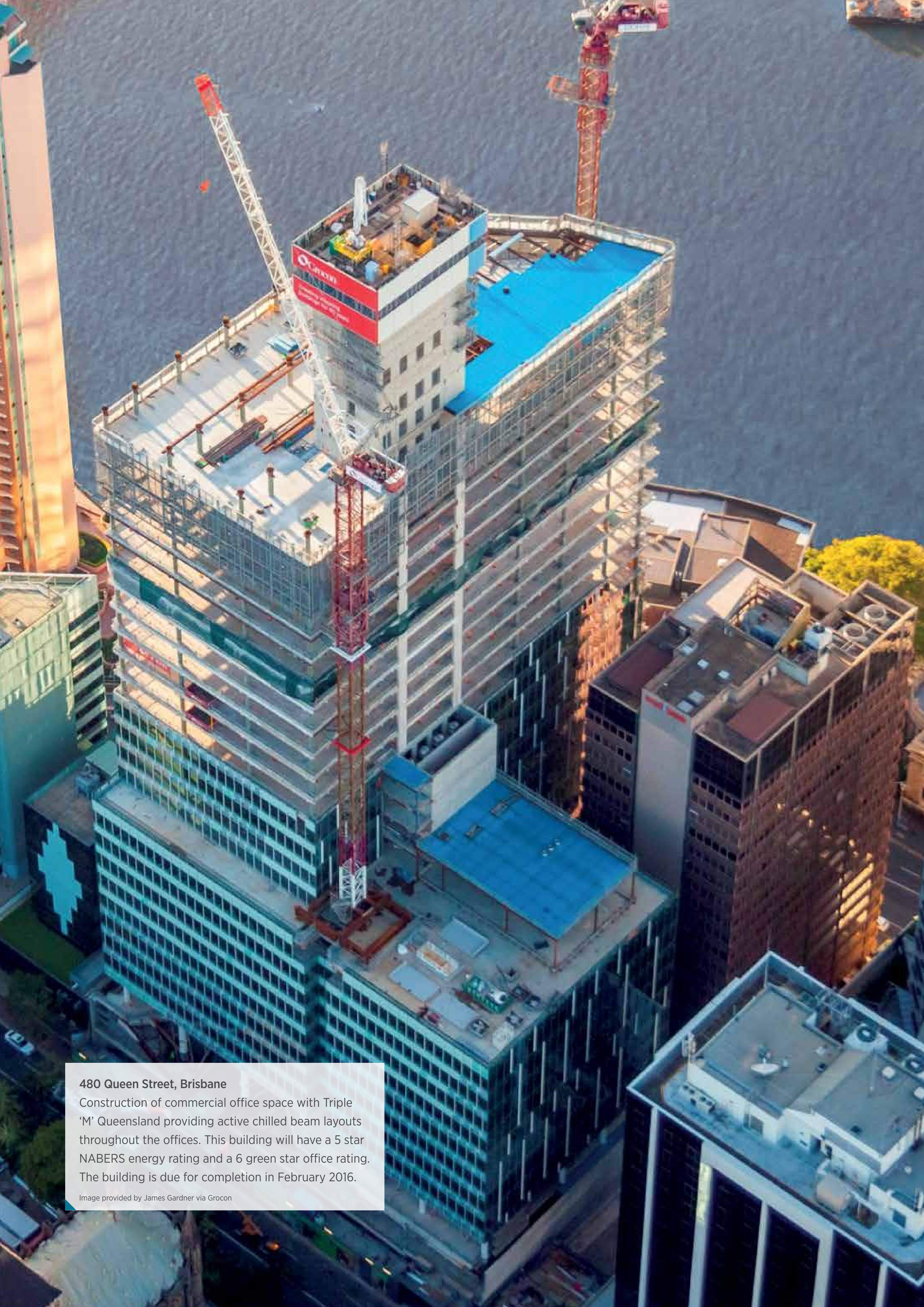
ROUNDING OF AMOUNTS

The Company is an entity to which ASIC Class Order 98/100 applies. Accordingly, amounts in the Financial Statements and Directors' Report have been rounded to the nearest thousand dollars.

Signed in accordance with a resolution of the Board of Directors.

Michael Givoni
Chairman

28 August 2015



480 Queen Street, Brisbane

Construction of commercial office space with Triple 'M' Queensland providing active chilled beam layouts throughout the offices. This building will have a 5 star NABERS energy rating and a 6 green star office rating. The building is due for completion in February 2016.

Image provided by James Gardner via Grocon

Deloitte.

Deloitte Touche Tohmatsu
ABN: 74 490 121 060

Eclipse Tower
Level 19
60 Station Street
Parramatta NSW 2150
PO Box 38
Parramatta NSW 2124 Australia

DX 28485
Tel: +61 (0) 2 9840 7000
Fax: +61 (0) 2 9840 7001
www.deloitte.com.au

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

28 August 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 audit of the financial statements of BSA Limited for the financial year ended 30 June 2015, 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

DELOITTE TOUCHE TOHMATSU

D. Black

David Black
Partner
Chartered Accountants

FINANCIAL REPORT

BSA LIMITED
ABN 50 088 412 748

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED **30 JUNE 2015**

		Consolidated	
	Note	2015 $'000	2014 $'000
Revenue	5	543,693	491,512
Investment revenue	6	294	94
Other gains and losses	7	77	84
Share of profits of joint venture	20	94	101
Changes in inventories of finished goods and work in progress		4	(506)
Subcontractor and raw materials used		(455,844)	(424,213)
Employee benefits expense	8	(44,448)	(42,189)
Depreciation expenses	8	(6,362)	(6,888)
Amortisation expenses	8	(1,440)	(1,441)
Impairment of intangibles	8.5, 17	-	(40,000)
Occupancy expenses		(6,375)	(6,542)
Finance costs	8	(1,253)	(2,319)
Other expenses	37	(23,001)	(28,995)
Profit/(Loss) before tax		5,439	(61,302)
Income tax (Expense)/Benefit	9.1	(1,564)	6,455
Profit/(Loss) for the year		3,875	(54,847)
Other comprehensive income for the year, net of tax			
Items that may be reclassified subsequently to profit or loss:			
Net gain recognised on cash flow hedges		6	35
Total comprehensive income for the year, net of tax		3,881	(54,812)
Earnings per share for profit from continuing operations:			
Basic earnings per share	12	1.11 cents	(23.97) cents
Diluted earnings per share	12	1.10 cents	(23.97) cents

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT **30 JUNE 2015**

		Consolidated	
	Note	2015 $'000	2014 $'000
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	13	27,066	5,297
Trade and other receivables	14	70,351	86,403
Inventories	15	4,700	4,696
Tax assets	9.2	-	1,483
TOTAL CURRENT ASSETS		102,117	97,879
NON-CURRENT ASSETS			
Trade and other receivables	14	1,511	1,279
Investment in Joint Venture	20	260	165
Other financial assets	19	3	3
Property, plant & equipment	16	10,741	14,819
Deferred tax assets	9.3	7,000	8,564
Goodwill	17	15,185	15,185
Other intangible assets	18	4,592	6,032
TOTAL NON-CURRENT ASSETS		39,292	46,047
TOTAL ASSETS		141,409	143,926
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	23	70,162	78,488
Borrowings	24	6,416	16,068
Provisions	25	17,173	19,738
TOTAL CURRENT LIABILITIES		93,751	114,294
NON-CURRENT LIABILITIES			
Borrowings	24	2,300	8,029
Provisions	25	1,643	1,673
TOTAL NON-CURRENT LIABILITIES		3,943	9,702
TOTAL LIABILITIES		97,694	123,996
NET ASSETS		43,715	19,930
EQUITY			
Issued capital	26	97,592	77,797
Reserves	27 (a)	1,410	1,295
Accumulated losses	27 (b)	(63,024)	(63,024)
Profit reserve	27 (c)	7,737	3,862
TOTAL EQUITY		43,715	19,930

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED **30 JUNE 2015**

Consolidated

	Issued Capital $'000	Accumulated Losses $'000	Profit Reserve $'000	Share-based Payment Reserve $'000	Cash Flow Hedge Reserve $'000	Total $'000
Balance at 1 July 2013	**77,797**	**(8,177)**	**3,862**	**1,354**	**(41)**	**74,795**
Loss for the year	-	(54,847)	-	-	-	(54,847)
Other comprehensive income for the year	-	-	-	-	35	35
Total comprehensive income for the year	**-**	**(54,847)**	**-**	**-**	**35**	**(54,812)**
Share-based payment expense	-	-	-	42	-	42
Shares issued in satisfaction of performance conditions	-		-	(95)	-	(95)
Balance at 30 June 2014	**77,797**	**(63,024)**	**3,862**	**1,301**	**(6)**	**19,930**
Profit for the year	-	-	3,875		-	3,875
Other comprehensive income for the year	-	-	-	-	6	6
Total comprehensive income for the year	**-**	**-**	**3,875**	**-**	**6**	**3,881**
Shares issued during period	21,345	-	-	-	-	21,345
Share issue cost	(1,550)	-	-	-	-	(1,550)
Share-based payment expense	-	-	-	167	-	167
Shares issued in satisfaction of performance conditions	-	-	-	(58)	-	(58)
Balance at 30 June 2015	97,592	(63,024)	7,737	1,410	-	43,715

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED **30 JUNE 2015**

		Consolidated	
	Note	**2015**	**2014**
		$'000	**$'000**
Cash Flows From Operating Activities:			
Cash receipts from customers		612,309	547,434
Payments to suppliers and employees		(593,011)	(539,202)
Interest received		102	94
Interest and other costs of finance paid		(1,253)	(2,340)
Income tax received/(paid)		1,483	(405)
Net cash generated by operating activities	30 (a)	19,630	5,581
Cash Flows from Investing Activities:			
Proceeds from disposal of property, plant and equipment		76	195
Payment to equity-accounted investment		-	(165)
Payment for plant and equipment		(1,637)	(3,480)
Net cash used in investing activities		(1,561)	(3,450)
Cash Flows From Financing Activities:			
Proceeds from issue of shares		21,345	-
Payment for shares issued for vesting rights		(58)	(95)
Proceeds from borrowings		-	12,140
Repayment of borrowings		(13,586)	(8,065)
Payment of finance lease liabilities		(2,451)	(2,823)
Share issue costs paid		(1,550)	-
Net cash generated by financing activities		3,700	1,157
Net increase in cash		21,769	3,288
Cash and cash equivalents at the beginning of the year		5,297	2,009
Cash and cash equivalents at the end of the year	13	27,066	5,297

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

NOTE 1 GENERAL INFORMATION

BSA Limited (the Company) is a limited company incorporated in Australia. The address of its registered office and principal places of business are disclosed in the Corporate Directory at the end of the Annual Report. The principal activities of the Company and its subsidiaries (the Group) are described in note 29.

NOTE 2 APPLICATION OF NEW AND REVISED ACCOUNTING STANDARDS

2.1 Amendments to AASBs and new Interpretations that are mandatorily effective for the current year

In the current year, the Group has applied a number of amendments to AASBs and new Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatorily effective for an accounting period that begins on or after 1 July 2014, and therefore relevant for the current year end.

Standard/Interpretation	Comments
AASB 2012-3 'Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities'	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 consolidated financial statements.
AASB 2013-3 'Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets'	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 does not have any material impact on the disclosures in the Group's consolidated financial statements.
AASB 2013-4 'Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting'	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 does not have any material impact on the disclosures or on the amounts recognised in the Group's consolidated financial statements.

AASB 2014-1 'Amendments to Australian Accounting Standards' (Part A: Annual Improvements 2010–2012 and 2011–2013 Cycles)	The Annual Improvements 2010-2012 has made 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 sharebased 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.
	• 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 has made 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 arrangements 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:
	  - the property meets the definition of investment property in terms of AASB 140; and
	  - the transaction meets the definition of a business combination under AASB 3.
	The application of these amendments does not have any material impact on the disclosures or on the amounts recognised in the Group's consolidated financial statements.

Interpretation 21 'Levies'	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 does not have any material impact on the disclosures or on the amounts recognised in the Group's consolidated financial statements.
AASB 1031 'Materiality', AASB 2013-9 'Amendments to Australian Accounting Standards' – Conceptual Framework, Materiality and Financial Instruments' (Part B: Materiality), AASB 2014-1 'Amendments to Australian Accounting Standards' (Part C: Materiality)	The revised AASB1031 is an interim standard that cross-references to other standards and the Financial Statements' (issued December 2013) that contain guidance on materiality. The AASB is progressively removing references to AASB 1031 in all Standards and Interpretations. Once all of these references have been removed, AASB 1031 will be withdrawn. The adoption of AASB 1031, AASB 2013-9 (Part B) and AASB 2014-1 (Part C) does not have any material impact on the disclosures or the amounts recognised in the Group's consolidated financial statements.

NOTE 2 APPLICATION OF NEW AND REVISED ACCOUNTING STANDARDS (CONTINUED)

2.2 Standards and Interpretations on issue not yet adopted

At the date of authorisation of the financial statements, the Standards and Interpretations that were issued but not yet effective are listed below.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 9 'Financial Instruments', and the relevant amending standards	1 January 2018	30 June 2019
AASB 15 'Revenue from Contracts with Customers' and AASB 2014-5 'Amendments to Australian Accounting Standards arising from AASB 15'	1 January 2018	30 June 2019
AASB 2013-9 (Part C) 'Amendments to Australian Accounting Standards - Financial Instruments'	1 January 2017	30 June 2018
AASB 2014-1 (Part E) 'Amendments to Australian Accounting Standards - Financial Instruments'	1 January 2018	30 June 2019
AASB 2014-3 'Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations'	1 January 2016	30 June 2017
AASB 2014-4 'Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation'	1 January 2016	30 June 2017
AASB 2014-9 'Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements'	1 January 2016	30 June 2017
AASB 2014-10 'Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture'	1 January 2016	30 June 2017
AASB 2015-1 'Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle'	1 January 2016	30 June 2017
AASB 2015-2 'Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101'	1 January 2016	30 June 2017
AASB 2015-3 'Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality'	1 July 2015	30 June 2016

A number of Australian Accounting Standards are on issue but are not yet effective for the current year. It has not yet been determined whether the reported results and position of the Group will change on adoption of these pronouncements. Adoption will, however, result in changes to information currently disclosed in the financial statements. The Group does not intend to adopt any of these pronouncements before their effective dates.

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the Corporations Act 2001, Accounting Standards and Interpretations, and comply with other requirements of the law.

The financial statements comprise the consolidated financial statements of the Group. For the purposes of preparing consolidated financial statements, the Company is a for-profit entity.

Accounting Standards include Australian Accounting Standards. Compliance with Australian Accounting Standards ensures that the 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 2015.

3.2 Basis of preparation

The consolidated financial statements have been prepared on the basis of historical cost, except for certain financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair values of the consideration given in exchange for goods and services. All amounts are presented in Australian dollars, unless otherwise noted.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of AASB 2, leasing transactions that are within the scope of AASB 117, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in AASB 102 'Inventories' or value in use in AASB 136 'Impairment of Assets'.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

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.

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments (see below). All other subsequent changes in the fair value of contingent consideration classified as an asset or liability are accounted for in accordance with relevant Standards. Changes in the fair value of contingent consideration classified as equity are not recognised.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- Deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements, are recognised and measured in accordance with AASB 112 Income Taxes and AASB 119 Employee Benefits respectively;
- Liabilities or equity instruments related to share-based payment arrangements of the acquiree, or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree, are measured in accordance with AASB 2 'Share-based Payment' at the acquisition date; and
- Assets (or disposal groups) that are classified as held for sale in accordance with AASB 5 Noncurrent Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Standard.

Where the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or liability is remeasured at subsequent reporting dates in accordance with AASB 139, or AASB 137 'Provisions, Contingent Liabilities and Contingent Assets', as appropriate, with the corresponding gain or loss being recognised in profit or loss.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.5 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of the acquisition of the business (see 3.4 above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

3.6 Interests in Joint Arrangements

Under AASB 11, there are only two types of joint arrangements, joint operations and joint ventures. The classification of joint arrangements under AASB 11 is determined based on the rights and obligations of parties to the joint arrangements by considering the structure, the legal form of the arrangements, the contractual terms agreed by the parties to the arrangement, and, when relevant, other facts and circumstances. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement (i.e. joint operators) have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement (i.e. joint venturers) have rights to the net assets of the arrangement.

The Group's Investments in joint ventures are accounted for using the equity method. Under the equity method, an investment in a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture.

The Group's Investments in joint operations are accounted for such that each joint operator recognises its assets (including its share of any assets jointly held), its liabilities (including its share of any liabilities incurred jointly), its revenue (including its share of revenue from the sale of the output by the joint operation) and its expenses (including its share of any expenses incurred jointly). The Group accounts for the assets and liabilities, as well as revenues and expenses, relating to its interest in the joint operation in accordance with the applicable Standards.

3.7 Revenue recognition

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

3.7.1 Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and title has passed, at which time all the following conditions are satisfied:

- The Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Group; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.7.2 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 follows:

- Installation fees are recognised by reference to the stage of completion of the installation, determined as the proportion of the total time expected to install that has elapsed at the end of the reporting period;
- Servicing fees included in the price of products sold are recognised by reference to the proportion of the total cost of providing the servicing for the product sold; and
- Revenue from time and material contracts is recognised at the contractual rates as labour hours are delivered and direct expenses are incurred.

The Group's policy for recognition of revenue from construction contracts is described at 3.8 below.

3.7.3 Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably).

Interest income is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3.8 Construction contracts and work in progress

Construction contract revenue is recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract revenue for work performed to date relative to the estimated total contract value. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is shown as amounts due from customers for contract work. For contracts where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is shown as the amounts due to customers for contract work. Amounts received before the related work is performed are included in the consolidated statement of financial position, as a liability, as advances received. Amounts billed for work performed but not yet paid by the customer are included in the consolidated statement of financial position under trade and other receivables.

3.9 Leasing

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.

3.9.1 The Group as lessee

Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, 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 (see 3.11 below). Contingent rentals are recognised as expenses in the periods in which they are incurred.

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. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is 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.

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.10 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 profit or loss in the period in which they are incurred.

3.11 Employee benefits

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

Liabilities recognised in respect of short-term employee benefits, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of long-term employee benefits 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.

3.12 Share-based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 31.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

3.13 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

3.14.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the Consolidated Statement of Profit or Loss and Other Comprehensive Income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.14.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of 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 difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such 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.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. 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 end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and 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.

3.13.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognized in other comprehensive income or directly in equity. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3.14.4 Tax consolidation

The Company and its wholly-owned Australian resident entities have formed a tax-consolidated group with effect from 1 August 2007 and are therefore taxed as a single entity from that date. The head entity within the tax-consolidated group is BSA Limited. The members of the tax-consolidated group are identified in note 19. Tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the ‘separate taxpayer within group’ approach by reference to the carrying amounts in the separate financial statements of each entity and the tax values applying under tax consolidation. Current tax liabilities and assets and deferred tax assets arising from un-used tax losses and relevant tax credits of the members of the tax-consolidated group are recognised by the Company (as head entity in the tax-consolidated group).

Due to the existence of a tax funding arrangement between the entities in the tax-consolidated group, amounts are recognised as payable to or received by the Company and each member of the Group in relation to the tax contribution amounts paid or payable between the parent entity and the other members of the tax-consolidated group in accordance with the arrangement.

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.14 Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the Consolidated Statement of Financial Position at cost.

Depreciation on buildings is recognised in profit or loss.

Freehold land is not depreciated.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost (other than freehold land) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3.15 Intangible assets

3.15.1 Intangible assets acquired separately

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

3.15.2 Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.16 Impairment of tangible and intangible assets excluding goodwill

At the end of each reporting period, 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 such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

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 estimates 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 (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so 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 (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3.17 Inventories

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

3.18 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 the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, 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 (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.18.1 Warranties

Provisions for the expected cost of warranty obligations under construction contracts are recognised at the Directors' best estimate of the expenditure required to settle the Group's obligation.

3.18.2 Make Good

Provisions for the estimated cost of work to comply with make good provisions in certain Group property leases are recognised at the Directors' best estimate of the expenditure to settle the Group's obligation.

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.19 Financial Assets

Financial assets are classified into the specified category of 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

3.19.1 Effective Interest Method

The effective interest method is a method of calculating the amortised cost of a debt instrument 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 debt instrument, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments.

3.19.2 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 measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

3.19.3 Impairment of financial assets

Financial assets, other than those at Fair Value Through Profit or Loss, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when 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 affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 30 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's 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 a trade receivable is considered 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 or loss.

3.20 Financial liabilities and equity instruments issued by the Group

3.20.1 Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

3.20.2 Equity instruments

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 recognised at the proceeds received, net of direct issue costs.

3.20.3 Financial Liabilities

Financial liabilities are classified as 'other financial liabilities'.

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.20.4 Other Financial Liabilities

Other financial liabilities, including borrowings and trade and other payables, 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, to the net carrying on initial recognition.

3.21 Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate risk, including interest rate swaps. Further details of derivative financial instruments are disclosed in note 35.

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

3.21.1 Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, and is included in the 'other gains and losses' line item.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item is recognised in profit or loss, in the same line of the Consolidated Statement of Profit or Loss and Other Comprehensive Income as the recognised hedged item. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously accumulated in equity are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the Group revokes the hedging relationship, when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss accumulated in equity 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 gain or loss accumulated in equity is recognised immediately in profit or loss.

3.22 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 within operating cash flows.

NOTE 4 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the Directors are required to make judgements, 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.

4.1 Key sources of estimation uncertainty

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

4.1.1 Contracts - estimates to complete

Construction contracts are accounted for as per 3.8. Inherent in the assessment of profitability of each contract is the estimate to complete. This estimate requires the Directors to assess the conduct of the contract to date and the expected cost to complete the contract. In addition, where appropriate, Management and the Directors assess the probability of recovery of variations and claims within the contract estimates.

4.1.2 Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a material impairment loss may arise.

The carrying amount of goodwill at 30 June 2015 was $15,185,000 (30 June 2014: $15,185,000).

See note 17 for details.

4.1.3 Payroll Tax Liability

BSA has previously advised the market about a possible payroll-tax related liability with the NSW Office of State Revenue (OSR). BSA has continued, along with our legal representatives to constructively work with the OSR to ensure an equitable and timely conclusion to this matter. BSA has a provision in its FY15 accounts of $2,000,000 (FY14 $2,000,000) and at this time there is no further information that would suggest this provision should be changed.

See Note 25 for details

NOTE 5 REVENUE

	Consolidated	
	2015	**2014**
	$'000	**$'000**
The following is an analysis of the Group's revenue from continuing operations (excluding investment revenue - see note 6).		
Revenue from sale of goods	24,641	18,781
Revenue from the rendering of services	190,764	140,082
Contract revenue	328,288	332,649
Total Revenue	543,693	491,512

NOTE 6 INVESTMENT REVENUE

	Consolidated	
	2015	**2014**
	$'000	**$'000**
Interest revenue		
Bank deposits	152	74
Other loans and receivables	142	20
	294	94
The following is an analysis of investment revenue earned on financial assets by category of asset:		
Loans and receivables (including cash and bank balances)	295	94
	295	94

NOTE 7 OTHER GAINS AND LOSSES

	Consolidated	
	2015	**2014**
	$'000	**$'000**
Continuing operations		
Gain on disposal of property, plant and equipment	77	84
	77	84

NOTE 8 PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS

		Consolidated	
		2015	**2014**
		$'000	**$'000**
	Profit/(Loss) for the year from continuing operations has been arrived at after charging/(crediting):		
8.1	**Cost of sales**	455,840	424,719
8.2	**Finance costs**		
	Interest on bank overdrafts and loans	1,253	2,319
	Total finance costs	1,253	2,319
8.3	**Depreciation and amortisation expense**		
	Depreciation of property, plant and equipment	6,362	6,888
	Amortisation of intangible assets	1,440	1,441
	Total depreciation and amortisation expense	7,802	8,329
8.4	**Employee benefits expense**		
	Post employment benefits		
	Superannuation	10,107	10,009
	Share-based payments (see note 31(d))		
	Equity-settled share-based payments	167	42
	Other employee benefits	34,174	32,138
	Total employee benefits expense	44,448	42,189
8.5	**Significant Items**		
	Impairment of intangible assets	-	40,000
	Non-recurring provisions and key project write downs	3,044	24,222
	Restructuring costs	269	-
	Other contract one-off items	886	-
		4,199	64,222

$4,199,000 (2014: $64,222,000) is included in the following categories in the Consolidated Statement of Profit or Loss and Other Comprehensive Income, 'Subcontractors and raw materials' ($4,680,000) (2014: $22,126,000), 'Other expenses' (-$481,000) (2014: $2,096,000) and 'Impairment of intangibles' (nil) (2014: $40,000,000).

NOTE 9 INCOME TAXES

			Consolidated	
			2015	2014
		Note	$'000	$'000
9.1	**Income tax recognised in profit or loss**			
	Current tax			
	In respect of the current year		-	-
	In respect of prior years		-	128
			-	128
	Deferred Tax			
	In respect of the current year		1,564	(6,583)
			1,564	(6,583)
	Total income tax expense/(benefit) recognised in the current year relating to continuing operations		1,564	(6,455)
	The expense/(benefit) for the year can be reconciled to the accounting profit/(loss) as follows:			
	Profit/(loss) from continuing operations		5,439	(61,302)
	Income tax expense/(benefit) calculated at 30%		1,632	(18,391)
	Adjusted for:			
	Non-deductible expenses	(a)	24	12,059
	Research and development allowance		(110)	(251)
			1,546	(6,583)
	Adjustments recognised in the current year in relation to the current tax of prior years			
	Other		18	128
			18	128
	Total income tax expense/(benefit) recognised in the current year relating to continuing operations		1,564	(6,455)

(a) 2014 includes $12,000,000 for Goodwill Impairment

The tax rate used for the 2015 and 2014 reconciliations above is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law.

9.2	**Current tax assets and liabilities**			
	Current tax assets			
	Tax refund receivable		-	1,483
			-	1,483

NOTE 9 INCOME TAXES (CONTINUED)

9.3 Deferred tax balances

2015	Opening Balance $'000	Recognised in Profit or Loss $'000	Closing Balance $'000
Temporary differences			
Finance leases	(66)	(80)	(146)
Intangible assets	(1,810)	432	(1,378)
Employee benefits	3,287	238	3,525
Provisions	3,576	(776)	2,800
Doubtful debts	1,098	(340)	758
Tax loss carried forward	2,479	(1,038)	1,441
	8,564	(1,564)	7,000

2014	Opening Balance $'000	Recognised in Profit or Loss $'000	Closing Balance $'000
Temporary differences			
Finance leases	(51)	(15)	(66)
Intangible assets	(2,242)	432	(1,810)
Employee benefits	3,110	177	3,287
Provisions	943	2,633	3,576
Doubtful debts	221	877	1,098
Tax losses carried forward	-	2,479	2,479
	1,981	6,583	8,564

Deferred tax balances are presented in the Statement of Financial Position as follows:

	30/06/2015 $'000	30/06/2014 $'000
Deferred tax assets	7,000	8,564
Deferred tax liabilities	-	-
	7,000	8,564

NOTE 9 INCOME TAXES (CONTINUED)

9.4 Tax consolidation

Relevance of tax consolidation to the Group

The Company and its wholly-owned Australian resident entities have formed a tax-consolidated group with effect from 1 August 2007 and are therefore taxed as a single entity from that date. The head entity within the tax-consolidated group is BSA Limited. The members of the tax-consolidated group are identified in note 19. Tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the 'separate taxpayer within group' approach by reference to the carrying amounts in the separate financial statements of each entity and the tax values applying under tax consolidation. Current tax liabilities and assets and deferred tax assets arising from un-used tax losses and relevant tax credits of the members of the tax-consolidated group are recognised by the Company (as head entity in the tax-consolidated group)

Due to the existence of a tax funding arrangement between the entities in the tax-consolidated group, amounts are recognised as payable to or received by the Company and each member of the Group in relation to the tax contribution amounts paid or payable between the parent entity and the other members of the tax-consolidated group in accordance with the arrangement.

NOTE 10 KEY MANAGEMENT PERSONNEL

The aggregate compensation made to Directors and other Key Management Personnel of the Company and the Group is set out below:

	Consolidated	
	2015	2014
	$	$
Compensation		
Short-term employee benefits	1,747,429	1,301,333
Post-employment benefits	111,065	119,659
Other long-term benefits	21,494	(36,313)
Termination benefits	-	373,916
Share based payments	184,250	-
	2,064,238	1,758,595

Further information regarding the identity of Key Management Personnel and their compensation can be found in the Audited Remuneration Report contained in the Directors' Report on pages 17 to 25 of this Annual Report.

NOTE 11 AUDITORS' REMUNERATION

	Consolidated	
	2015	**2014**
	$	**$**
Remuneration of the auditor of the Group for:		
- Auditing or reviewing the Financial Report	427,798	531,300
- Taxation services	200,071	327,929
- Other non-audit services	12,250	14,000
	640,119	873,229

The auditor of BSA Limited is Deloitte Touche Tohmatsu.

NOTE 12 EARNINGS PER SHARE

		Consolidated	
		2015	**2014**
		Cents	**Cents**
	Basic profit/(loss) per share	1.11	(23.97)
	Diluted profit/(loss) per share	1.10	(23.97)
		$'000	**$'000**
(a)	**Reconciliation of Earnings to Profit**		
	Profit/(Loss)	3,875	(54,847)
	Profit/(Loss) used to calculate basic EPS and dilutive EPS	3,875	(54,847)
		Number	**Number**
(b)	**Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS**	350,446,030	228,861,202
	Weighted average number of options/rights outstanding	2,564,796	-
	Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS	353,010,826	228,861,202

(c) Information concerning the classification of securities

Options/Rights

Options granted to employees under the BSA Limited Employee Option Plan and rights granted to employees under the BSA Limited Employees Performance Rights Plan are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share to the extent to which they are dilutive. The options/rights have not been included in the determination of basic earnings per share. Details relating to the options and rights are set out in note 31.

NOTE 13 CASH AND CASH EQUIVALENTS

For the purposes of the Consolidated Statement of Cash Flows, cash and cash equivalents include cash on hand and in banks.

	Consolidated	
	2015	2014
	$'000	$'000
Cash at bank and on hand	27,066	5,297
	27,066	5,297

NOTE 14 TRADE AND OTHER RECEIVABLES

		Consolidated	
		2015	2014
	Note	$'000	$'000
CURRENT			
Trade receivables		8,908	10,706
Allowance for doubtful debts		(382)	(437)
		8,526	10,269
Other receivables		1,142	2,460
Executive Share Plan receivables	33(c)	194	194
Amounts due from customers under construction contracts	21	49,200	61,303
Allowance for doubtful debts (construction contracts)		(886)	(2,781)
Contract Retentions		65	219
Accrued Revenue		11,242	13,514
Prepayments		868	1,225
		61,825	76,134
		70,351	86,403
NON-CURRENT			
Executive Share Plan receivables	33(c)	1,511	1,279

Trade receivables

Trade receivables disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

The average credit period for the Group is 45 days. No interest is charged on overdue receivables. Allowances for doubtful debts are recognised against trade receivables greater than 60 days based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty.

Before accepting a new customer, the Group uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer.

NOTE 14 TRADE AND OTHER RECEIVABLES (CONTINUED)

Age analysis of trade receivables that are past due but not impaired at the reporting date

Consolidated

	2015			2014		
	Total	Amount Impaired	Amount Not Impaired	Total	Amount Impaired	Amount Not Impaired
	$'000	$'000	$'000	$'000	$'000	$'000
Not past due	5,012	-	5,012	7,932	-	7,932
Past due [30] days	3,106	3	3,103	1,493	-	1,493
Past due [30-60] days	165	-	165	241	-	241
Past due [60-90] days	68	68	-	832	365	467
Past due [>90] days	557	311	246	208	72	136
Total	8,908	382	8,526	10,706	437	10,269

	Total	Amount Impaired	Amount Not Impaired	Total	Amount Impaired	Amount Not Impaired
	$'000	$'000	$'000	$'000	$'000	$'000
Amounts due from customers under construction contracts						
Not past due	36,814	-	36,814	40,215	-	40,215
Past due [30] days	6,538	-	6,538	9,754	-	9,754
Past due [30-60] days	2,211	-	2,211	3,492	-	3,492
Past due [60-90] days	1,092	-	1,092	2,486	-	2,486
Past due [>90] days	2,545	886	1,659	5,356	2,781	2,575
Total	49,200	886	48,314	61,303	2,781	58,522

As at 30 June 2015, the Group had current trade receivables of $1,268,000 (2014: $3,218,000) that were impaired. The amounts relate to customers who had not responded to final request for payment notices, customers that BSA had requested external collection agencies to collect outstanding debts or customers who have disputed invoiced amounts.

Analysis of Allowance Account

Consolidated

	2015	2014
	$'000	$'000
Opening Balance	3,218	681
Provisions for doubtful receivables current	2,094	2,537
Receivables written off during the year	(1,415)	(384)
Reversal of amounts provided	(2,629)	384
Closing balance	1,268	3,218

NOTE 15 INVENTORIES

Consolidated

	2015	2014
	$'000	$'000
CURRENT		
Inventories of finished goods and work in progress at net realisable value	4,700	4,696
	4,700	4,696

The cost of inventories recognised as an expense includes $324,000 (2014:$229,000) in respect of write-down of inventory to net realisable value.

NOTE 16 PROPERTY, PLANT AND EQUIPMENT

	Land $'000	Buildings $'000	Leasehold Improvements $'000	Plant & Equipment $'000	Plant & Equipment Under Finance Lease & Hire Purchase $'000	Make Good $'000	Total $'000
Cost							
Balance as at 1 July 2013	253	410	3,053	26,312	10,243	230	40,501
Additions	-	-	133	3,347	470	4	3,954
Disposals	-	-	-	(509)	(151)	-	(660)
Transfers *	-	-	-	(41)	41	-	-
Balance as at 30 June 2014	253	410	3,186	29,109	10,603	234	43,795
Additions	-	-	37	1,601	629	17	2,284
Disposals	-	-	-	(385)	(96)	-	(481)
Transfers *	-	-	-	32	(32)	-	-
Balance as at 30 June 2015	253	410	3,223	30,357	11,104	251	45,598
Accumulated depreciation and impairment							
Balance as at 1 July 2013	-	23	1,142	17,412	3,987	71	22,635
Additions	-	16	559	4,228	2,009	76	6,888
Disposals	-	-	-	(461)	(86)	-	(547)
Transfers *	-	-	-	(8)	8	-	-
Balance as at 30 June 2014	-	39	1,701	21,171	5,918	147	28,976
Additions	-	16	575	3,922	1,767	82	6,362
Disposals	-	-	-	(385)	(96)	-	(481)
Transfers *	-	-	-	19	(19)	-	-
Balance as at 30 June 2015	-	55	2,276	24,727	7,570	229	34,857
Net Book Value as at 30 June 2015	253	355	947	5,630	3,534	22	10,741
Net Book Value as at 30 June 2014	253	371	1,485	7,938	4,685	87	14,819

*Transfers between categories

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

Buildings	25 years
Leasehold improvements	4 - 5 years
Plant and equipment	3 - 10 years
Plant and equipment under finance lease	3 - 5 years

16.2 Assets held as security

Fixed and floating charges over the whole of the consolidated entity assets has been pledged as security for bank loans.

NOTE 17 NON-CURRENT ASSETS - GOODWILL

$'000	TFFS	TDCP	TMS	Consolidated
Cost				
Balance at the beginning and end of year				
2015	13,025	34,142	9,553	56,720
2014	13,025	34,142	9,553	56,720
Accumulated impairment losses				
Balance at the beginning of year				
2015	(13,025)	(18,957)	(9,553)	(41,535)
2014	(1,535)	-	-	(1,535)
Impairment losses recognised in the year				
2015	-	-	-	-
2014	(11,490)	(18,957)	(9,553)	(40,000)
Balance at end of year				
2015	(13,025)	(18,957)	(9,553)	(41,535)
2014	(13,025)	(18,957)	(9,553)	(41,535)
Closing carrying value				
2015	-	15,185	-	15,185
2014	-	15,185	-	15,185

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 TDCP. The cash flows are discounted using the weighted average cost of capital with mid-year discounting.

NOTE 17 NON-CURRENT ASSETS - GOODWILL (CONTINUED)

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

	Growth Rate	WACC/ Discount Rate
Technical Design and Construction Projects (TDCP)		
2016	(11.34%)	12.50%
2017	3.00%	12.50%
2018	1.00%	12.50%
Terminal Year	2.00%	12.50%

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.

Management 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

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 $11,900,000 and a 5% increase in the overall revenue growth would result in an increase in enterprise value by $11,900,000. 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.

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

TDCP - In a sensitivity analysis, Management estimates that a 1% reduction in gross margin would cause a reduction in enterprise value of $16,500,000 and an improvement in gross margin of 1% would increase the enterprise value by $16,500,000. 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.

As at 30 June 2015, the value in-use amount for TDCP exceeds the carrying value by $34,596,000.

NOTE 17 NON-CURRENT ASSETS - GOODWILL (CONTINUED)

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:

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 $3,100,000.

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)

results in a potential reduction in enterprise value for TDCP of $14,697,000.

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.

NOTE 18 NON-CURRENT ASSETS - OTHER INTANGIBLE ASSETS

Intangible assets, other than goodwill, have finite lives. The current amortisation for intangible assets is included under depreciation and amortisation expense per the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

	Customer Relationships $'000	Order Backlog $'000	Total $'000
Cost			
Balance as at 1 July 2013	6,900	10,079	16,979
Acquisitions through business combinations	-	-	-
Balance at 30 June 2014	6,900	10,079	16,979
Acquisitions through business combinations	-	-	-
Balance at 30 June 2015	6,900	10,079	16,979
Accumulated amortisation and impairment			
Balance as at 1 July 2013	(4,538)	(4,968)	(9,506)
Amortisation expense	(767)	(674)	(1,441)
Balance at 30 June 2014	(5,305)	(5,642)	(10,947)
Amortisation expense	(766)	(674)	(1,440)
Balance at 30 June 2015	(6,071)	(6,316)	(12,387)
Net Book Value as at 30 June 2015	829	3,763	4,592
Net Book Value as at 30 June 2014	1,595	4,437	6,032

The following useful lives are used in the calculation of amortisation.

Customer relationships	9 years
Order backlog	1 to 9.5 years

NOTE 19 OTHER FINANCIAL ASSETS

	Consolidated 2015 $'000	Consolidated 2014 $'000
Shares in other corporations at cost	3	3
	3	3

(a) Shares in subsidiaries

Details of Group Companies

	Principal Activity	Country of incorporation	Percentage owned (%) 2015	Percentage owned (%) 2014
Parent Entity:				
BSA Limited		Australia	-	-
Ultimate Parent Entity:				
BSA Limited		Australia	-	-
Name of Subsidiary				
Mr Broadband Pty Limited	TDCP	Australia	100%	100%
Allstaff Airconditioning Holdings Pty Limited	TDCP	Australia	100%	100%
Allstaff Airconditioning (VIC) Pty Limited	TDCP	Australia	100%	100%
Allstaff Airconditioning (NSW) Pty Limited	TDCP	Australia	100%	100%
Allstaff Airconditioning (ACT) Pty Limited	TDCP	Australia	100%	100%
Complex Airconditioning Pty Limited	TDCP	Australia	100%	100%
Mr Antenna Pty Limited	TFFS	Australia	100%	100%
Satellite Receiving Systems (QLD) Pty Limited	TFFS	Australia	100%	100%
Mr Alarms Pty Limited	TFFS	Australia	100%	100%
MEC Services Pty Limited	TMS	Australia	100%	100%
BSA Transmission Solutions Pty Limited	TFFS	Australia	100%	100%
066 059 809 Pty Limited	TFFS	Australia	100%	100%
Triple M Group Pty Limited	TDCP	Australia	100%	100%
Triple M Mechanical Services Pty Limited	TDCP	Australia	100%	100%
Triple M Mechanical Services (Qld) Pty Limited	TDCP	Australia	100%	100%
Triple M Fire Pty Limited	TDCP	Australia	100%	100%
Triple M Mechanical Services (Administration) Pty Limited	TDCP	Australia	100%	100%
BSA Networks Pty Limited	TFFS	Australia	100%	100%
BurkeAir Pty Limited	TMS	Australia	100%	100%

(b) Deed of Cross Guarantee:

All Controlled Entities are parties to the Deed of Cross Guarantee, where relief is obtained from preparing individual financial reports under ASIC Class Order 98/1418, and are members of the Closed Group. Under the Deed, BSA Limited agrees to support the liabilities and obligations of the Controlled Entities.

(c) Tax Consolidation Group

All the controlled entities are part of the Tax Consolidation Group.

BSA Limited is the head entity in the Tax Consolidation Group.

NOTE 19 OTHER FINANCIAL ASSETS (CONTINUED)

19.1 Composition of the Group

Information about the composition of the Group at the end of the reporting period is as follows:

Principal Activity	Place of incorporation and operation	Number of wholly-owned subsidiaries 2015	2014
Technical Field Force Solutions (TFFS)	Australia	6	6
Technical Design and Construction Projects (TDCP)	Australia	11	11
Technical Maintenance Services (TMS)	Australia	2	2
		19	19

NOTE 20 DETAILS OF JOINT VENTURE

Details of the Group's joint venture at the end of the reporting period is as follows:

Name of Joint Venture	Principal Activity	Place of incorporation and principal place of business	Proportion of ownership interest and voting power held by the group 2015	2014
Triple M and Premier Fire JV Co Limited	Installation of fire services	Australia	50%	50%

The above joint venture is accounted for using the equity method in these consolidated financial statements.

Summarised financial information in respect of the Group's material joint venture is set out below. The summarised financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with AASBs (adjusted by the Group for equity accounting purposes).

Triple M and Premier Fire JV Co Limited

	2015 $'000	2014 $'000
Current Assets	2,777	1,084
Non-current assets	-	-
Current Liabilities	(2,258)	(753)
Non-current liabilities	-	-

The above amounts of assets and liabilities include the following:

Cash and cash equivalents	1,310	280
Current financial liabilities (excluding trade and other payables and provisions)	-	-
Non-current financial liabilities (excluding trade and other payables and provisions)	-	-

NOTE 20 DETAILS OF JOINT VENTURE (CONTINUED)

	2015 $'000	2014 $'000
Revenue	15,428	1,876
Profit or loss from continuing operations	188	202
Post-tax profit/(loss) from discontinued operations	-	-
Profit/(loss) for the year	188	202
Other comprehensive income for the year	-	-
Total comprehensive income for the year	188	202
Dividends received from the joint venture during the year	-	-
The above profit/(loss) for the year include the following:		
Depreciation and amortisation	-	-
Interest income	-	-
Interest expenses	-	-
Income tax expense (income)	-	

Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in the consolidated financial statements:

	2015 $'000	2014 $'000
Net assets of the joint venture	519	331
Proportion of the Group's ownership interest in the joint venture	50%	50%
Goodwill	-	-
Other adjustments	-	-
Carrying amount of the Group's interest in the joint venture	260	165

NOTE 21 AMOUNTS DUE FROM (TO) CUSTOMERS UNDER CONSTRUCTION CONTRACTS

	2015 $'000	2014 $'000
Contracts in progress		
Construction costs incurred plus recognised profits less recognised losses to date	340,065	331,194
Less: progress billings	(290,865)	(271,080)
	49,200	60,114
Represented by amounts due:		
- from customers under construction contracts (note 14)	49,200	61,303
- to customers under construction contracts (note 23)	-	(1,189)
	49,200	60,114

NOTE 22 PARENT ENTITY DISCLOSURES

		Consolidated 2015 $'000	2014 $'000
(a)	**Financial Position**		
	Assets		
	Current assets	49,458	41,365
	Non-current assets	81,727	82,423
	Total assets	131,185	123,788
	Liabilities		
	Current liabilities	41,978	49,972
	Non-current liabilities	2,495	8,002
	Total liabilities	44,473	57,974
	Net Assets	86,712	65,814
	Equity		
	Issued capital	97,592	77,797
	Retained earnings	(35,426)	(35,426)
	Profit Reserve	23,136	22,148
	Reserves		
	Share-based payments reserve	1,410	1,301
	Cash flow hedge reserve	-	(6)
	Total equity	86,712	65,814
(b)	**Financial Performance**		
	Profit/(Loss) for the year	988	(660)
	Other comprehensive income for the year, net of tax		
	Items that may be reclassified subsequently to profit or loss:		
	Gain recognised on cash flow hedges	6	35
	Total comprehensive income for the year, net of tax	994	(625)
(c)	**Guarantees entered into by the parent entity in relation to the debts of its subsidiaries**		
	BSA Limited has entered into a cross guarantee with its wholly owned subsidiaries.	73,660	73,660

(d) Contingent Liabilities

Under the above cross guarantee, BSA Limited, as the parent entity, guarantees all contingent liabilities of the wholly owned subsidiaries.

Guarantees established in favour of National Australia Bank Limited and Swiss Re International SE for Guarantees issued to various clients for satisfactory contract performance, secured by cross guarantees from all wholly owned group members amounting to $10,120,000 (2014: $10,170,000) directly relating to the parent. Guarantees secured by cross guarantee by all group members amounted to $33,357,000 (2014: $37,031,000).

NOTE 23 TRADE AND OTHER PAYABLES

		Consolidated	
		2015	2014
	Note	$'000	$'000
Trade payables		31,501	45,971
Other payables		24,629	16,876
Work in progress		14,032	14,452
Amounts due to customers under construction contracts (see note 21)		-	1,189
Total Payables		70,162	78,488

The average credit period on purchases is 24.2 days. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

NOTE 24 BORROWINGS

		Consolidated	
		2015	2014
	Note	$'000	$'000
CURRENT			
Secured liabilities at amortised cost:			
Hire purchase liabilities	(b), 28(iii)	622	1,629
Lease liabilities	(b), 28(ii)	669	728
Bank loans	(a)	5,125	13,682
Other		-	29
Total Borrowings		6,416	16,068
NON-CURRENT			
Secured liabilities at amortised cost:			
Hire purchase liabilities	(b), 28(iii)	741	956
Lease liabilities	(b), 28(ii)	1,559	2,073
Bank loans	(a)	-	5,000
Total Borrowings		2,300	8,029

(a) The bank loans of the Group are secured by fixed and floating charges registered by mortgage debenture over assets and undertakings of the parent entity and its subsidiaries along with interlocking guarantees and indemnities for $73,660,000 between the parent entity and its subsidiaries.

During the period the bank facilities were renegotiated with the Company's bank. The term facilities amounting to $5,125,000 remain with an expiry date of 30 March 2016 and the key remaining facilities amounting to $51,500,000 were extended to 31 March 2016.

NOTE 24 BORROWINGS (CONTINUED)

	Consolidated	
	2015	**2014**
	$'000	**$'000**
Total financial assets pledged as security		
CURRENT		
Cash and cash equivalents	27,066	5,297
Trade and other receivables	70,351	86,403
Inventories	4,700	4,696
Tax assets	-	1,483
	102,117	97,879
NON-CURRENT		
Trade and other receivables	1,511	1,279
Investment in Joint Venture	260	165
Other financial assets	3	3
Property, plant & equipment	10,741	14,819
Deferred tax assets	7,000	8,564
Goodwill	15,185	15,185
Other intangible assets	4,592	6,032
	39,292	46,047
	141,409	143,926

(b) Lease liabilities and hire purchase liabilities are effectively secured as the rights to the assets recognised in the financial statements revert to the financier in the event of default.

Actual interest rates for hire purchase liabilities outstanding during the year ranged between 4.98% and 8.00%. Actual interest rates for lease liabilities outstanding during the year ranged between 5.55% and 8.35%. Actual interest rates for bank loans outstanding during the year was 5.08%.

(c) There were no defaults or breaches of any loan agreements during the current year.

NOTE 25 PROVISIONS

		Consolidated	
	Note	2015 $'000	2014 $'000
Employee benefits	(i)	9,927	9,892
Other provisions (see below)		8,889	11,519
		18,816	21,411
CURRENT		17,173	19,738
NON-CURRENT		1,643	1,673
		18,816	21,411

Other Provisions	Office of State Revenue (ii)	Make Good (iii)	Contract Provisions (iv)	Total
Balance at 1 July 2014	2,000	259	9,260	11,519
Additional provisions recognised	-	15	6,415	6,430
Provisions reversed	-	-	(238)	(238)
Provisions utilised	-	-	(8,822)	(8,822)
Balance at 30 June 2015	2,000	274	6,615	8,889

(i) The provision for employee benefits represents annual leave and vested and non-vested long service leave entitlements accrued.

(ii) The provision for NSW Office of State Revenue (OSR) relates to the following:

BSA has previously advised the market about a possible payroll-tax liability with the NSW Office of State Revenue (OSR). BSA has continued, along with our legal representatives to constructively work with the OSR to ensure an equitable and timely conclusion to this matter. BSA has a provision in its FY15 accounts of $2,000,000 (FY14: $2,000,000) and at this time there is no further information that would suggest this provision should be changed.

(iii) The provision for make good represents the estimated cost of work to comply with make good obligations in certain Group property leases.

(iv) The provision for contract provisions represents the expected cost of obligations under contracts recognised at the directors' best estimate of the expenditure to settle the Group's obligation.

NOTE 26 ISSUED CAPITAL

(a) Share capital

	Note	Parent Entity 2015 Number of Shares	Parent Entity 2014 Number of Shares
Ordinary shares - fully paid	(c)	422,907,346	228,861,202

(b) Movements in ordinary share capital

Date	Details		Number of Shares	Issue Price $	$'000
1 July 2013	Opening Balance		228,861,202		77,797
1 July 2014	Opening Balance		228,861,202		77,797
22 October 2014	Issue of shares under the Share Placement offer for cash	(c)	34,329,180	0.11	3,776
19 November 2014	Issue of shares under the Rights offer for cash	(g)	155,626,055	0.11	17,119
1 December 2014	Issue of shares by way of placement to Executives for cash	(c)	4,090,909	0.11	450
	Less: transaction costs arising on shares issued				(1,550)
30 June 2015	Balance		422,907,346		97,592

Changes to the Corporations Law abolished the authorised capital and par value concept in relation to share capital from 1 July 1998. Therefore the Company does not have a limited amount of authorised capital and issued shares do not have a par value.

(c) Ordinary Shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

(d) Options

At 30 June 2015 no options were held over ordinary shares of the Company.

Share options granted under the Share Option Plan carry no rights to dividends and no voting rights. Further information relating to the BSA Limited Employee Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the financial year, is set out in Note 31.

(e) Executive Securities Plan

The Company has established an Executive Securities Plan as a mechanism to provide the Company's key Executives with a direct equity involvement and incentive in the Company which aligns them with the shareholders.

(f) 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. The Dividend Reinvestment Plan has been suspended since the final dividend for 30 June 2012.

(g) Rights

Information relating to the BSA Limited Performance Rights Plan, including details of rights issued, exercised and lapsed during the financial year and rights outstanding at the end of the financial year, is set out in Note 31.

NOTE 27 RESERVES AND ACCUMULATED LOSSES

		Consolidated	
		2015	2014
		$'000	$'000
(a)	**Reserves**		
	Cash flow hedging reserve	-	(6)
	Share-based payments reserve	1,410	1,301
		1,410	1,295
	Cash flow hedging reserve		
	Opening balance	(6)	(41)
	Gain/(Loss) recognised on cash flow hedges	6	35
	Closing balance	-	(6)

The cash flow hedging reserve represents the cumulative portion of gains and losses on hedging instruments deemed effective in cash flow hedges. The cumulative deferred gain or loss on the hedging instrument is reclassified to profit or loss only when the hedged transaction affects the profit or loss, or is included as a basis adjustment to the non-financial hedged item, consistent with the relevant accounting policy.

		2015	2014
	Share-based payments reserve		
	Opening balance	1,301	1,354
	Rights expense	167	42
	Shares issued in satisfaction of performance conditions	(58)	(95)
	Closing balance	1,410	1,301

The share-based payments reserve relates to share options and share rights granted to employees under the Employee Share Option Plan and the Employee Performance Rights Plan. Further information about share-based payments to employees is set out in note 31.

The share-based payments reserve records items recognised as expenses on valuation of employee share options and rights.

		2015	2014
(b)	**Accumulated losses**		
	Movements in accumulated losses were as follows:		
	Balance at beginning of year	(63,024)	(8,177)
	Net loss for the year	-	(54,847)
	Balance at end of year	(63,024)	(63,024)
(c)	**Profit Reserve**		
	Movements in profit reserve were as follows:		
	Balance at beginning of year	3,862	3,862
	Net profit for the year	3,875	-
	Dividends	-	-
	Balance at end of year	7,737	3,862

NOTE 27 RESERVES AND ACCUMULATED LOSSES (CONTINUED)

(d) Dividends on equity instruments

	Year ended 30/06/15		Year ended 30/06/14	
	Cents per share	Total '000	Cents per share	Total '000
Recognised amounts				
Fully paid ordinary shares				
Interim dividend:	-	-	-	-
Final dividend:	-	-	-	-
Unrecognised amounts				
Fully paid ordinary shares				
Final dividend:	-	-	-	-

The Directors have not recommended the payment of a final dividend in respect of the year ending 30 June 2015.

(e) Franked credits

	Consolidated	
	2015	2014
	$'000	$'000
Franking account balance as at 30 June	16,285	16,285

NOTE 28 CAPITAL AND LEASING COMMITMENTS

		Consolidated	
		2015	2014
	Note	$'000	$'000
(i) Operating Lease Commitments			
The Group leases various offices and warehouses under non-cancellable operating leases expiring within one to five years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.			
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:			
Within one year		4,248	4,797
Later than one year but not later than five years		3,773	4,090
Later than five years		-	-
		8,021	8,887
(ii) Finance Lease Commitments			
The Group leases various plant and equipment with a carrying amount of $2,386,000 (2014: $3,323,000) under finance leases expiring within one to four years. Under the terms of the leases, the Group has the option to acquire the leased assets after paying the residual amount on expiry of the leases.			
Commitments in relation to finance leases are payable as follows:			
Within one year		817	936
Later than one year but not later than five years		1,751	2,280
Later than five years		-	-
Minimum lease payments		2,568	3,216
Less future finance charges		(340)	(415)
Total Lease Liability		2,228	2,801
Represented by:			
Current liability	24	669	728
Non-current liability	24	1,559	2,073
		2,228	2,801
(iii) Hire Purchase Commitments			
The Group has purchased various plant and equipment with a carrying amount of $1,148,000 (2014: $1,362,000) under hire purchase agreements expiring within one to four years. Under the terms of the agreements, the Group has the option to acquire the assets after paying the residual amount on expiry of the agreements.			
Commitments in relation to hire purchase agreements are payable as follows:			
Within one year		623	1,832
Later than one year but not later than five years		822	979
Later than five years		-	-
Minimum payments		1,445	2,811
Less future finance charges		(82)	(226)
Total Hire Purchase Liability		1,363	2,585
Represented by:			
Current liability	24	622	1,629
Non-current liability	24	741	956
		1,363	2,585

NOTE 29 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.

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

The Group is organised into the following reportable segments:

Technical Field Force Solutions (TFFS)

Technical Field Force Solutions provides contracting services to the telecommunications, subscription television and communication industries. The contracting services include 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 (TDCP)

Technical Design & Construction Projects provides the design and installation of building services for commercial and industrial buildings including: Mechanical Services, Air Conditioning, Heating and Ventilation, Refrigeration and Fire services.

Technical Maintenance Services (TMS)

Technical Maintenance Services provides the maintenance of building services for commercial and industrial buildings including: Mechanical Services, Air Conditioning, Heating and Ventilation, Refrigeration and Fire services.

(c) Segment revenues and results

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

	Revenue Year Ended		Segment Profit/Loss Year Ended	
	30 Jun 15 $'000	**30 Jun 14 $'000**	**30 Jun 15 $'000**	**30 Jun 14 $'000**
Technical Field Force Solutions	215,436	158,933	6,786	(9,356)
Technical Design and Construction Projects	252,740	234,138	8,031	(33,734)
Technical Maintenance Services	75,594	98,525	(1,038)	(9,436)
Other	294	94	-	-
	544,064	491,690	13,779	(52,526)
Corporate costs including acquisition, legal and advisory			(7,087)	(6,457)
Finance costs			(1,253)	(2,319)
Profit/(Loss) before tax			5,439	(61,302)

Segment revenue reported above represents revenue generated from external customers. Inter-segment sales in the current year $758,000 (2014: Nil)

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 3. Segment profit/loss represents the profit/loss earned by each segment without allocation of central administration costs and Directors' salaries, investment income, gains and losses, finance costs and income tax expense. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

NOTE 29 SEGMENT INFORMATION (CONTINUED)

(d) Segment assets and liabilities

	Year Ended	
	30 Jun 15	30 Jun 14
	$'000	$'000
Segment assets		
Technical Field Force Solutions	56,236	86,105
Technical Design and Construction Projects	72,897	54,083
Technical Maintenance Services	12,276	3,738
Consolidated assets	141,409	143,926
Segment liabilities		
Technical Field Force Solutions	42,805	57,977
Technical Design and Construction Projects	48,825	53,775
Technical Maintenance Services	6,064	12,244
Consolidated liabilities	97,694	123,996

For the purposes of monitoring segment performance and allocating resources between segments.

* All assets, except cash, are allocated to reportable segments. In 2015, cash is allocated to TFFS, who operate the Group's treasury. Goodwill is allocated to reportable segments as described in note 17. Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments; and
* All liabilities are allocated to reportable segments. Liabilities for which reportable segments are jointly liable are allocated in proportion to segment assets.

(e) Other segment information

	Depreciation and amortisation		Additions to non-current assets	
	Year Ended		Year Ended	
	30 Jun 15	30 Jun 14	30 Jun 15	30 Jun 14
	$'000	$'000	$'000	$'000
Continuing operations				
Technical Field Force Solutions	2,955	2,994	1,243	2,500
Technical Design and Construction Projects	2,076	2,379	607	420
Technical Maintenance Services	2,771	2,956	432	1,034
	7,802	8,329	2,282	3,954

In addition to the depreciation and amortisation reported above for 2014, impairment losses of $40,000,000 were recognised in respect of goodwill. These impairment losses were attributable to the following reportable segments. There was no impairment recognised in respect of goodwill for 2015.

	30 Jun 15	30 Jun 14
	$'000	$'000
Impairment losses recognised for the year in respect for goodwill		
Technical Field Force Solutions	-	11,490
Technical Design and Construction Projects	-	18,957
Technical Maintenance Services	-	9,553
	-	40,000

NOTE 29 SEGMENT INFORMATION (CONTINUED)

(f) Geographical information

The Group only operates in Australia.

The Group's revenue from continuing operations from external customers and information about its non-current assets by geographical location are detailed below:

	Revenue from external customers Year ended		Non-current assets Year Ended	
	30 Jun 15 $'000	**30 Jun 14 $'000**	**30 Jun 15 $'000**	**30 Jun 14 $'000**
Australia	544,064	491,690	39,292	46,047
	544,064	491,690	39,292	46,047

(g) Information about major customers

The Group has a number of customers to whom it provides both products and services. The Group supplies a single external customer in the Technical Field Force Solutions segment who accounts for 22% of external revenue (2014:17%). The Group's next most significant client is in the Technical Design and Construction Projects segment and accounts for 7% of external revenue (2014: 13%).

NOTE 30 CASH FLOW INFORMATION FOR THE PERIOD

		Consolidated 2015 $'000	Consolidated 2014 $'000
(a)	**Reconciliation of profit/(loss) to net cash flows from operating activities for the year**		
	Profit/(Loss) for the year	3,875	(54,847)
	Depreciation	6,362	6,888
	Amortisation	1,440	1,441
	Impairment of intangibles	-	40,000
	Share-based payment expense	167	42
	Net (profit) on sale of non-current assets	(77)	(84)
	Change in operating assets and liabilities		
	Decrease in trade receivables	14,143	6,660
	(Increase)/decrease in inventories	(4)	506
	Decrease/(increase) in deferred tax asset	1,564	(6,583)
	Decrease/(increase) in other operating assets	1,677	(7,873)
	(Decrease)/increase in trade payables	(14,473)	6,411
	Increase in other operating liabilities	6,066	1,158
	Decrease/(increase) in tax receivable	1,483	(277)
	(Decrease)/increase in provisions	(2,593)	12,139
	Net cash generated by operating activities	19,630	5,581

(b) Non-cash transactions

During the year the consolidated entity acquired plant and equipment with an aggregate value of $628,000 (2014:$470,000) by means of finance leases. These acquisitions are not reflected in the cash flow statement.

		Consolidated 2015 $'000	Consolidated 2014 $'000
(c)	**Credit Standby Arrangements with Banks**		
	Credit facility	20,000	27,000
	Amount utilised	-	(8,382)
	Unused credit facility	20,000	18,618

The major facility is summarised as follows:

A Working Capital Facility which covers the financial requirements of the day to day operations of the Group.

(d)	**Master Asset Finance Facilities**		
	Total asset finance facility	5,000	7,500
	Amount utilised	(3,591)	(5,386)
	Total unused Master Asset Finance Facility	1,409	2,114

NOTE 30 CASH FLOW INFORMATION FOR THE PERIOD (CONTINUED)

		Consolidated 2015 $'000	2014 $'000
(e)	**Loan facilities**		
	Loan facilities	5,125	10,300
	Amount utilised	(5,125)	(10,300)
	Unused loan facility	-	-

The major facilities are summarised as follows:

Acquisition Finance Loans

Loan 1 is for $625,000 and is fully drawn and has an expiry date of 30 March 2016. The current interest rate is 5.08% (2014: 8.59%) Loan 2 was fully repaid during the year. Loan 3 is for $4,500,000 and has an expiry date of 30 March 2016. The current interest rate is 5.08% (2014: 8.59%).

Finance will be provided under the facility provided the Company and the consolidated entity has not breached any borrowing requirements and the required financial ratios are met. During the year, the Company and the consolidated entity have not breached any borrowing requirements.

(f) Guarantees

Guarantees to the value of $21,195,000 were utilised at 30 June 2015 (2014: $23,328,000), are secured by fixed and floating charge to the bank over the assets of the Company together with guarantees in favour of the parent given by all controlled entities.

(g) Surety Bonds

Surety Bonds of which $12,162,000 were utilised at 30 June 2015 (2014: $13,703,000), are unsecured.

NOTE 31 SHARE-BASED PAYMENTS

(a) Employee Option Plan

The establishment of the BSA Limited Employee Option Plan was approved by shareholders at the 2004 AGM. Staff eligible to participate are those who are full time or permanent part-time employees of any company in the Group, including an Executive Director and Non-Executive Director of the company and whom the Board of Directors has sole discretion to determine to be eligible to participate but does not include a person who has a relevant interest in greater than 5% of the issued ordinary share capital of the Company.

The exercise price and exercise period applicable to any options to be offered under the Option Plan will, at or before the time of issuing an invitation to eligible employees to subscribe for options, be determined by the Board in its absolute discretion.

Subject to any restrictions in the Listing Rules or the Corporations Act 2001, the Board may in its absolute discretion impose on the options such other terms as it considers appropriate.

As soon as practicable after receipt of a valid notice of exercise of an option together with the exercise price the Company will allot the appropriate number of ordinary shares. Any shares issued on the exercise of the options granted pursuant to the resolution will be officially quoted and will rank equally with all other shares on issue in the Company and all the rights and entitlements of the holders in respect of those shares will be identical to the rights and entitlements of the holders of the currently issued shares in the Company.

Options can only be exercised after three years if the employee remains in the employment of the Company and the option will then expire two years after this date. If the employee terminates their employment within the three years, the option is exercisable for twelve months from the date after termination. If the Company is subject to a takeover the option will vest and be exercisable for a period of three months.

Options may not be transferred, though prior to issue a nominee may be advised for consideration by the Board.

There were no options outstanding at 30 June 2015 (2014: Nil).

Fair value of options granted

There have been no options granted since 25 November 2004.

There is no employee benefits expense in the Consolidated Statement of Profit or Loss and Other Comprehensive Income (2014: nil), which relates, in full, to equity-settled share-based payment transactions.

NOTE 31 SHARE-BASED PAYMENTS (CONTINUED)

(b) Employee Share Scheme

A scheme under which shares were issued by the Company to employees for no cash consideration was ratified by shareholders at the 2004 AGM. All permanent employees (including Executive Directors) who were continuously employed by the consolidated entity for a period of at least one year were eligible to participate in the scheme. Employees could elect not to participate in the scheme.

Under the scheme, eligible employees were offered $1,000 worth of fully-paid ordinary shares in BSA Limited for the Year Ended 30 June 2004 for no cash consideration. The market value of shares issued under the scheme, measured as the weighted average market price on the day of issue of the shares, was recognised in the Consolidated Statement of Financial Position as share capital and as part of employee benefit cost.

Offers under the scheme are at the discretion of the Company. No offers were made during year the ended 30 June 2015 (2014: Nil).

Shares under the scheme may not be sold until the earlier of three years after issue or cessation of employment with the consolidated entity. In all other aspects the shares rank equally with other fully-paid ordinary shares on issue (see note 26(c)).

The number of shares issued to participants in the scheme is the offered amount divided by the weighted average price at which the Company's shares are traded on the Australian Stock Exchange during the five trading days immediately before the date of the offer.

(c) Executive Securities Plan

The establishment of the BSA Executive Securities Plan was approved by shareholders at the 2005 AGM. The Plan was established as a mechanism to provide the Company's key Executives with a direct equity involvement and incentive in the Company which aligns them with the shareholders.

The number of securities to be offered and the time at which securities may be offered from time to time to Executives and the price and terms of payment, shall be determined by the Board in its discretion.

The Board may at such times as it determines invite any Executive to be a member of the Plan.

If an Executive to whom an invitation has been issued forwards to the Company a duly completed Loan Application and the Transfer Documents together with his acceptance, and where appropriate his Application for Shares, then the Company shall, in accordance with the terms of the Loan Agreement, lend to the Executive such amount as the Executive has applied for in the Loan Application.

The maximum amount of any Loan shall be the total subscription price for the shares applied for.

No interest is payable by the borrower under the Loan Agreement.

An Executive shall not sell, mortgage, charge, assign or otherwise dispose of or encumber any shares before payment or repayment of any amount outstanding to the Company in respect thereof.

Subject to the above restriction and to the terms of the Loan Agreement (if any) deemed to be entered into by the Executive, an Executive shall from the Date of Allotment, be the absolute beneficial owner of the shares.

Unless the Directors of the Company otherwise provide in the terms of any Invitation, all Plan Shares shall rank for dividends declared on or after the Date of Allotment and shall in all respects rank equally with and have the same rights and entitlements as all other fully paid ordinary shares of the Company.

Under the Loan Agreement, the borrower shall repay the balance outstanding of the Outstanding Principal when the borrower ceases to be an employee or Director of the Lender. BSA Limited has adopted the policy of having a rolling three year maturity date for all Executives who do not have a termed employment contract.

Set out below are summaries of securities accepted under the plan:

Consolidated and parent entity

Grant Date	Expiry Date	Issue Price (cents)	Balance at Start of the Year Number	Granted During the Year Number	Released from Escrow During the Year Number	Balance in Escrow at End of the Year Number
13 Oct 2006	n/a	0.23	700,000	-	-	700,000
19 Jul 2007	n/a	0.63	1,600,000	-	-	1,600,000
11 Sep 2007	n/a	0.68	150,000	-	-	150,000
13 Sep 2007	n/a	0.68	200,000	-	-	200,000
14 Dec 2007	n/a	0.68	400,000	-	-	400,000
10 Feb 2009	n/a	0.10	1,700,000	-	-	1,700,000
Total			4,750,000	-	-	4,750,000

NOTE 31 SHARE-BASED PAYMENTS (CONTINUED)

(d) Employee Performance Rights Plan

The establishment of the BSA Employee Performance Rights Plan was approved by shareholders at the 2008 AGM. The Plan was established to reward selected eligible employees and to:

- Provide an incentive for the creation of, and focus on, shareholder wealth;
- Enable the Company to recruit and retain the talented people needed to achieve the Company's business objectives;
- Link the reward of key staff with the achievement of strategic goals and the performance of the Company;
- Align the financial interests of participants in the Plan with those of Company shareholders; and
- Ensure the remuneration packages of employees are consistent with market practice.

Securities may be offered under the Plan and the Board has discretion to determine who is offered the opportunity to participate.

Generally, securities are subject to a holding restriction and cannot be traded unless certain performance conditions are met or as otherwise specified at the time of the relevant award after acquisition by the participant.

Rights to acquire shares will not be exercisable until the end of the final measurement period, and until those rights have satisfied all vesting conditions and all performance hurdles established by the Board. This is subject to a number of exceptions (including death, cessation of employment, takeovers and schemes of arrangement). The rights have a specified life determined by the Board. The initial grant of rights (the Grant Date) will have a life terminating five years after the Grant Date or such other date as determined by the Board (the Expiry Date).

Rights granted to certain participants in the initial grant will be at zero vesting value and will be subject to the following performance conditions as determined by the Board:

(i) Service condition of three years; or

(ii) The Company's performance as measured by earnings per share ("EPS") being the EPS for the relevant Measurement Period as determined by the Board having regard to the financial statements. Certain growth in EPS for the shares must be attained in respect of each Measurement Period and pro rata in respect of each Measurement Period and service condition of three years.

The Board will prescribe the date when performance under the hurdle is measured for each tranche.

On or after the end of the final measurement period and provided any performance hurdle prescribed by the Board has been achieved and, where applicable, to the extent it has been achieved, the Plan Participant may then acquire shares by exercising the rights.

A right lapses if it is not exercised by the Expiry Date.

The Exercise Price (if any) will be an amount determined by the Board from time to time, fixed at the date of grant or determined by application of methodology approved by the Board.

Once Rights have been exercised by an Eligible Employee (subject to certain Performance Conditions being met), the Company may make non-refundable contributions to the Plan Company to either:

- fund the purchase of a new Plan Share; or
- the acquisition on the ASX of an existing share and transfer to the participant of that share, to which the Participant is entitled under the rights.

The plan company is Computershare Plan Co Pty Limited ACN 098 404 696 or any other Company that the Board may approve from time to time. After rights are exercised, the plan company will subscribe for new shares or acquire shares in the ordinary course of trading on the ASX for participants, as directed from time to time by the Board.

NOTE 31 SHARE-BASED PAYMENTS (CONTINUED)

Consolidated and parent entity

Grant Date	Exercise Date	Expiry Date	Issue Price (cents)	Balance at Start of the Year Under Right Number	Granted During the Year Under Right Number	Granted During the Year Under Option Number	Exercised During the Year Under Right Number	Exercised During the Year Under Option Number	Cancelled During the Year Under Right Number	Balance in Escrow at End of the Year Under Right Number	Balance in Escrow at End of the Year Under Option Number
29 Sep 09	29 Sep 12	29 Sep 14	-	454,000	-	-	-	-	(454,000)	-	-
24 Aug 10	24 Aug 13	24 Aug 15	-	454,000	-	308,720	-	-	-	454,000	308,720
14 Nov 11	14 Nov 14	14 Nov 16	-	1,049,000	-	654,840	(342,000)	(232,560)	(86,000)	621,000	422,280
25 Nov 14	30 Jun 15	25 Nov 17	-	-	1,116,667	-	-	-	-	1,116,667	-
Total				1,957,000	1,116,667	963,560	(342,000)	(232,560)	(540,000)	2,191,667	731,000

Subsequent to the Capital Raising announced on 15 October 2014, holders of performance rights under the BSA Limited Employee Performance Rights Plan, who were still employed by BSA, were allocated 17 share options for 25 existing performance rights held. A total number of 963,560 share options were allocated under the BSA Limited Employee Performance Rights Plan all with the same vesting and expiry dates as the existing rights under the Plan. All recipients of these share options were not Key Management Personnel.

NOTE 32 EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

The Directors are not aware of any significant events since the end of the reporting period.

NOTE 33 RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those to other parties unless otherwise stated.

(a) Transactions with related parties:

	Consolidated Entity 2015 $	2014 $
Rent was paid to The Day Street Unit Trust in which M Lowe, a Director, has a beneficial interest	165,140	108,000

Outstanding balances arising from purchases of services

The following balances are outstanding at the reporting date in relation to transactions with related parties:

Purchase of services		
Rent for premises from Director	-	-

NOTE 33 RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Equity instrument disclosures relating to Key Management Personnel

(i) Rights holdings

The numbers of rights over ordinary shares in the Company held during the financial year by each Director of BSA Limited and other Key Management Personnel of the Group, including their personally related parties, are set out below.

2015	Balance at the start of the year	Granted as Compensation	Rights Exercised	Net Change Other	Balance at End of Year	Vested but Not Exercisable	Vested and Exercisable	Rights Vesting During Year
Nicholas Yates	-	1,116,667	-	-	1,116,667	-	-	-
	-	1,116,667	-	-	1,116,667	-	-	-

2014	Balance at the start of the year	Granted as Compensation	Rights Exercised	Net Change Other	Balance at End of Year	Vested but Not Exercisable	Vested and Exercisable	Rights Vesting During Year
Stephen Nash	1,360,000	-	-	(1,360,000)	-	-	-	-
Karl Nixon	1,521,000	-	-	(1,521,000)	-	-	-	-
	2,881,000	-	-	2,881,000	-	-	-	-

Further details of schemes can be found in the Directors' Report.

NOTE 33 RELATED PARTY TRANSACTIONS (CONTINUED)

(ii) Share holdings

The numbers of shares in the Company held during the year by each Director of BSA Limited and other Key Management Personnel of the Group, including their personally related parties, are set out below. There were no shares granted during the reporting period as compensation.

2015	Balance at the start of the year	Rights Exercised	Other Changes During the Year	Balance at the End of the Year	Balance Held Nominally
Directors of BSA Limited					
Ordinary Shares					
Ross Johnston (Retired 28 April 2015)	1,209,315	-	(309,315)	900,000	-
Mark Lowe	10,115,403	-	-	10,115,403	-
Paul Teisseire	404,769	-	275,243	680,012	-
Michael Givoni	230,000	-	406,400	636,400	-
Nicholas Yates	-	-	2,727,273	2,727,273	-
Ordinary Shares - Escrowed					
Mark Lowe	200,000	-	-	200,000	-
Key Management Personnel					
Ordinary Shares					
Nicholas Benson	-	-	1,363,636	1,363,636	-
	12,159,487	-	4,463,237	16,622,724	-

Max Cowley is a nominee director of Birketu Pty Ltd and is also a director of Birketu Pty Ltd. Birketu Pty Ltd holds shares in BSA Limited of 66,000,000 (2014: 63,057,156). Max Cowley has no beneficial interest in Birketu Pty Ltd.

2014	Balance at the start of the year	Rights Exercised	Other Changes During the Year	Balance at the End of the Year	Balance Held Nominally
Directors of BSA Limited					
Ordinary Shares					
Ross Johnston	1,209,315	-	-	1,209,315	-
Mark Lowe	10,115,403	-	-	10,115,403	-
Paul Teisseire	404,769	-	-	404,769	-
Michael Givoni	230,000	-	-	230,000	-
Daniel Collis	58,333,195	-	(58,333,195)	-	-
Ordinary Shares - Escrowed					
Mark Lowe	200,000	-	-	200,000	-
	70,492,682	-	(58,333,195)	12,159,487	-

NOTE 33 RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Executive Securities Loans

	Opening Balance $000	Balance at End of Year $000	Notional Interest Charged $000	Notional Interest Not Charged $000	Provision for Impairment $000	Number of Individuals
2015	1,473	1,705	232	-	-	11
2014	1,473	1,473	90	-	-	11
2013	1,477	1,473	90	-	-	11
2012	2,552	1,477	93	-	-	11
2011	2,656	2,552	44	-	-	13
2010	2,487	2,656	334	-	-	13
2009	2,437	2,487	171	-	-	13
2008	1,029	2,437	148	-	-	13
2007	833	1,029	63	-	-	6
2006	807	833	26	-	-	1

Individuals with loans above $100,000 in reporting period

2015	Opening Balance $	Notional Interest Charged Using Effective Interest Rate Method $	Balance at End of Year $	Highest Balance During Period $
Brendan Foley	490,499	88,743	579,242	579,242
Ray Larkin	188,844	34,167	223,011	223,011
Leaston Paull	188,844	34,167	223,011	223,011
Bryce Wood	160,332	29,007	189,339	189,339
Peter Tripodi *	143,750	-	143,750	143,750
Younis Tehfe	112,397	20,336	132,733	132,733

* Balance at year end stated at actual date to the terms of the loans

2014	Opening Balance $	Notional Interest Charged Using Effective Interest Rate Method $	Balance at End of Year $	Highest Balance During Period $
Brendan Foley	490,499	34,334	490,499	490,499
Ray Larkin	188,844	13,219	188,844	188,844
Leaston Paull	188,844	13,219	188,844	188,844
Bryce Wood	160,332	11,223	160,332	160,332
Peter Tripodi *	147,500	-	143,750	147,500
Younis Tehfe	112,397	7,868	112,397	112,397

* Balance at year end stated at actual due to the terms of the loans.

The above current loans represent unsecured loans to purchase shares in BSA Limited which was passed at a meeting of members held on 12 December 2005. The shares were issued between 13 October 2006 and 10 February 2009 at values ranging from 10.0 cents per share and 68.0 cents per share. The loans are repayable on the termination of each individual from the Company and do not bear interest. These loans have been booked into the accounts at net present value on a rolling three year basis.

At the discretion of the Board, the above loan to Peter Tripodi was not repaid at the termination date. The outstanding principal is now due and receivable and actions to recover are under way.

NOTE 34 FINANCIAL INSTRUMENTS

Fair value of financial instruments carried at amortised cost.

The Directors consider that the carrying amounts of financial assets and financial liabilities recognised at amortised cost in the financial statements approximate their fair values.

	Consolidated	
	2015	**2014**
	$'000	**$'000**
Financial Assets		
Cash and cash equivalents	27,066	5,297
Loans and receivables		
Trade and other receivables	71,862	87,682
Financial Assets at amortised cost	98,928	92,979
Financial liabilities		
Financial liabilities held at amortised cost		
Trade and other payables	70,162	78,488
Borrowings	8,716	24,097
Financial liabilities at amortised cost	78,878	102,585

NOTE 35 FINANCIAL RISK MANAGEMENT

(a) General objectives, policies and processes

In common with all other businesses, the Group is exposed to financial risks that arise. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The principal financial instruments from which financial instrument risk arises are:

- Trade receivables;
- Cash at bank;
- Bank overdrafts;
- Trade and other payables; and
- Borrowings.

The Board has overall responsibility for the determination of the Group's risk management objectives and polices and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function. The Group's risk management policies and objectives are therefore designed to minimise the potential impacts of these risks on the results of the Group where such impacts may be material. The Board receives monthly reports from the Finance Department through which it reviews the effectiveness of the processes put in place and the objectives and policies it sets. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility.

NOTE 35 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit Risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Group incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the Group.

Trade receivables consist of a large number of customers. The Group does not have significant credit risk exposure to any single counterparty or group of counterparties having similar characteristics. The Group defines counterparties as having similar characteristics if they are related entities. Concentration of credit risk to the largest counterparty did not exceed 12% of gross monetary assets at balance date. Concentration of credit risk to any other counterparty did not exceed 10% of gross monetary assets at balance date.

The maximum exposure to credit risk at balance date is as follows:

	Consolidated	
	2015	**2014**
	$'000	**$'000**
Receivables	71,862	87,682
	71,862	87,682

Included in loans and receivables, the most significant customer accounts for 10.0% of trade receivables at 30 June 2015 (2014:13.3%).

The maximum exposure to credit risk at balance date by country is as follows:

	Consolidated	
	2015	**2014**
	$'000	**$'000**
Australia	71,862	87,682
	71,862	87,682

The maximum exposure to credit risk for cash and trade receivables at balance date by type of customer is as follows:

	Consolidated	
	2015	**2014**
	$'000	**$'000**
Technical Field Force Solutions	26,571	29,482
Technical Design and Construction Projects	34,032	49,531
Technical Maintenance Services	11,259	8,669
	71,862	87,682

The Group's most significant customer, a Technical Field Force Solutions customer, accounts for $5,694,000 of trade receivables at 30 June 2015. At 30 June 2014, the Group's most significant customer was a Technical Design & Construction Projects customer which accounted for $8,416,000.

All major customers are credit worthy, as detailed above

The Group has significant concentration of credit risk as all loans and lease liabilities are with the one financial institution.

NOTE 35 FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The table below sets out details of additional undrawn facilities that the Group has at its disposal to further reduce liquidity risk.

Financing arrangements

The following financing facilities were available at balance date:

		Consolidated
	2015	**2014**
	$'000	**$'000**
Credit stand-by arrangements		
Total facilities:		
Overdraft Facility	4,000	-
Multi-Option Facility	-	11,000
Debtor Finance Facility	16,000	16,000
	20,000	27,000
Used at balance date:		
Overdraft Facility	-	-
Multi-Option Facility	-	-
Debtor Finance Facility	-	8,382
	-	8,382
Unused at balance date:		
Overdraft Facility	4,000	-
Multi-Option Facility	-	11,000
Debtor Finance Facility	16,000	7,618
	20,000	18,618
Bank loans		
Total facilities:	5,125	10,300
Used at balance date	5,125	10,300
Unused at balance date	-	-
Total unused credit facilities at balance date	20,000	18,618
Master Asset Finance Facility		
Total facilities:	5,000	7,500
Used at balance date	3,591	5,386
Total unused Master Asset Finance Facility	1,409	2,114
Total unused Facilities at balance date	21,409	20,732

In addition to the above arrangements the consolidated entity has a bank guarantee facility of $26.5m (2014: $25.0m) which was utilised to $21.2m (2014: $23.3m).

In addition to the above facilities the consolidated entity has a surety bond facility with Swiss Re International SE of $20.0m (2014: $18.0m) which was utilised to $12.2m (2014: $13.7m).

Refer Note 24(a) for details of terms of financing arrangements.

NOTE 35 FINANCIAL RISK MANAGEMENT (CONTINUED)

Maturity Analysis - Group

The following table details the Group's remaining contractual maturity for its financial liabilities with agreed repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. To the extent that interest flows are at floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Group may be required to pay.

The table below includes the weighted average effective interest rate and a reconciliation to the carrying amount in the Statement of Financial Position as an example of summary quantitative data about exposure to interest rates at the end of the reporting period that an entity may provide internally to management personnel.

Financial Liabilities 30 June 2015	Carrying Amount $'000	Contractual Cash Flows $'000	< 6 mths $'000	6- 12 mths $'000	1-3 years $'000	> 3 years $'000
Bank loans	5,125	5,294	1,894	3,400	-	-
Other	-	-	-	-	-	-
Trade creditors	31,501	31,501	31,501	-	-	-
Other payables	57,477	57,477	57,477	-	-	-
Finance lease liabilities	3,591	4,013	720	720	2,573	-
TOTAL	97,694	98,285	91,592	4,120	2,573	-

30 June 2014	Carrying Amount $'000	Contractual Cash Flows $'000	< 6 mths $'000	6- 12 mths $'000	1-3 years $'000	> 3 years $'000
Bank loans	18,682	20,032	11,806	2,950	5,276	-
Other	29	29	29	-	-	-
Trade creditors	45,971	45,971	45,971	-	-	-
Other payables	53,928	53,928	53,928	-	-	-
Finance lease liabilities	5,386	6,027	1,384	1,384	3,259	-
TOTAL	123,996	125,987	113,118	4,334	8,535	-

The following table details the Group's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Group's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Financial Assets 30 June 2015	Carrying Amount $'000	Contractual Cash Flows $'000	< 6 mths $'000	6- 12 mths $'000	1-3 years $'000	> 3 years $'000
Trade debtors	8,526	8,908	8,908	-	-	-
Other receivables	63,336	64,222	62,517	194	-	1,511
TOTAL	71,862	73,130	71,425	194	-	1,511

30 June 2014	Carrying Amount $'000	Contractual Cash Flows $'000	< 6 mths $'000	6- 12 mths $'000	1-3 years $'000	> 3 years $'000
Trade debtors	10,269	10,706	10,706	-	-	-
Other receivables	77,413	80,195	78,723	1	192	1,279
TOTAL	87,682	90,901	89,429	1	192	1,279

NOTE 35 FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Market Risk

Interest rate risk

The Group's main interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

Sensitivity Analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 2% increase or decrease is used when reporting interest rate risk internally to Key Management Personnel and represents management's assessment of the reasonably possible change in interest rates.

Consolidated	Carrying Amount AUD	+2% of AUD IR		-2% of AUD IR	
2015		Profit	Other Equity	Profit	Other Equity
	$'000	$'000	$'000	$'000	$'000
Borrowings AUD	5,125	103	-	(103)	-
Tax effect (30%)	-	(31)	-	31	-
After tax increase/(decrease)	5,125	72	-	(72)	-

The above analysis assumes all other variables remain constant.

The same analysis was performed for the period ended 2014.

Consolidated	Carrying Amount AUD	+2% of AUD IR		-2% of AUD IR	
2014		Profit	Other Equity	Profit	Other Equity
	$'000	$'000	$'000	$'000	$'000
Borrowings AUD	18,711	374	-	(374)	-
Tax effect (30%)	-	(112)	-	112	-
After tax increase/(decrease)	18,711	262	-	(262)	-

The above analysis assumes all other variables remain constant.

NOTE 35 FINANCIAL RISK MANAGEMENT (CONTINUED)

Interest rate swap contracts

Under interest rate swap contracts, the Group agrees to exchange the difference between the fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the risk of changing interest rates on the fair value of issued fixed rate debt and the cash flow exposures on the issued variable rate debt. The fair value of interest rate swaps at the end of the reporting period is determined by discounting the future cash flows using the curves at the end of the reporting period and the credit risk inherent in the contract, and is disclosed below. The average interest rate is based on the outstanding balances at the end of the reporting period.

The following tables detail the notional principal amounts and remaining terms of interest rate swap contracts outstanding at the end of the reporting period:

Cash flow hedges

Outstanding receive floating pay fixed contracts	Average Contracted Fixed Interest Rate		Notional Principal Value		Fair Value	
	2015	2014	2015	2014	2015	2014
	%	%	$'000	$'000	$'000	$'000
Less than 1 year	-	8.59	-	-	-	-
1 to 2 years	-	8.59	-	4,488	-	(6)
			-	4,488	-	(6)

The interest rate swaps settle on a quarterly basis. The floating rate on the interest rate swaps is the local interbank rate of Australia. The Group will settle the difference between the fixed and floating interest rate on a net basis.

All interest rate swap contracts exchanging floating rate interest amounts for fixed rate interest amounts are designated as cash flow hedges in order to reduce the Group's cash flow exposure resulting from variable interest rates on borrowings. The interest rate swaps and the interest payments on the loan occur simultaneously and the amount accumulated in equity is reclassified to profit or loss over the period that the floating rate interest payments on debt affect profit or loss.

Cash flow hedges are regarded as a Level 2 financial instrument. Level 2 fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
The current interest rate swap agreement ended September 2014.

NOTE 36 CAPITAL RISK MANAGEMENT

In managing its capital, the Group's primary objective is to ensure its continued ability to provide a consistent return for its equity shareholders through a combination of capital growth and distributions. In order to achieve this objective, the Group seeks to maintain a gearing ratio that balances risks and returns at an acceptable level and also to maintain a sufficient funding base to enable the Group to meet its working capital and strategic investment needs. In making decisions to adjust its capital structure to achieve these aims, either through altering its dividend policy, new share issues or the reduction of debt, the Group considers not only its short-term position but also its long-term operational and strategic objectives.

It is the Group's policy to review its gearing ratio to ensure adequate funds are available to meet its obligations. The Group's gearing ratio at the balance sheet date is shown below:

		Consolidated
Gearing ratios	**2015**	**2014**
	$'000	**$'000**
Net (cash) / debt	(18,350)	18,800
Total equity	43,715	19,930
Total Gearing Ratio	(41.98%)	94.33%

Gearing levels have decreased due to a capital raising during the year and a strong focus on working capital management. It is the Board's intention to monitor gearing levels going forward to ensure flexibility. There have been no other significant changes to the Group's capital management objectives, policies and processes in the year nor has there been any change in what the Group considers to be its capital.

NOTE 37 OTHER EXPENSES

			Consolidated
	Note	**2015**	**2014**
		$'000	**$'000**
Bad debt and debt collection (recovery)/expenses		(661)	3,005
Motor vehicle expenses		3,135	3,498
Travel and entertainment		2,319	3,479
Other		18,208	19,013
Total Other Expenses		23,001	28,995

NOTE 38 CONTINGENT LIABILITIES

Guarantees established in favour of National Australia Bank Limited and Swiss Re International SE for guarantees issued to various clients for satisfactory contract performance, secured by cross guarantees from all wholly owned group members amounting to $33,357,000 (2014 - $37,031,000).

NOTE 39 CORPORATE INFORMATION

The Financial Report of BSA Limited for the year ended 30 June 2015 was authorised for issue in accordance with a resolution of the Directors on 28 August 2015 and covers the consolidated entity consisting of BSA Limited and its subsidiaries as required by the Corporations Act 2001. BSA Limited is a company limited by shares incorporated in Australia and whose shares are publicly traded on the Australian Stock Exchange.

The financial report is presented in Australian currency.

The address of the registered office and principal place of business is:

7 Figtree Drive

Sydney Olympic Park NSW 2127

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 are in compliance with International Financial Reporting Standards, as stated in note 3.1 to the financial statements;

(c) In the Directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act* 2001 (Cth), including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity; and

(d) The Directors have been given the declarations required by s.295A of the *Corporations Act* 2001 (Cth).

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 19 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 (Cth).

On behalf of the Directors.

Michael Givoni
Chairman
Sydney

28 August 2015

Deloitte.

Deloitte Touche Tohmatsu
ABN: 74 490 121 060

Eclipse Tower
Level 19
60 Station Street
Parramatta NSW 2150
PO Box 38
Parramatta NSW 2124 Australia

DX 28485
Tel: +61 (0) 2 9840 7000
Fax: +61 (0) 2 9840 7001
www.deloitte.com.au

Independent Auditor's Report to the Directors of BSA Limited

Report on the Financial Report

We have audited the accompanying financial report of BSA Limited (the "Company"), which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, 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 31 to 93.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 3.1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the consolidated financial statements comply with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 company's preparation of the financial report that gives a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company'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.

Deloitte.

Auditor's Independence Declaration

In conducting our audit, 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 report.

Opinion

In our opinion:

(a) the financial report of BSA Limited is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

(b) the consolidated financial statements also comply with International Financial Reporting Standards as disclosed in Note 3.1

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 17 to 25 of the directors' report for the year ended 30 June 2015. 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.

Opinion

In our opinion the Remuneration Report of BSA Limited for the year ended 30 June 2015, complies with section 300A of the *Corporations Act 2001*.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

D. Black

David Black
Partner
Chartered Accountants
Parramatta, 28 August 2015

SHAREHOLDER INFORMATION

THE SHAREHOLDER INFORMATION SET OUT BELOW WAS APPLICABLE AS AT 31 JULY 2015

A. DISTRIBUTION OF EQUITY SECURITIES

Analysis of numbers of equity security holders by size of holding:

	Number of Holders	Ordinary Shares	Number of Holders	Options	Number of Holders	Performance Rights
1 to 1,000	160	73,480	-	-	-	-
1,001 to 5,000	513	1,640,849	-	-	-	-
5,001 to 10,000	307	2,445,938	-	-	-	-
10,001 to 100,000	732	28,320,078	-	-	1	87,360
100,001 and above	254	390,427,001	-	-	3	2,835,307
	1,966	422,907,346	-	-	4	2,922,667

There were 391 (2014: 493) holders of less than a marketable parcel of ordinary shares.

B. EQUITY SECURITY HOLDERS

Twenty largest quoted equity security holders

The names of the twenty largest holders of quoted equity securities are listed below:

	Ordinary Shares	
Name of Holder	Number Held	Percentage of Issued
BIRKETU PTY LTD	66,000,000	15.61%
AUST EXECUTOR TRUSTEES LTD <LANYON AUST VALUE FUND>	62,096,086	14.68%
CITICORP NOMINEES PTY LIMITED	54,066,243	12.78%
NATIONAL NOMINEES LIMITED	34,014,511	8.04%
HGT INVESTMENTS PTY LTD	18,062,664	4.27%
RBC INVESTOR SERVICES AUSTRALIA NOMINEES P/L <WAM ACCOUNT>	13,396,361	3.17%
ARMADA TRADING PTY LTD	7,816,179	1.85%
MR GREG MULLANE	7,548,743	1.78%
SETLOBE PTY LTD <LOWE UNIT A/C>	7,392,405	1.75%
RUMDAB PTY LTD <BOWLES FAMILY A/C>	6,370,655	1.51%
SANDHURST TRUSTEES LTD <TBF SMALL CAP VAL GRWTH A/C>	4,500,000	1.06%
CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	3,433,752	0.81%
MR BRENDAN GERARD FOLEY	2,860,397	0.68%
MR DAVID CAMPBELL	2,750,000	0.65%
AVANTEOS INVESTMENTS LIMITED <N & E YATES SUPER A/C>	2,727,273	0.64%
SAMLOWE PTY LTD <LOWE SUPER FUND A/C>	2,722,998	0.64%
GINGA PTY LTD	2,244,341	0.53%
METANOMSKI INVESTMENTS PTY LTD <E METANOMSKI SUPER FUND A/C>	2,110,725	0.50%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	1,907,302	0.45%
STORMCLASSIC PTY LTD <SVENDSEN PENSION A/C>	1,818,180	0.43%
Top 20 Shareholders	303,838,815	71.83%

C. SUBSTANTIAL SHAREHOLDERS

Substantial shareholders in the Company are set out below:

Ordinary Shares	Number Held	Percentage
BIRKETU PTY LTD	66,000,000	15.61%
AUST EXECUTOR TRUSTEES LTD <LANYON AUST VALUE FUND>	63,860,086	15.10%
NAOS ASSET MANAGEMENT LTD	51,568,828	12.19%

D. VOTING RIGHTS

The voting rights attaching to each class of equity securities are set out below:

(a) Ordinary shares

On a show of hands every member present at a meeting in person, or by proxy, shall have one vote and upon a poll each share shall have one vote.

(b) Option over an ordinary share

No voting rights.

(c) Rights over an ordinary share

No voting rights.

CORPORATE DIRECTORY

BSA Limited - Corporate

Registered Office (Sydney)
7 Figtree Drive
Sydney Olympic Park NSW 2127
P +61 2 8748 2400
F +61 2 8748 2577
E corporate@bsa.com.au
W www.bsa.com.au

Technical Design and Construction Projects

Head Office (Sydney)
Level 3, Quad 2, 8 Parkview Drive
Sydney Olympic Park NSW 2127
P +61 2 9763 6200
F +61 2 9763 6201

Technical Field Force Solutions

Head Office (Sydney)
7 Figtree Drive
Sydney Olympic Park NSW 2127
P +61 2 8748 2400
F +61 2 8748 2577

Technical Maintenance Services

Head Office (Sydney)
Level 3, Quad 2, 8 Parkview Drive
Sydney Olympic Park NSW 2127
P +61 2 9763 6200
F +61 2 9763 6201

Share Registry

Computershare Investor Services
GPO Box 2975
Melbourne VIC 3001 Australia
P 1300 85 05 05
P +61 3 9415 4000
F +61 3 9473 2500

Auditor

Deloitte Touche Tohmatsu
Eclipse Tower
Level 19, 60 Station Street
Parramatta NSW 2150

Banker

National Australia Bank
255 George Street
Sydney NSW 2000

www.bsa.com.au