APPENDIX 4E

Results for Announcement to the Market and Annual Report

2021

BSA Limited
50 088 412 748

FOR THE YEAR ENDED 30 JUNE 2021

Image courtesy of Sydney Football Stadium

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RESULTS FOR **ANNOUNCEMENT TO THE MARKET**

FOR THE PERIOD ENDED **30 JUNE 2021**

PREVIOUS CORRESPONDING PERIOD 30 JUNE 2020

APPENDIX 4E

				$'000
Revenue from ordinary activities	Down	**(14%)**	to	**418,346**
Profit from ordinary activities after income tax attributable to members	Down	**(81%)**	to	**1,479**
Net profit for the period attributable to members	Up	**n/a**	to	**1,479**

	2021 cents	2020 cents
Basic earnings per share	0.341	(0.222)
Diluted earnings per share	0.340	(0.222)
Net tangible asset backing per ordinary share	(0.26)	0.99(1)

(1) Comparative information reflects reclassification between Property, plant & equipment and Intangible assets, refer to note C3.

DIVIDENDS

	Amount per security (cents)	Franked amount per security at 30% tax (cents)
Interim dividend (fully franked)	0.50	0.50
Final dividend (fully franked)	0.50	0.50

Record date for determining entitlement to dividends	5 October 2021
Payment date of dividend	3 November 2021
Total dividend payable	$2,170,000

None of this dividend is foreign sourced.

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

The last date for the receipt of an election notice for participation in the DRP is 15 October 2021.

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 consolidated financial statements.

BSA Limited
Annual Report

2021

BSA is proud to be protecting the Sydney Football Stadium by providing Fire and Life Safety systems.

Image courtesy of Sydney Football Stadium

Contents

Cover Image courtesy of Crown Resorts

Westconnex3A Tunnel - Roadway.
BSA are installing deluge pipework over 16 kilometres of road way in 10 separate tunnels.

Image courtesy of WestConnex

Chairman's Report

Last year I wrote to you amidst the unprecedented effect of the COVID-19 pandemic. A year on and we are all still navigating the effects of this ongoing health and economic crisis. Nevertheless, the BSA management team has had an extremely effective year on a number of fronts, which I will address below.

On behalf of the Board, I commend our workforce for their resilience and adaption to a new way of working. As a business, we have embraced some of these changes whilst ensuring the safety of our employees, subcontractors and clients remains our upmost priority. In accordance with health orders across the majority of our states and territories, many of our staff have continued to work remotely for extended periods. As we cautiously continue to welcome back office-based employees, we have adopted a progressive approach of a hybrid-working environment (without compromising productivity) for those employees choosing to do so. The Board supports this model and we have invested in technology and programs to ensure our workforce remains engaged and connected.

2021 Key Highlights*

$422.5 million

Revenue

$23.1 million

EBITDA

$6.6 million

Net Profit

* Underlying (refer page 5)

Michael Givoni

Globally, society has taken significant steps to combat how COVID-19 impacts the way we work and live. The vaccine rollouts have been positive with early signs of countries returning to a newfound norm. The disease unfortunately continues to play a pivotal role in Australia and continues to impact businesses and economic confidence in our country. With lock downs continuing in the first months of the financial year across most states and territories, our business is not immune to the effects of these changes. Whilst its impact is manageable, it does inevitably delay timing on major strategic initiatives, whether it be the mobilization on major new contract wins, scheduling routine maintenance for customers, or progressing acquisition discussions. In summary the commercial and legal work is completed but accurately predicting when the earnings are delivered has proved challenging.

BSA managed to secure very significant contracts in the last twelve months, which will set the platform for growth in next 3 to 5 years. Major customers such as NBN, Foxtel and Telstra have written long-term contracts with us. Arguably our most successful year in securing new work, on record.

We also workshopped and reinvigorated our vision and values during the year. Our vision and values were Executive Leadership Team ('ELT') led with input from employee focus groups. Your Board also participated to guide and encourage a set of values and culture that supported our wish to see sustained and significant growth in the planning horizon.

It is BSA's Vision to be our clients' indispensable partner for the design, delivery and management of innovative asset solutions.

Collectively the business agreed on the following:

WE **WORK SAFE** & GO **HOME SAFE.**

WE **ENABLE** OUR **CUSTOMERS'** SUCCESS.

WE EMBRACE **DIVERSE THINKING** AND **SOLUTIONS.**

WE ALWAYS DO THE **RIGHT THING.**

In February 2021, we announced to the market our strategic goals, which included targeted revenue of $750 million with greater than 5% returns by FY2024. I am pleased to note that whilst COVID-19 lock downs posed challenges for everyone, we used the time productively to ensure we remain committed and on track to achieving this target. The Board recognizes that this target will require a combination of organic and acquisitive initiatives.

The Catalyst ONE acquisition which was completed in January this year, has integrated well and delivered on its projections. It was an important tactical bolt on, as it opened the CUI division to the mobile tower market, which is a significant area of the telecommunications sector that we previously have not been able to access.

Our financial performance has remained consistent and we have managed to deliver according to our guidance announced to the market on 8 February 2021. The margins at underlying EBITDA line has improved from 5.28% to 5.5%. Also the cash conversion has remained at an excellent level of 77%.

The Board has been very focused on pre-tax margins, cash conversion and using technology investment prudently to drive these metrics in a positive way.

These high-level financial results are:

	FY2021	FY2020
	$'000	$'000
Revenue	422,546	486,535
Statutory Continuing NPAT	1,479	7,802
Underlying EBITDA	23,122	25,880
Underlying NPAT	6,646	9,826
Operating cash flow(1)	(4,588)	31,285
Net cash	11,900	32,720
Underlying earnings per share (cps)	1.53	2.28

(1) Includes COVID-19 related deferral measures (FY2021: $13,740 thousand of repayments, FY2020: $14,340 thousand of deferrals)

The CEO's report outlines these results in more detail.

Board changes in FY2021 include the following:

As announced during our AGM, Mark Lowe has retired from the Board of Directors. On behalf of the Board, I would like to again acknowledge Mark's tremendous contribution to BSA. He has held leadership roles at BSA for over 13 years, both as a senior executive, and more recently, as a valued Non-executive Director.

In May 2021, Michelle Cox was invited to the Board and subsequently appointed as a Non-executive director. Michelle brings with her a wealth of experience in various entrepreneurial roles, with contemporary technology and marketing skill sets. I would like to formally welcome Michelle and look forward to working with her.

Finally, I would like to thank my fellow Directors, the Executive Leadership Team and the BSA workforce for their commitment this year as we continue to strive towards our FY2024 strategic plan targets.

Michael Givoni

Chairman | 20 August 2021

CEO Report

Timothy Harris

Managing Director and
Chief Executive Officer

OPERATIONAL AND FINANCIAL RESILIENCE

BSA continues to execute on its strategic initiatives despite a challenging period. During the financial year, we have made significant progress on a number of items:

Renewal and extension of key contracts (Foxtel & nbn OMMA)	August 2020
Entering the wireless market through the acquisition of Catalyst ONE	December 2020
Securing new contracts (nbn Unified Field Services & Telstra Field Operations)	December 2020
Finalising the roll out of our world class technology platform	December 2020
Refreshed group strategy and targets	February 2021
Optimisation review & execution	May 2021

In the first half of FY2021, we secured a solid base of contracts for the future. During the second half, we shifted our focus towards optimisation and execution of those contracts and our operations, with all new contracts now mobilised. Concurrently we evolved our internal delivery model and structures to further optimise client service whilst ensuring internal efficiency, scalability, and a strong platform for growth.

We do need to acknowledge the economic impact of COVID-19, which has affected BSA's overall performance. Tender progress was slower than expected and market confidence impacted customer spend patterns. Fortunately, these were concentrated to specific sectors, such as retail and tertiary education and we are in a good position to perform suspended work once discretionary spend and client confidence improves. Government subsidies in the form of JobKeeper, worth $11,261 thousand were accessed during FY2021, and has had the desired effect; allowing BSA to maintain its workforce.

Unfortunately, the new financial year has already seen lockdowns across several states highlighting the ongoing impact of the disease. We are continually assessing the impact whilst ensuring our workforce remains safe and that public health advice is followed at all times.

In FY2021, our core business continued to generate cash backed annuity style revenue and profits. Whilst the economic climate did not allow us to achieve our targets, we maintained returns similar to prior years. Group revenue is $422,546 thousand (FY2020: $486,535 thousand) with underlying EBITDA of $23,122 thousand (2020: $25,880 thousand) equating to a 0.2% higher percentage return. Net profit from operations declined to $1,479 thousand (FY2020: $7,802 thousand). Operating cash inflow before interest and tax remained strong at $11,035 thousand (FY2020: $18,832 thousand) adjusted for COVID-19 related deferral measures (FY2021: $13,740 thousand of repayments, FY2020: $14,340 thousand of deferrals) with Net Cash at year-end of $11,900 (thousand).

BSA continues to deliver shareholder returns through consistent dividend distributions as outlined in our dividend policy. In FY2021, we paid out three dividends of 0.5 cents per share (March 2020 interim dividends were deferred to July 2020), with a final dividend of 0.5 cents declared for FY2021 payable in November 2021.

Our near term priorities will ensure that we continue to successfully deliver value to customers and stakeholders through technology. Ongoing group priorities include the following:

- Excellence in Delivery,
- Grow and Diversify Contract Base,
- New Complimentary Revenue Stream (Third Pillar),
- Investment in people, and
- Technology enablement.

These key focus areas and refreshed management structures will set the platform for success in FY2022 and beyond.

WORKPLACE HEALTH AND SAFETY

The health, safety and wellbeing of our people underpinned the way we did business throughout FY2021 as we continued to navigate the impact of COVID-19.

We undertook a collaborative review of our values to ensure they are reflective of our workforce and support our strategy. They are as follows: We Work Safe & Go Home Safe | We Enable Our Customers' Success | We Embrace Diverse Thinking and Solutions | We Always Do the Right Thing.

A key initiative in FY2021 was the completion of the Health and Safety ("HSE") Index. This represents the results of a feedback survey across the group's workforce on health, safety and wellbeing matters and enables us to measure, focus and act on specific Health, Safety and Wellbeing programs for our people. The results of this survey placed us ahead of the average scores amongst comparable companies whilst also highlighting some targeted focus areas for us to improve further in FY2022 and beyond.

> “In FY2021, our core business continues to generate cash backed annuity style revenue and profits”

BSA delivered a 1.12MW solar installation with cloud camera technology at the Gateway Shopping Centre (Darwin) in December 2020.

On operational safety, we successfully implemented a number of initiatives during the year centred on the pillars of:

- Systems,
- Risk Management,
- HSE Capability, and
- Health and Wellbeing.

Key initiatives during the year included participation in Safe Work Australia month in October and BSA’s Annual Stop for Safety Day highlighting the importance of health and safety for the Group. These sessions were conducted virtually allowing participation to be significantly larger than previous years.

Group wide initiatives were taken to increase reporting of all incidents to underpin our safety culture and as a result reporting has increased. Frequency rates marginally increased in Lost Time Injuries (LTIFR) and Total Recordable Injuries (TRIFR). LTIFR and TRIFR moved from 1.58 to 2.77 and 7.12 to 7.76, respectively.

During the year we successfully transitioned to the International Standard for Occupational Health and Safety Management Systems (ISO 45001: 2018) and maintained accreditations Quality (AS/NZS: 9001), Environment (ISO: 14001) and certification with the Office of Federal Safety Commissioner (OFSC).

Our goal throughout FY2022 will be to improve our HSE Index score through targeted focus areas.

COMMUNITY SUPPORT

We continued to support a number of charities during the year, which include donations to the Children’s Cancer Institution, White Ribbon Australian and RU OK?. Our key focus area was mental health and wellbeing during a time where social interaction has been limited. Where possible we introduced “This is a conversation starter” work wear with the main purpose to do just that, start a conversation and being open about the impacts of mental health.

Another initiative close to our values is the participation in the Gold Coast University Hospital Christmas Party. BSA could not attend in person but managed to donate gifts to vulnerable children. We are hopeful to celebrate the festive season in person this year.

DIVERSITY

Diversity and Inclusion (“D&I”) is one of BSA’s key business priorities. It recognises the value that having a workforce reflecting the membership of the communities brings to our business, employees, customers and the community in which we operate.

We continually seek to build and retain a culture of diversity and inclusion through four key approaches:

1. Creating a workplace culture that embraces and respects diversity and includes,
2. Addressing gender diversity in all areas of the organisation,
3. Improving overall diversity in recruitment, and
4. Committing to a series of transparent checks and balances.

In FY2021, we focused on gender diversity to improve female participation across our workforce. This focus has resulted in achieving our FY2021 targets through the addition of a female Board member and the retention of the female Group Executives. This focus will continue more broadly across the business in FY2022.

	Target FY2021		Actual FY2021	
Group	Female	Male	Female	Male
Board	14.0%	86.0%	14.3%	85.7%
Group Executive	33.0%	67.0%	37.5%	62.5%

BSA is a “relevant employer” under the Workplace Gender Equality Act and the most recent “Gender Equality Indicators”, as defined in and published under that Act. Both are available on our website to view.

Communications & Utility Infrastructure (CUI)

BSA | Communications & Utility Infrastructure ("CUI") successfully delivered on a number of its strategic and tactical goals designed to set a strong platform for further growth. These include extending existing contracts at higher market share and securing new contracts extending over several years.

CUI full year revenue decreased by ($59,822 thousand), impacted by reduced overall market volumes in nbn compared to the roll out peak in FY2020 and client driven tender timeline delays. To a lesser extent, the division has been impacted by COVID-19 throughout the year due to volatility in customer demand and the impact of government restrictions on operations albeit EBITDA return increased by 0.3% due to the successful implementation of cost optimisation programs.

A new 4 year nbn services and installation agreement was secured in December 2020; which increased our market share from 26% to circa 36% and positions BSA as a key strategic delivery partner to nbn into the future. In addition, BSA successfully signed a new three year Foxtel contract in September 2020 increasing our market share from 50% to 100%.

The division diversified its customer base by securing Telstra as a new key strategic client for an initial three year period through a contractual arrangement with Kordia Australia and expanded our strong fixed line product offering into the wireless market through the acquisition of Catalyst ONE in December 2020.

Significant revenue growth continues within the smart electricity metering field services business throughout FY2021, increasing revenue to $11,937 thousand (57% increase), with continued growth expected through FY2022.

The impact of the majority of these significant achievements however will be reflected predominantly from FY2022 onwards as these contracts were mobilised throughout FY2021.

KEY AREAS OF FOCUS FOR FY2022 INCLUDE:

- **Organic fixed line growth by increasing scopes and geographies with our existing platinum customer base,**
- **Expanding our fixed line customer base,**
- **Further wireless expansion by capitalizing on our acquisition of Catalyst ONE,**
- **On-going investments in people, processes and systems to optimise performance and margin,**
- **Continuing to lead the market with our Customer Experience Program, and**
- **Investing in a technology enabled future operating model.**

BSA Technician connecting patch cord to Vocus Port.

Image courtesy of Buxtonography

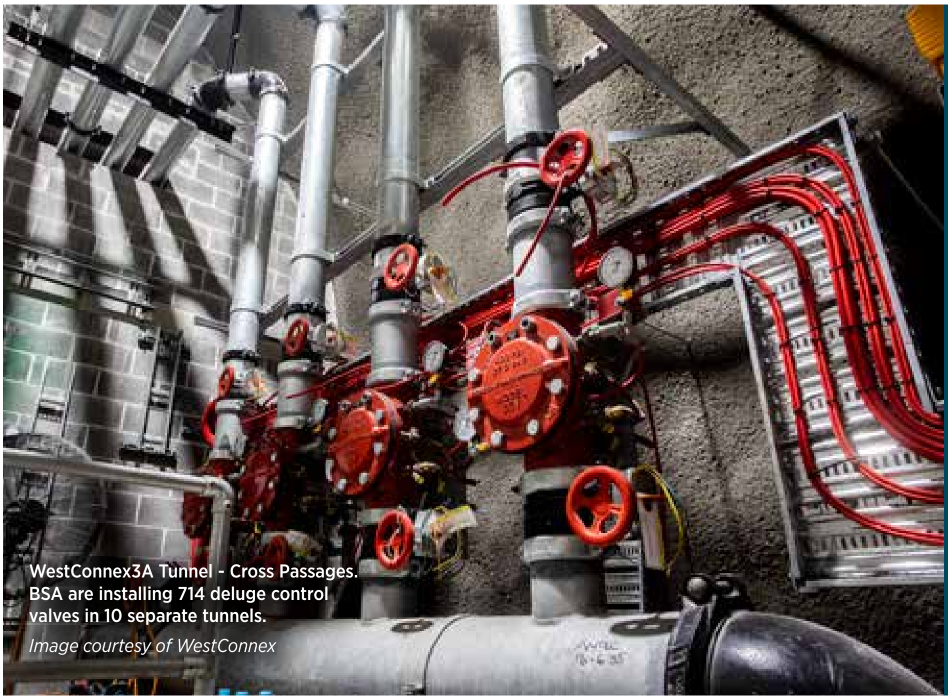
BSA provides nbn network activation and assurance services in Victoria and New South Wales under a new Unified Field Operations agreement.

Image: Buxtonography

BSA | **CUI**

$211.1 million	**$16.9 million**
Revenue [FY2020: $270.9 million]	Underlying EBITDA [FY2020: $21.0 million]

Advanced Property Solutions (APS)



WestConnex3A Tunnel - Cross Passages. BSA are installing 714 deluge control valves in 10 separate tunnels.

Image courtesy of WestConnex

BSA | **APS**

$211.4 million

Revenue

[FY2020: $215.6 million]

$9.4 million

Underlying EBITDA

[FY2020: $8.6 million]

In FY2021, BSA | Advanced Property Solutions ("APS"), significantly changed the structure of the business in order to build for future growth. This included recruiting two regional General Managers with impressive records of profitable growth, and investing in additional sales resources. This has resulted in a pipeline of future opportunities in excess of $1.0 billion.

APS' full year revenue decreased by $4,167 thousand, due in large part to the continued impact of the COVID-19 pandemic on our service business' customers, especially in the tertiary education and retail sectors. At the same time, full year EBITDA increased by $806 thousand which includes JobKeeper support due to the reduced year on year revenues.

We continued with new project and contract wins across the entire business, including expanding our fire projects business into Victoria. The division has also secured new key service customers in Telstra and CBA.

Operationally, we realised our investment in a new asset management platform, BSA Lightning (supported by Salesforce), and rolled this out to all of our service businesses, totalling over 1,200 customers across over 4,000 sites.

Key new clients and projects for the year are outlined below.

SERVICE CONTRACTS

- CBA Facilities, CBA - Multi-service (VIC/Southern NSW)
- Crown Towers Sydney, Crown Resorts - Fire Systems Service (NSW)
- Telstra Land & Buildings, Telstra - Multi-service (VIC/TAS)

These new service contracts help to cement APS' credentials as a true multi-service provider nationally, being able to provide our customers with a one-stop shop for maintenance and optimisation of all their facility's hard assets. Combined with this service capability and footprint, the following new projects wins and completed projects will further support building the installed base of service customers for APS.

NEW CONSTRUCTIONS AND PROJECTS

- Caboolture Hospital, Lend Lease - Fire Detection and Suppression (QLD)
- CDC E4 Data Centre Eastern Creek, Hindmarsh - Fire Detection and Suppression (NSW)
- Chadstone Shopping Centre, Hickory - Fire Detection/Suppression and Mechanical (VIC)
- Kew Aquatic Centre, ADCO - Fire Detection/Suppression and Solar energy (VIC)
- Sydney Football Stadium, John Holland - Fire Detection and Suppression (NSW)
- Tweed Hospital, Lend Lease - Fire Detection and Suppression (QLD)
- Waterloo Metro, John Holland - Fire Detection and Suppression (NSW)

We have successfully completed various projects, including the following:

- Crown Towers Sydney, Crown Resorts/Lend Lease - Fire Detection and Suppression (NSW)
- Wynyard Place, Multiplex - Fire Detection and Suppression (NSW)

Looking forward, FY2022 will see us capitalise on the BSA Lightning platform to enable data driven asset management. This will allow APS to provide services to our customers which reduce their overall costs, by increasing equipment uptime and reducing reactive service requirements.

OUTLOOK & GROWTH

In February 2021, the Group committed to a target of $750 million revenue with at least 5% EBITDA returns by FY2024 and we remain committed to this.

Achieving the target will be through a combination of organic and inorganic strategies. Our key criteria for inorganic growth are:

- Alignment to BSA's DNA through synergies,
- Financially sensible and EPS accretive,
- Diversification of clients, sectors with long-term growth fundamentals, and
- Meaningful scale and margins.

Business development continues to evolve to ensure that we pre-empt our customer's needs. Our core services offering of collaborating with our customers to offer end-to-end asset lifecycle solutions has not changed and we continue to refine and enhance our capabilities.

Our ability to use technology to drive improvements in delivery, workforce engagement, end-customer experience and financial returns is a fundamental piece of our organic strategy for FY2022 and beyond.

Unfortunately, COVID-19 remains a factor in our economy and will do so until a new 'norm' is established. At BSA, we continue to monitor the situation and its impacts, always keeping the safety of our workforce as the number one priority.

Timothy Harris | CEO

KEY AREAS OF FOCUS FOR FY2022 INCLUDE:

- **Additional investment in sales and business development resources**
- **Standardising service delivery processes across the expanding installed base**
- **Expanding our Defence and Data Centre customer base**

DISCLOSING NON-IFRS FINANCIAL INFORMATION

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

	FY2021 $'000	FY2020 $'000
Profit for the year from continuing operations	1,479	7,802
Add back		
Income tax expense	1,250	3,055
Net finance costs	2,091	1,756
Depreciation & amortisation expenses	10,921	10,375
EBITDA	15,741	22,988
Significant Items (see note B3)	7,381	2,892
Underlying EBITDA	**23,122**	**25,880**

* From continuing operations.

BSA | Fire is John Holland's chosen partner to design and construct the Fire Life Safety Systems on the Sydney Football Stadium redevelopment.

Image courtesy of Sydney Football Stadium

DIRECTORS' REPORT

THE BOARD OF DIRECTORS PRESENTS ITS REPORT

The Directors of BSA Limited (the 'Company') present their report on the Company and its subsidiaries (the 'Group' or 'BSA') for the financial year ended 30 June 2021.

AS AT 30 JUNE 2021 AND AT REPORTING DATE

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 Limited. 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 as Chairman from 29 April 2015. He holds a number of other Non-executive Director and Chair roles in significant privately owned businesses including Winslow Group, RSEA, First5Minutes and Buzz Products.

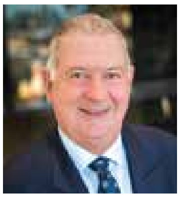
As at 30 June 2021 and at reporting date Michael is a member of the Remuneration Committee and the Audit Committee and holds 1,687,853 shares in BSA (nil options or rights).

TIMOTHY HARRIS

MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER

Mr Harris has been with the company for over four years and has driven a program of operational excellence leading to steady increases in margin, improving working capital performance and customer satisfaction. Tim has also built a strong leadership team across both operations and support areas that has set a platform for long term sustainable growth. Tim has over 25 years experience in senior operational and finance roles both domestically and internationally. Prior to joining BSA, Tim was Chief Financial Officer of CPB (previously Leighton Contractors) and before that held senior executive roles at Westfield, Brookfield and Transfield Services.

As at 30 June 2021 Tim held 550,831 shares in BSA and 751,274 rights over shares in BSA (nil options). Since 30 June 2021 Tim has exercised 495,616 rights into shares.

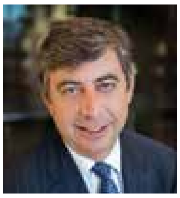


PAUL TEISSEIRE

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 and Audit Committee Chairman of Drake Supermarkets Pty Limited and is a Non-executive board member of Flinders Foundation Inc and a member of its Audit Committee. Paul was appointed as a Non-executive Director on 23 March 2005.

As at 30 June 2021 and at reporting date Paul is a member of the Remuneration Committee and the Chairman of the Audit Committee and holds 680,012 shares in BSA (nil options or rights).



NICHOLAS YATES

NON-EXECUTIVE DIRECTOR

Mr Yates graduated with a Bachelor of Engineering (Mechanical) from the University of Sydney and went on to forge an extensive career in the construction, 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, Nicholas 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 listed and private companies. He was appointed Managing Director and Chief Executive Officer of BSA Limited on 13 March 2014 and retired from that position on 9 March 2020. Nicholas remains on the Board as a Non-executive Director.

Nicholas was appointed as a Non-executive Director of Saunders International Limited (ASX:SND) on 16 September 2020.

As at 30 June 2021 and at reporting date Nicholas is a member of the Remuneration Committee and the Audit Committee and holds 4,253,483 shares in BSA (nil options or rights)

DAVID PRESCOTT

NON-EXECUTIVE DIRECTOR

Mr Prescott is the founder and Managing Director of Lanyon Asset Management, a value-oriented equities fund manager. He has over 20 years investing and financial analysis experience working for firms in Australia and the UK. David was previously Head of Equities at institutional fund manager, CP2 (formerly Capital Partners). David has an Economics degree from the University of Adelaide, a Graduate Diploma in Applied Finance and Investment from the Securities Institute of Australia (FINSIA) and is a CFA Charterholder. David was appointed as a Non-executive Director on 3 June 2019.

As at 30 June 2021 and at reporting date David is the Chairman of the Remuneration Committee and a member of the Audit Committee and is the Managing Director of Lanyon Asset Management which holds 96,003,649 shares in BSA (nil options or rights).

CHRISTOPHER HALIOS-LEWIS

NON-EXECUTIVE DIRECTOR

Mr Halios-Lewis has over 20 years accounting and financial experience in auditing, public practice and industry. He is currently Chief Financial Officer and member of the executive team of the WIN Group and Birketu Pty Limited. Christopher is heavily involved with strategy and business development, sits on a number of Boards as a director and is Company Secretary for all WIN and Birketu companies and Illawarra Community Foundation. Christopher is a member of the Finance Committee of Free TV and director of Wollongong Wolves Football Club. Before joining WIN, Christopher was Group Financial Accountant at ASX listed Goodman Group. He graduated with a Bachelor of Science Accounting degree with honours from University of Wales, College, Cardiff in 1996 and having joined the audit team of Deloitte in 1999, gained ACCA qualification in 2002. Christopher was appointed as a Non-executive Director on 2 September 2019.

As at 30 June 2021 and at reporting date Christopher is a member of the Remuneration Committee and the Audit Committee and is Chief Financial Officer of Birketu Pty Limited which holds 73,175,760 shares in BSA (nil options or rights).

MICHELLE COX

NON-EXECUTIVE DIRECTOR

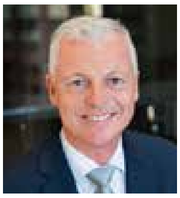
(Appointed 30 July 2021)

Mrs Cox is a professional independent Non-executive Director and has held executive leadership roles in a variety of sectors with over 25 years experience. Michelle has multi-national experience in marketing, communications, travel, tourism, hospitality and acquisitions. Previous appointments include Executive Director, Mergers and Acquisitions for Bastion Collective; Managing Director, Asia Pacific for STA Travel and General Manager Marketing for the APT Group.

Michelle is currently a Non-executive Director on the board of tourism adventure company Experience Co (ASX:EXP) (appointed 1 January 2020), has held a Director role on the Board of Tourism Tasmania for the past six years and continues to be a shareholder in the tourism marketing consultancy firm The Linchpin Company. She is also a shareholder in the marketing communications agency group Bastion Collective.

Implementing cultural and strategic change while improving bottom-line results and motivating teams to peak performance are areas of particular strength. Michelle is also an award winning author, podcast host and ceramist - her creative endeavours found under the business called The Wabi Sabi Series. Michelle has an Associate Diploma in Applied Science (Victoria University) and is a Graduate of the Australian Institute of Company Directors.

Upon her appointment as a Non-executive Director on 30 July 2021 and as at reporting date Michelle held nil shares, options or rights in BSA and is a member of the Remuneration and Audit Committees.



MARK LOWE

NON-EXECUTIVE DIRECTOR

(Retired 25 November 2020)

Mr Lowe was appointed as a Director of BSA on 1 August 2007 upon completion of the acquisition of the Triple 'M' Group. Mark brought 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 and retired from the Board on 25 November 2020.

Prior to his retirement as a Non-executive Director on 25 November 2020, Mark was the Chairman of the Remuneration Committee and a member of the Audit Committee and held 10,315,403 shares in BSA (nil options or rights) at his retirement.

DIRECTOR INDEPENDENCE

The Board considers three of BSA's current Directors independent, as defined under the guidelines of the ASX Corporate Governance Council, being: Michael Givoni, Paul Teisseire and Michelle Cox. In addition, prior to his retirement on 25 November 2020 Mark Lowe was considered an independent director.

In assessing the independence of Directors, the Board follows the ASX guidelines as set out in the Corporate Governance Statement on the Company's website.

PERFORMANCE OF DIRECTORS

In accordance with Principle 1.6 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

Mr Graham Seppelt held the role as the Company's Secretary for the entire year and has had extensive experience as a contract accountant and in corporate advisory roles. He is currently Company Secretary for Erinbar 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 website at www.bsa.com.au/about/corporate-governance/.

REVIEW OF OPERATIONS

Information relating to the operations of BSA including a description of principal activities, a review of operations, significant changes in activities and affairs during the year and likely future developments and prospects can be found in the Chairman's Report and CEO's Report on pages 4 to 11.

CONTENTS - REMUNERATION REPORT

1. OVERVIEW OF THE REMUNERATION REPORT

The Directors present the Remuneration Report for the Company and its controlled entities (the ‘Group’ or ’BSA’) for the year ended 30 June 2021 (‘FY2021’). This report forms part of the Directors’ Report and has been audited in accordance with section 308(3C) of the Corporations Act 2001 and Australian Accounting Standards. The report sets out the remuneration arrangements for the Group’s Key Management Personnel (‘KMP’), comprising its Non-executive Directors (‘NED’), Chief Executive Officer (‘CEO’) and Chief Financial Officer (‘CFO’), who together have the authority and responsibility for planning, directing and controlling the activities of the Group.

The KMP of BSA in FY2021 are listed below.

Name	Position	Term as KMP in FY2021
Non-executive Directors		
Michael Givoni	Chair	Full year
Paul Teisseire	Director	Full year
Nicholas Yates	Director	Full year
David Prescott	Director	Full year
Christopher Halios-Lewis	Director	Full year
Michelle Cox	Director	Commenced 30 July 2021(1)
Mark Lowe	Director	1 July 2020 to 25 November 2020
Executive Director		
Timothy Harris	Chief Executive Officer	Full year
Group Executives		
Arno Becker	Chief Financial Officer	Full year

(1) Michelle commenced as a Director subsequent to 30 June 2021 and received no remuneration prior to commencement

For the remainder of this report the CEO and CFO are referred to as KMP.

2. REMUNERATION GOVERNANCE

BOARD

The remuneration of NED and KMP is ultimately approved by the Board. Recommendations for the remuneration of NED and KMP is provided by the Remuneration Committee.

REMUNERATION COMMITTEE

The Remuneration Committee is the key governing body with respect to remuneration matters within the Group. It oversees NED, KMP and Group-wide remuneration quantum and structure. The Corporate Governance Statement and the Remuneration Charter provides further information on the role of this committee.

MANAGEMENT

Makes recommendations and provides relevant information to the Remuneration Committee and undertakes work as directed by the Remuneration Committee, including the use of external advisers where appropriate.

EXTERNAL ADVISERS

The Remuneration Committee engages and considers advice from independent remuneration consultants where appropriate in relation to KMP remuneration matters and NED fees.

During the year, no remuneration recommendations as defined in section 9B of the Corporations Act 2001 were provided.

3. REMUNERATION POLICY

As outlined in section 2 the Remuneration Committee oversees the structure and quantum of NED and KMP remuneration. Key principles involved in the determination of structure and quantum of the NED and KMP framework are outlined below.

Principle	Application
Competitiveness and reasonableness	NED remuneration reflects the demands that are made of the Directors and their responsibilities. The Chairman's fees are determined independently to the fees of other NEDs. All fees are 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 remuneration.
Shareholder alignment	NED 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. There has been no change to the aggregate fee pool for 14 years.
Performance linkage of compensation	NED remuneration is not linked to the Group's financial performance as variable remuneration is not consistent with the principles of remuneration for those acting in a role of oversight and governance. NEDs receive fixed remuneration which includes fees and statutory superannuation and are not eligible for any other retirement schemes or benefits. The NEDs are entitled to participate in the Non-executive Director Fee Sacrifice Equity Plan ('NED Plan') as outlined in section 4.
Transparency	The current base remuneration for NED was last reviewed and determined on 26 June 2012, therefore there has been no increase in the base remuneration paid to a Director for nine years. NED fees include the requirement to sit on at least two Board committees for the duration of their tenure. A Director's expected time commitment is a minimum ten hours per month.

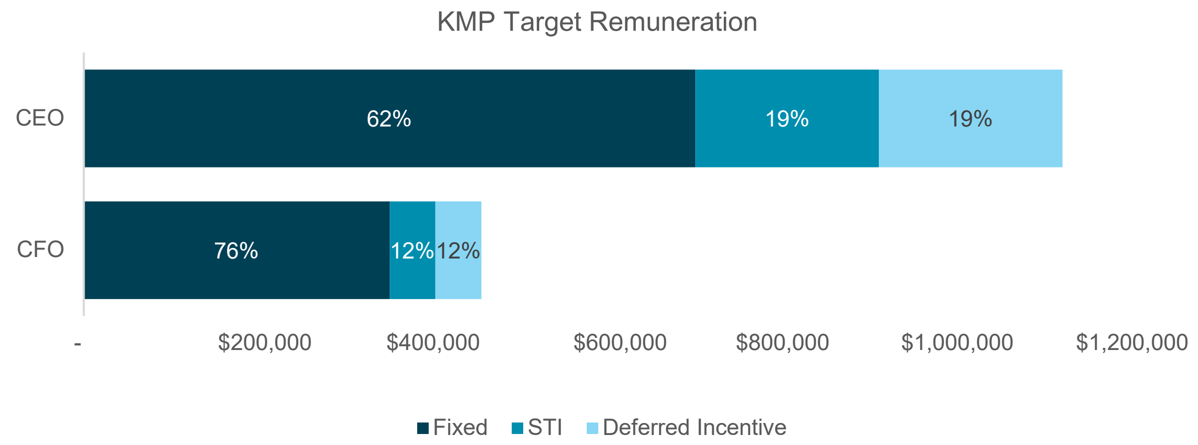
Non-executive Director Role	Fees $	Superannuation $	Total $
Chair	153,136	14,548	167,684
Other Non-executive Directors	83,616	7,944	91,560

Key Management Personnel

The KMP, along with NEDs have the authority and responsibility for planning, directing and controlling the activities of the Group. The Group's remuneration framework for KMP reflects the following key principles:

Princple	Application
Competitiveness and reasonableness	Remuneration structures and quantum are designed to address the following key drivers of competitiveness and reasonableness: • **Rewards capability and experience:** remuneration quantum and mix is reviewed from time to time for market competitiveness given the nature of the roles and experience of the KMP's undertaking those roles. • **Reflects competitive reward for contribution to financial performance:** primary driver of target variable at-risk remuneration is Group financial performance. • **Provides a clear structure for earning rewards:** Key Performance Indicators ('KPIs') are clearly defined and approved by the Remuneration Committee, with any variable at-risk reward paid (including any discretionary award) approved by the Remuneration Committee. • **Provides recognition for contribution:** Fixed Remuneration comprises 62% - 76% of KMP remuneration to reflect baseline expectations of the role with target variable at-risk remuneration of between 24% - 38% in recognition of expectations of strong performance against KPIs.
Shareholder alignment	Remuneration structures and quantum are designed to address the following key drivers of shareholder alignment: • **Achievement of target financial profit as a core component of performance reward:** payment of any variable at-risk remuneration is based on a Group financial performance gateway. • **Focusing each executive on key performance metrics relevant to the role:** KPIs are clearly defined and approved by the Remuneration Committee, with any variable at-risk reward paid (including any discretionary award) approved by the Remuneration Committee. • **Attracts and retains high caliber executives:** remuneration quantum and mix is reviewed from time to time for market competitiveness given the nature of the roles and experience of the KMP's undertaking those roles. In addition, Deferred Incentives include retention requirements for up to three years from the commencement of the financial year on which the at-risk variable reward is determined.
Performance linkage of compensation	Remuneration structures and quantum are designed to address the following key drivers of performance linkage of compensation: • **Achievement of target financial profit as a core component of performance reward:** payment of any target variable at-risk remuneration is based on a Group financial performance gateway. • **Focusing each executive on key performance metrics relevant to the role:** KPIs are clearly defined and approved by the Remuneration Committee, with any variable at-risk reward paid (including any discretionary award) approved by the Remuneration Committee. • **Provides recognition for contribution:** Fixed Remuneration comprises 62% - 76% of KMP remuneration to reflect baseline expectations of role with target variable at-risk remuneration of between 24% - 38% in recognition of expectations of strong performance against KPIs.
Transparency	The Remuneration Report is disclosed in the Annual Report and is subject to a vote at the Group's AGM. The FY2020 Remuneration Report received 98.7% affirmative votes at the 25 November 2020 AGM.

As a result of the above principles and framework the KMP target remuneration is as follows:



The components of KMP target remuneration are outlined below.

Component	Description
Fixed	Fixed remuneration is structured as a total employment cost package which may be delivered as a combination of cash, post-employment benefits (superannuation), and prescribed non-financial benefits at the KMP discretion. KMP are offered a base pay that is reviewed annually to ensure it is competitive with the market and reflects the responsibilities of the position. There are no guaranteed base pay increases included in the KMP terms of employment. All KMP receive statutory superannuation benefits which are included in their fixed remuneration.
STI	KMP remuneration includes participation in the BSA Performance Reward Plan ('PRP'), an incentive based on achievement of KPIs across safety, financial, people and customer metrics for the Group. An Earnings Before Interest and Tax ('EBIT') Gateway must be achieved to trigger payments under the plan to ensure variable at-risk reward is only available when value has been created for shareholders. The Remuneration Committee is responsible for assessing whether the targets are met. Targets are set at the beginning of each financial year and are set for the year. Incentive payments are adjusted in line with actual performance versus target performance levels. The PRP incentive is comprised of two components: • Short Term Incentive ('STI') which is paid to the KMP in cash after the final audited results on which the EBIT is calculated have been released in the Annual Report, and • Deferred Incentive, which is outlined below. Actual outcomes of the PRP incentive plan operations are outlined in section 4.
Deferred Incentive	To the extent an incentive is awarded to the KMP under the PRP outlined above, 50% of the incentive is paid in cash and the remainder is awarded via a Deferred Incentive. This Deferred Incentive is subject to a service condition of 24 months (two financial years after the end of the year in respect of which the award is calculated) I.e. for those incentives based on FY2021 performance, the KMP must remain employed by the Group until at least the end of FY2023 to receive the award. The Deferred Incentive is primarily via an issue of Service Rights which convert to shares once the KMP has met the service vesting conditions. These Service Rights are governed by the BSA Limited Rights Plan Rules. Under the Plan rules the Remuneration Committee retains discretion to award the Deferred Incentive as either cash or as Service Rights. Actual outcomes of the PRP incentive plan operations are outlined in section 4.

The Remuneration Committee retains the ability to pay a discretionary award. With any award made under discretionary considerations outlined in section 4.

4. INCENTIVE PLAN OPERATION

Employee Performance Rights Plan

The BSA Performance Reward Plan (‘PRP’) provides KMP the opportunity to earn an incentive that is contingent upon performance against a combination of agreed financial and non-financial performance targets, which are set by the Board in consultation with the CEO at the start of each financial year.

<table>
<tr><th>Feature</th><th>Description</th></tr>
<tr><td>Delivery</td><td>Delivered as a combination of cash (50%) and deferred equity (50%).</td></tr>
<tr><td>Performance period</td><td>Annual financial year, 1 July to 30 June the following year.</td></tr>
<tr><td>Eligibility</td><td>The KMP participate in the PRP. Various other senior management within the Group are also eligible for the PRP.</td></tr>
<tr><td>Performance measures</td><td>An Earnings Before Interest and Tax (‘EBIT’) Gateway must be achieved to trigger any payments under the PRP. These metrics are as follows:
<table>
<tr><th>Threshold</th><th>PRP bonus available (% of target available for assessment against KMP KPIs)</th></tr>
<tr><td>Below 85% Group budgeted EBIT</td><td>0%</td></tr>
<tr><td>85% Group budgeted EBIT</td><td>40%</td></tr>
<tr><td>100% Group budgeted EBIT</td><td>100%</td></tr>
<tr><td>136% Group budgeted EBIT</td><td>120%</td></tr>
</table>
Once the EBIT gateway is met and scaled as noted above, a participant’s individual PRP award is determined based on individual KPIs. For both KMP these KPI are as follows:
<table>
<tr><th>KPI</th><th>CEO Weighting (%)</th><th>CFO Weighting (%)</th></tr>
<tr><td>Safety: site visits and inspections and incident deep dives</td><td>10%</td><td>10%</td></tr>
<tr><td>Financial: Group EBIT</td><td>40%</td><td>20%</td></tr>
<tr><td>Financial: Group EPS</td><td>10%</td><td>-</td></tr>
<tr><td>Financial: Cash Conversion</td><td>10%</td><td>15%</td></tr>
<tr><td>People: Retention and engagement</td><td>10%</td><td>10%</td></tr>
<tr><td>Other project specific individual KPIs</td><td>20%</td><td>45%</td></tr>
</table></td></tr>
<tr><td>Target setting</td><td>Targets are set based upon Board approved budgets.</td></tr>
<tr><td>Reward opportunities</td><td>The PRP opportunities for KMP are outlined below:
<table>
<tr><th></th><th colspan="4">(% Fixed Remuneration)</th></tr>
<tr><th>Position</th><th>Below threshold</th><th>Threshold</th><th>Target</th><th>Maximum</th></tr>
<tr><td>CEO</td><td>0%</td><td>24%</td><td>60%</td><td>72%</td></tr>
<tr><td>CFO</td><td>0%</td><td>12%</td><td>30%</td><td>36%</td></tr>
</table>
The above reward opportunity is split 50% cash paid within 4 months of the end of the financial year and 50% issued as deferred Service Rights which vest into shares two financial years after the end of the year in respect of which the award is calculated, subject to the KMP meeting the service vesting conditions.</td></tr>
<tr><td>Deferred Incentive vesting criteria</td><td>The deferred Service Rights are conditional and only vest if the KMP remains employed by the Group up to and including two financial years after the end of the year in respect of which the award is calculated (i.e. for FY2021 deferred service rights the KMP is required to be employed up to and including 30 June 2023).</td></tr>
</table>

Feature	Description
Valuing deferred awards	The number of Service Rights issued to participants is calculated by dividing 50% of the PRP award dollar value by the volume weighted average price ('VWAP') of the Group's ordinary shares over the 10 trading days subsequent to the release of the Annual Report for the relevant financial year on which the PRP outcomes was determined.
Board discretion	The Board may exercise discretion to adjust the PRP outcomes to more appropriately reflect the performance of the Group. The Board also retains discretion to adjust vesting outcomes in any circumstances to ensure they are appropriate.

Non-executive Director Fee Sacrifice Equity Plan

The Non-executive Director Fee Sacrifice Equity Plan ('NED Plan') purpose is to:

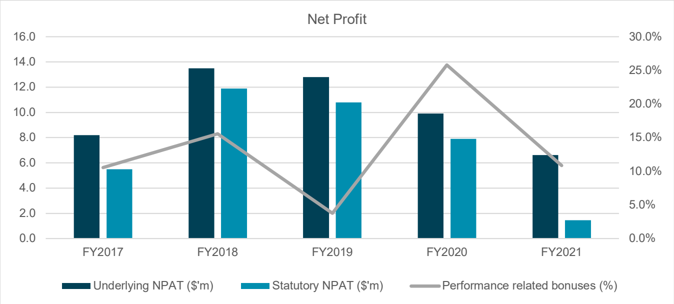
- facilitate the acquisition of equity in the Group by NEDs serving on the board because it provides NEDs with "skin in the game" and aligns their interests with shareholders,
- preserve the independence of NEDs by ensuring that NEDs participate in a separate equity plan from the employee BSA Limited Rights Plan for which the NEDs set vesting conditions, and
- overcome the challenges faced by NEDs in acquiring equity on-market due to governance and regulatory issues in a manner that is intended to demonstrate good governance.

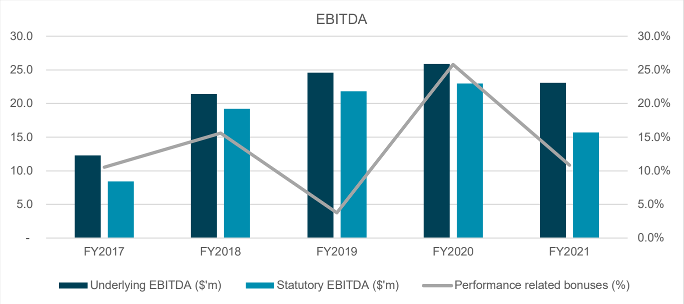
The NED Plan allows for eligible NEDs, subsequent to AGM approval, to sacrifice a portion of their NED fees for an equivalent number of deferred Rights which covert into shares of the Group. The deferred Rights are issued within 30 days of the NED application and convert to shares 90 days after the issue of the deferred Rights. The shares are held in the NEDs name and are restricted from trading until the earlier of 15 years from grant date or the date the NED no longer serves on the Board of the Group.

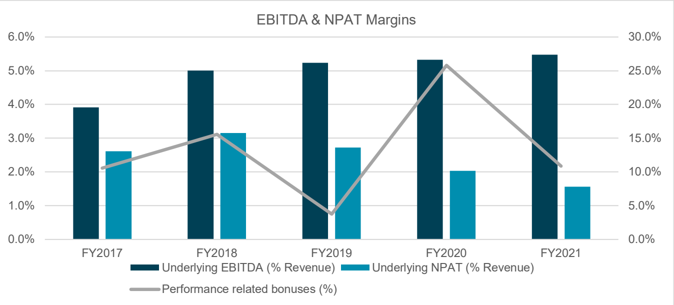
As the NED Plan allows for the sacrifice of NED fixed remuneration for a fixed value of shares this plan is considered a type of fixed remuneration share-based payment.

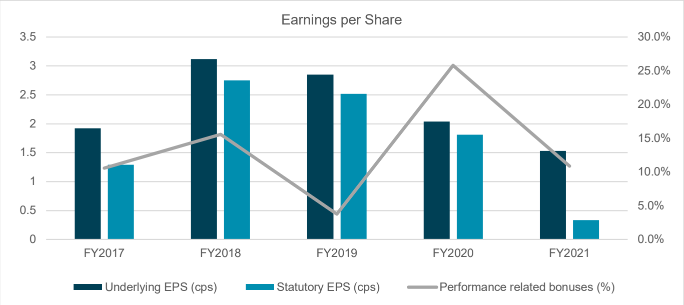
5. BUSINESS PERFORMANCE AND AT-RISK REMUNERATION OUTCOMES

The charts below show the Group's performance and percentage of Remuneration which was performance related in the five-year period ended 30 June 2021.









Other Group performance metrics over the last five years were as follows:

Financial Year	FY2017	FY2018	FY2019	FY2020	FY2021
Closing Share Price ($)	0.340	0.305	0.325	0.325	0.325
Dividends declared per share (cents)	0.5	0.5	0.5	1.0	1.0
Performance related bonuses (%)	10.6%	15.6%	3.8%	25.8%	10.8%

- Underlying and Statutory NPAT, EBITDA and Earnings per Share excludes the financial performance of discontinued HVAC Build operations.
- Revenue from continuing operations excludes revenue from discontinued HVAC Build operations.
- Performance related bonuses are calculated as: performance related cash and share-based payments as a percentage of total KMP remuneration as disclosed in the Remuneration Report.
- Closing share price 30 June 2016: $0.245.

As noted in the CEO Report FY2021 has been a year of securing a solid base of contracts for the future and optimisation and execution of those contracts and our operations. The benefits of this work will be realised in FY2022 and onwards with limited impact on FY2021 performance. As a result of this Underlying EPS has declined 25%. This decline in Underlying EPS; a key driver of shareholder value is reflected in the decline in KMP at-risk remuneration paid, which has decreased from 25.8% in FY2020 to an estimated amount of 10.8% for FY2021.

6. FY2021 AT-RISK REMUNERATION OUTCOMES

FY2021 PRP outcomes

As noted in Section 4 the PRP plan includes a Group EBIT Gateway whereby at least 85% of Budgeted EBIT must be achieved prior to the KMP's performance against their Board approved KPIs being assessed. In FY2021 the Group EBIT of $4,820 thousand was below the 85% threshold and as such $nil was payable with all the PRP incentive forfeited.

FY2021 Other KMP incentive outcomes

KMP other incentive outcomes below are based on current estimates, with final remuneration decisions to be made in September 2021 in accordance with the Group's standard performance remuneration reward cycles.

As noted above the Group EBIT was below the 85% EBIT threshold, however it was noted that Underlying Group EBIT of $12,201 thousand would result in KMP PRP rewards of 78% of target. To reflect this the Remuneration Report reflects an estimated discretionary incentive to the KMP for 25% of their target PRP outcome to be paid consistent with the mechanisms in the PRP (50% cash, 50% Deferred Incentive). All amounts not paid as a discretionary incentive were forfeited. This incentive is reflected in the key remuneration tables as follows:

	FY2021 incentive		Prior periods
KMP	Cash Bonus	Share-based payments[1]	Share-based payments[1]
CEO	52,500	17,500	50,588
CFO	13,125	4,375	(3,250)

[1] This is the portion of the share-based payment for which the three-year service condition has been met in FY2021.

FY2021 NED Plan outcomes

In FY2021 Michael Givoni (Chairman) salary sacrificed $70,000 of his Director's fees under the NED Plan. He was in turn granted 226,025 deferred Rights on 23 March 2021 which vested into restricted shares on 23 June 2021.

7. KMP SERVICE AGREEMENTS

Rights Issued to NED and KMP

The following table outlines rights on issue to NED and KMP during the year:

Name	Agreement term	KMP notice	Group notice	Redundancy
Timothy Harris	Permanent appointment	26 weeks	26 weeks	Amounts required under applicable law(1)
Arno Becker	Permanent appointment	3 months	3 months	Amounts required under applicable law

(1) Additional 26 weeks' severance payment if made redundant as a result of change of control.

In the event of cessation of employment, a KMP's unvested PRP Deferred Incentive will ordinarily lapse if within the first twelve months of service post issue of the Incentive, will vest in a pro-rata basis for the subsequent twelve month period and will not be forfeited if they are to be made redundant. The intended vesting outlined above is subject to Board discretion which may be exercised in circumstances such as death, disability, retirement, redundancy or special circumstances.

8. FY2021 REMUNERATION OUTCOMES

FY2021	**Short-term Benefits**		**Post Employment**	**Long-term Benefits**	**Share-based payments**			
Name	Cash, Salary & Fees $	Cash Bonus $	Superannuation $	Long Service Leave $	Rights $	Rights %	Total $	Performance Related %
Non-executive Directors								
Michael Givoni (1)	83,136	-	14,548	-	70,000	41.7%	167,684	-
Paul Teisseire	83,616	-	7,944	-	-	-	91,560	-
Nicholas Yates	83,616	-	7,944	-	-	-	91,560	-
David Prescott	83,616	-	7,944	-	-	-	91,560	-
Christopher Halios-Lewis	83,616	-	7,944	-	-	-	91,560	-
Mark Lowe (2)	33,952	-	3,225	-	-	-	37,177	-
	451,552	**-**	**49,549**	**-**	**70,000**	**12.3%**	**571,101**	**-**
Other Key Management Personnel								
Chief Executive Officer								
Timothy Harris	706,252	52,500	21,694	8,483	68,088	7.9%	857,017	14.1%
Chief Financial Officer								
Arno Becker	343,901	13,125	21,694	6,542	1,125	0.3%	386,387	3.7%
	1,050,153	65,625	43,388	15,025	69,213	5.6%	1,243,404	10.8%
Total	**1,501,705**	**65,625**	**92,937**	**15,025**	**139,213**	**7.7%**	**1,814,505**	**7.4%**

(1) Mr Givoni's NED Plan rights are not performance related but are the sacrifice of Director fees.

(2) Mr Lowe retired on 25 November 2020.

FY2020	Short-term Benefits		Post Employment	Long-term Benefits		Share-based payments			
Name	Cash, Salary & Fees $	Cash Bonus $	Superannuation $	Long Service Leave $	Termination Benefits $	Rights $	Rights %	Total $	Performance Related %
Non-executive Directors									
Michael Givoni (1)	89,063	-	8,461	-	-	70,000	41.8%	167,524	-
Paul Teisseire	91,560	-	7,944	-	-	-	-	99,504	-
Mark Lowe	91,560	-	7,520	-	-	-	-	99,080	-
Nicholas Yates (2) (4)	-	-	-	-	-	-	-	-	-
David Prescott (3)	31,356	-	2,979	-	-	-	-	34,335	-
Christopher Halios-Lewis (2)	-	-	-	-	-	-	-	-	-
Graeme Barclay (5)	41,808	-	6,128	-	-	-	-	47,936	-
	345,347	**-**	**33,032**	**-**	**-**	**70,000**	**15.6%**	**448,379**	**-**
Other Key Management Personnel									
Executive Director									
Nicholas Yates (4)	356,356	247,285	21,003	3,559	394,749	-	-	1,022,952	24.2%
Chief Executive Officer									
Timothy Harris (6)	590,037	177,669	21,003	9,701	-	95,406	10.7%	893,816	30.6%
Chief Financial Officer									
Arno Becker (7)	90,047	-	8,258	1,960	-	-	-	100,265	-
	1,036,440	**424,954**	**50,264**	**15,220**	**394,749**	**95,406**	**4.7%**	**2,017,033**	**25.8%**
Total	**1,381,787**	**424,954**	**83,296**	**15,220**	**394,749**	**165,406**	**6.7%**	**2,465,412**	**21.1%**

(1) Mr Givoni's NED Plan rights are not performance related but are the sacrifice of Director fees.

(2) Mr Halios-Lewis and Mr Yates did not receive NED fees in FY2020, but commenced receiving them in FY2021.

(3) Mr Prescott commenced receiving NED fees in January 2020.

(4) Mr Yates transitioned from Chief Executive Officer to a Non-executive Director on 9 March 2020.

(5) Mr Barclay retired 15 December 2019.

(6) Mr Harris transitioned from Deputy Chief Executive Officer to Chief Executive Officer on 9 March 2020.

(7) Mr Becker commenced as Chief Financial Officer on 9 March 2020.

9. OTHER STATUTORY DISCLOSURES

Movements in Rights

Movements in rights issued under the NED and PRP plans outlined in section 4 is presented below:

Name	Plan	Tranche	Grant Date	Vesting Date	Expiry Date	Balance at 30 Jun 2020 Number	Granted in FY2021 Number	Vested in FY2021 Number	Forfeit-ed in FY2021	Balance at 30 Jun 2021 Number	Fair Value per Right at Grant Date Number	Total Fair Value Number
Consolidated and parent entity												
Michael Givoni	NED Plan	FY2021	23 Mar 2021	23 Jun 2021	23 Mar 2036	-	226,025	(226,025)	-	-	0.310	70,000
Timothy Harris	PRP Plan	FY2018	28 Jun 2019	30 Jun 2020	1 Mar 2034	175,440	-	(175,440)	-	-	0.371	65,088
Timothy Harris	PRP Plan	FY2019	27 Nov 2019	30 Jun 2021	27 Nov 2034	495,616	-	-	-	495,616	0.385	190,812
Timothy Harris	PRP Plan	FY2020	25 Nov 2020	30 Jun 2022	25 Nov 2035	255,658	-	-	-	255,658	0.260	66,471
Arno Becker	PRP Plan	FY2020	25 Nov 2020	30 Jun 2022	25 Nov 2035	63,941	-	-	-	63,941	0.260	16,625
Timothy Harris(1)(2)	PRP Plan	FY2021	TBA	30 Jun 2023	TBA	-	-	-	-	-	-	97,572
Arno Becker (1)	PRP Plan	FY2021	TBA	30 Jun 2023	TBA	-	-	-	-	-	-	24,393
Total						**990,655**	**226,025**	**(401,465)**	**-**	**815,215**		**530,961**

(1) Service Rights for the FY2021 PRP Plan will be issued in FY2022 with the number of rights to be issued to be based upon the 10 day VWAP subsequent to the release of the FY2021 Annual Report.

(2) Granting of Mr Harris' FY2021 PRP is subject to AGM approval given his role as a Director.

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

Approval for securities under the NED Plan was obtained under Listing Rule 10.14.

Movement in Shares

Name	Balance at 30 Jun 2020 Number	Rights exercised Number	Acquired on-market Number	Other Transactions Number	Balance at 30 Jun 2021 Number	Balance at Report Date Number
Non-executive Directors						
Michael Givoni (1)	1,461,828	226,025	-	-	1,687,853	1,687,853
Paul Teisseire	680,012	-	-	-	680,012	680,012
Nicholas Yates (4)	4,200,958	-	-	52,525	4,253,483	4,253,483
David Prescott (3)	-	-	-	-	-	-
Christopher Halios-Lewis (2)	-	-	-	-	-	-
Mark Lowe (5)	10,315,403	-	-	(10,315,403)	-	-
Key management personnel						
Timothy Harris	375,391	175,440	-	-	550,831	550,831
Arno Becker	-	-	-	-	-	-
Total	**17,033,592**	**401,465**	**-**	**(10,262,878)**	**7,172,179**	**17,487,582**

(1) Includes 665,428 restricted ordinary shares issued under the NED Plan.

(2) Mr Halios-Lewis is the Chief Financial Officer of Birketu Pty Limited which holds 73,175,760 ordinary shares in BSA Limited.

(3) Mr Prescott is the Investment Manager of Lanyon Asset Management Pty Limited which holds 96,003,649 ordinary shares in BSA Limited.

(4) Other transactions includes shares issued under the Dividend Reinvestment Plan ('DRP').

(5) Retired 25 November 2020, other transactions represents his shareholding at retirement date.

Other Matters

Apart from the matters disclosed in the above no other transactions have been undertaken with NED or KMP or their related parties during the period.

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 2021, and the number of meetings attended by each Director were:

	Board Meetings		**Audit Committee Meetings**		**Remuneration Committee Meetings**	
	Meetings Attended during tenure	Meetings Held during tenure	Meetings Attended during tenure	Meetings Held during tenure	Meetings Attended during tenure	Meetings Held during tenure in
Michael Givoni	14	14	2	2	2	2
Timothy Harris	14	14	-	-	-	-
Paul Teisseire	13	14	2	2	2	2
Nicholas Yates	13	14	2	2	2	2
David Prescott	14	14	2	2	2	2
Christopher Halios-Lewis	14	14	2	2	2	2
Michelle Cox (1)	-	-	-	-	-	-
Mark Lowe (2)	7	7	2	2	1	1

(1) Commenced as a Non-executive Director on 30 July 2021.

(2) Retired as a Non-executive Director on 25 November 2020.

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.

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.

RIGHTS

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

Grant Type	Grant Date	Date of Expiry	Number under Right	Fair value at grant date
PRP Plan (PR)	27-Nov-19	26-Nov-34	101,370	0.385
PRP Plan (SR)	27-Nov-19	26-Nov-34	37,092	0.385
PRP Plan (SR)	1-Sep-20	31-Aug-35	143,369	0.270
PRP Plan (SR)	25-Nov-20	24-Nov-35	1,088,365	0.260
Total			**1,370,196**	

All of the above rights have a $nil exercise price. During the year ended 30 June 2021, 708,240 rights were exercised. Since 30 June 2021, 734,227 rights have been exercised. 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.

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.

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 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.

AUDITOR'S REMUNERATION

	FY2021 $	FY2020 $
Amounts due for the financial year to Deloitte Touche Tohmatsu for:		
Auditing or reviewing the financial report	383,000	385,000
Taxation services	129,335	996,706
Other non-audit services	15,000	12,300
	527,335	**1,394,006**

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2021 as required under section 307c of the Corporations Act 2001 (Cth) has been received and can be found on page 25 of this report.

ROUNDING OF AMOUNTS

The Company is a company of the kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the Directors' Report and the Financial Statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

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

Michael Givoni
Chairman

20 August 2021

Fibre Splicer setting up 12F joint for a Telstra wideband program.

Image courtesy of Buxtonography

AUDITOR'S INDEPENDENCE DECLARATION

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060
Grosvenor Place
225 George Street
Sydney, NSW, 2000
Australia

Phone: +61 2 9322 7000
www.deloitte.com.au

The Board of Directors
BSA Limited
Level 7, 3 Thomas Holt Drive
Macquarie Park NSW 2113

20 August 2021

Dear Directors,

Auditor's Independence Declaration to 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 consolidated financial report of BSA Limited for the year ended 30 June 2021, 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 faithfully

DELOITTE TOUCHE TOHMATSU

DELOITTE TOUCHE TOHMATSU

AG

AG Collinson
Partner
Chartered Accountants

FINANCIAL REPORT

FOR THE YEAR ENDED **30 JUNE 2021**

BSA LIMITED ABN 50 088 412 748

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED **30 JUNE 2021**

	Note	2021 $'000	2020 $'000
Revenue	B2	**418,346**	**486,107**
Other income	B2	4,200	428
Subcontractors and raw materials used		(320,918)	(367,917)
Employee benefits expense		(52,741)	(57,334)
Depreciation and amortisation expense		(10,921)	(10,375)
Finance costs		(2,091)	(1,762)
Other expenses		(33,146)	(38,290)
Profit before income tax		**2,729**	**10,857**
Income tax expense	B4	(1,250)	(3,055)
Profit for the year from continuing operations, after tax		**1,479**	**7,802**
Profit/(loss) from discontinued operation, after tax		-	(8,762)
Profit/(loss)for the period		**1,479**	**(960)**
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the period		**1,479**	**(960)**
Earnings per share from continuing operations			
Basic earnings per share	B5	0.341 cents	1.811 cents
Diluted earnings per share	B5	0.340 cents	1.805 cents

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED **30 JUNE 2021**

	Note	2021 $'000	2020 $'000
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		12,821	37,742
Trade and other receivables	C1	66,611	57,570
Contract assets	B2	8,010	3,550
Inventories		1,450	1,748
TOTAL CURRENT ASSETS		**88,892**	**100,610**
NON-CURRENT ASSETS			
Property, plant and equipment	C3	11,053	18,824
Intangible assets	C4	25,658	20,407
Deferred tax assets	B4	5,454	7,611
TOTAL NON-CURRENT ASSETS		**42,165**	**46,842**
TOTAL ASSETS		**131,057**	**147,452**
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	C2	61,001	73,495
Contract liabilities	B2	9,628	2,482
Borrowings	D1	-	2,116
Lease liabilities	D1	4,473	5,384
Current tax liabilities		847	1,582
Provisions	C5	12,526	13,854
TOTAL CURRENT LIABILITIES		**88,475**	**98,913**
NON-CURRENT LIABILITIES			
Trade and other payables	C2	1,210	-
Lease liabilities	D1	4,745	8,966
Provisions	C5	6,663	7,285
TOTAL NON-CURRENT LIABILITIES		**12,618**	**16,251**
TOTAL LIABILITIES		**101,093**	**115,164**
NET ASSETS		**29,964**	**32,288**
EQUITY			
Issued capital	D2	100,861	100,390
Accumulated losses		(74,368)	(74,368)
Profit reserve		2,044	4,898
Share-based payment reserve		1,427	1,368
TOTAL EQUITY		**29,964**	**32,288**

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

AS AT **30 JUNE 2021**

		Attributable to owners of BSA Limited				Consolidated
	Note	Issued Capital $'000	Accumulated Losses $'000	Profit Reserve $'000	Share-based Payment Reserve $'000	Total Equity $'000
Balance at 1 July 2019		**98,894**	**(73,408)**	**9,204**	**1,868**	**36,558**
Loss for the period		-	(960)	-	-	(960)
Total comprehensive income for the period		**-**	**(960)**	**-**	**-**	**(960)**
Transactions with owners in their capacity as owners:						
Dividends provided for or paid	D2	598	-	(4,306)	-	(3,708)
Issue of shares	D2	898	-	-	(898)	-
Share-based payment expense		-	-	-	398	398
		1,496	**-**	**(4,306)**	**(500)**	**(3,310)**
Balance at 30 June 2020		**100,390**	**(74,368)**	**4,898**	**1,368**	**32,288**

		Attributable to owners of BSA Limited				Consolidated
	Note	Issued Capital $'000	Accumulated Losses $'000	Profit Reserve $'000	Share-based Payment Reserve $'000	Total Equity $'000
Balance at 1 July 2020		**100,390**	**(74,368)**	**4,898**	**1,368**	**32,288**
Profit for the period		-	-	1,479	-	1,479
Total comprehensive income for the period		**-**	**-**	**1,479**	**-**	**1,479**
Transactions with owners in their capacity as owners:						
Dividends provided for or paid	D2	70	-	(4,333)	-	(4,263)
Issue of shares	D2	292	-	-	(167)	125
Share-based payment expense	F1	-	-	-	335	335
Transfers between reserves		109	-	-	(109)	-
		471	**-**	**(4,333)**	**59**	**(3,803)**
Balance at 30 June 2021		**100,861**	**(74,368)**	**2,044**	**1,427**	**29,964**

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 2021**

		Consolidated	
	Note	2021 $'000	2020 $'000
Cash flows from operating activities:			
Receipts from customers		441,395	536,514
Payments to suppliers and employees		(444,100)	(503,342)
Net interest paid		(1,050)	(1,231)
Income taxes paid		(833)	(656)
Net cash (outflow) / inflow from operating activities	B6	**(4,588)**	**31,285**
Cash flows from investing activities			
Payments for property, plant and equipment	C3	(1,636)	(2,974)
Payments for intangible assets	C4	(5,094)	(7,389)
Payments for acquisition of subsidiary		(1,493)	-
Payments discontinued operations		-	(4,415)
Proceeds discontinued operations		-	4,400
Proceeds from sale of property, plant and equipment	C3	2,892	181
Net cash (outflow) from investing activities		**(5,331)**	**(10,197)**
Cash flows from financing activities:			
Proceeds from borrowings		5,161	3,156
Proceeds from repayments of executive loans		4	359
Repayments of borrowings		(5,910)	(2,806)
Principle elements of lease payments		(7,909)	(4,373)
Dividends paid to company's shareholders	D2	(6,348)	(1,623)
Net cash (outflow) from financing activities		**(15,002)**	**(5,287)**
Net (decrease) / increase in cash and cash equivalents		**(24,921)**	**15,801**
Cash and cash equivalents at the beginning of the financial year		37,742	21,941
Cash and cash equivalents at the end of the year		**12,821**	**37,742**

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

A

NOTES TO THE FINANCIAL STATEMENTS

ABOUT THIS REPORT

A1. COMPANY INFORMATION

BSA Limited ('the Company') and its controlled entities ('BSA' or 'the Group') is an Australian Securities Exchange (ASX) listed Company whose principal activities are focused on providing services across communications and utilities infrastructure and property solutions. BSA is the ultimate parent company of the Group and is a for-profit listed company limited by shares, incorporated and domiciled in Australia.

The Company's principal place of business and registered office is Level 7, 3 Thomas Holt Drive, Macquarie Park NSW, 2113.

Financial statement characteristics

The financial statements have been approved and authorised for issue by the Board of Directors on 20 August 2021.

The financial statements are general purpose financial statements that:

- have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB),
- include the assets and liabilities of all subsidiaries of the Company as at 30 June 2021 and the results of the subsidiaries for the year then ended. Inter-entity transactions with, or between subsidiaries are eliminated in full on consolidation,
- have been prepared on a historical cost basis, and
- are measured and presented in Australian dollars which is the Company's functional and presentation currency with all values rounded to the nearest thousand dollars unless otherwise stated, in accordance with ASIC Legislative Instrument 2016/191.

Subsequent events

On 20 August 2021, the Director's declared a dividend of 0.50 cents per share.

Other than as detailed above, the Directors are not aware of any significant events since the end of the reporting period.

A2. KEY CONSIDERATIONS

In preparing financial reports certain judgements and estimates have been made by the Group. The material estimates and judgments applied in preparing the financial report are outlined in detail in the following notes:

Note	**Key judgement or estimate**
B2 Revenue	Estimates of the costs to complete construction contracts
B3 Other Operating Costs	The impact of COVID-19 on the Group's financial position and performance
C4 Intangible Assets	Recognition of Software development on services not located on the Group's servers as Intangible Assets
E2 Business Combinations	Deferred consideration payable and identified intangible assets recognised on the date of acquisition

BUSINESS PERFORMANCE

B1 SEGMENT INFORMATION

Description of segments

The Group has two operating segments based upon the products and services offered by business units within each segment. The Group presents the below financial information to the Board of Directors on a monthly basis. The Group's reportable segments are as follows:

- **BSA | Communications & Utility Infrastructure (CUI):** provides services to the telecommunications, subscription television and utility industries. This includes the delivery of bundled services over fixed line and wireless networks, the installation of subscription television and the installation of smart meters,
- **BSA | Advanced Property Solutions (APS):** provides the design, installation, maintenance, and optimisation of building services for all hard assets in facilities and infrastructure, including: Fire Detection and Suppression, Mechanical Services, Heating, Ventilation, Air Conditioning, Refrigeration, Electrical, and Building Management Systems, and
- **Other:** corporate support services provided across the Group.

Segment performance is disclosed below.

	Revenue and other income		Segment Profit/Loss	
	Year Ended		Year Ended	
	2021	**2020**	**2021**	**2020**
	$'000	**$'000**	**$'000**	**$'000**
Communications & Utility Infrastructure	211,157	270,979	16,961	21,047
Advanced Property Solutions	211,389	215,556	9,368	8,562
Other	-	-	(3,207)	(3,729)
Revenue and underlying EBITDA results	422,546	486,535	23,122	25,880
Significant items (see note B3)			(7,381)	(2,892)
Reported EBITDA			15,741	22,988
Depreciation and amortisation expense			(10,921)	(10,375)
Earnings before interest and tax (EBIT)			4,820	12,613
Finance costs			(2,091)	(1,756)
Profit before tax from continuing operations			2,729	10,857
Income tax expense - continuing operations			(1,250)	(3,055)
Profit after tax from continuing operations			**1,479**	**7,802**

The Group has a number of customers to whom it provides both products and services. The Group supplies a single external customer in the CUI segment who accounts for 33% of external revenue (2020: 39%). The Group's next most significant customer is in the CUI segment and accounts for 9% of external revenue (2020: 7%).

B2. REVENUE

Key Estimates and Judgements: Revenue Recognition

Recognition of construction contract revenue and contract assets and liabilities involve the following key judgements and estimates:

- management estimates of the costs incurred to date as a percentage of the total costs required to complete the prescribed construction contract, this is used to determine the stage of completion and accordingly recognise revenue on that basis,
- modifications to the scope of the construction contract are recognised when the Group has an enforceable right to payment, revenue in relation to claims and variations is only included in the total contract value when the amount claimable becomes highly probable. Management uses judgement in determining whether an approved enforceable right exists, and
- Determining the amount of variable consideration requires an estimate based on either the "expected value" or the "most likely amount". The estimate of variable consideration can only be recognised to the extent it is highly probable that a significant revenue reversal will not occur in the future.

Significant changes in the above estimates and judgements could have a material impact on the financial performance and position of the Group.

	Consolidated	
	2021 $'000	2020 $'000
Revenue	418,346	486,107
Other income[1]	4,200	428
Total Revenue	**422,546**	**486,535**

[1] Other income includes $3,084 thousand (2020: $nil) in relation to the gain on the surrender of right-of-use assets over the Figtree rental premises and sale and leaseback profit of $854 thousand (2020: $nil). See note F2 for further information on the sale and leaseback.

Assets and liabilities related to contracts with customers

The group has recognised the following assets and liabilities related to contracts with customers:

	Consolidated	
	2021 $'000	2020 $'000
Current contract assets	8,010	3,550
Current contract liabilities	(9,628)	(2,482)
Net contract assets/(liabilities)	**(1,618)**	**1,068**

Revenue recognised in relation to contract liabilities

Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period was $1,654 thousand (2020: $1,974 thousand). There was no revenue recognised in the current reporting period that related to performance obligations that were satisfied in a prior year.

Accounting Policy

Revenue is measured at the fair value of the consideration received or receivable. The revenue is recognised when a customer obtains control of the goods or services. Determining the timing of the transfer of control and the fair value of consideration receivable requires judgement.

Classification and recognition

Maintenance revenue

The Group performs maintenance services for a variety of different industries. This revenue stream is recognised on a basis consistent with when the related services are provided to the customer. Customers are in general invoiced on a monthly basis for an amount that is calculated on either a schedule of rates or a cost plus basis that are aligned with the stand alone selling prices for each performance obligation. Payment is received following invoice on normal commercial terms.

Installation revenue

The benefits from this category of work type do not transfer to the customer until the completion of the installation and as such revenue is recognised upon completion. Customers are in general invoiced on a monthly basis for an amount that is calculated on either a schedule of rates or a cost plus basis that are aligned with the stand alone selling prices for each performance obligation. Payment is received following invoice on normal commercial terms.

Construction revenue

The Group 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. Contracts entered into may be for the construction of one or several separate inter-linked pieces of large infrastructure. The construction of each individual piece of infrastructure is generally taken to be one performance obligation. Where contracts are entered for the building of several projects the total transaction price is allocated across each project based on relative stand-alone selling prices. The transaction price is normally fixed at the start of the project. It is normal practice for contracts to include bonus and penalty elements based on timely construction or other performance criteria (variable consideration).

The performance obligation is fulfilled over time and as such revenue is recognised over time. As work is performed on the assets being constructed they are controlled by the customer and have no alternative use to the Group, with the Group having a right to payment for performance to date. Generally, contracts identify various inter-linked activities required in the construction process. Revenue is recognised on an input basis. Revenue earned is typically invoiced monthly or in some cases on achievement of milestones or to match major capital outlay. Invoices are paid on normal commercial terms, which may include the customer withholding a retention amount until finalisation of the construction. Certain construction projects entered into receive payment prior to work being performed in which case revenue is deferred and recognised as a contract liability on the statement of financial position.

Other income

Primarily relates to gains on sales of property, plant and equipment or right-of-use assets. These gains are recognised as income when control of the underlying asset is transferred to the counterparty.

Measurement

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the relevant contract with the customer; identifies the performance obligations in the contract; determines the transaction price, which takes into account estimates of variable consideration and the time value of money (excluding credit risk); allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicters the transfer to the customer of the goods or services promised.

Variable consideration

It is common for contracts to include performance bonuses or penalties assessed against the timeliness or cost effectiveness of work completed or other performance related KPIs. Where consideration in respect of a contract is variable, the expected value of revenue is recognised when the uncertainty associated with the variable consideration is highly probable of being resolved. The Group assesses the constraint requirements on a periodic basis when estimating the variable consideration to be included in the transaction price.

The estimate is based on all available information including historic performance. Where modifications in design or contract requirements are entered into, the transaction price is updated to reflect these. Where the price of the modification has not been confirmed, an estimate is made of the amount of revenue to recognise whilst also considering the constraint requirement.

Contract Assets and Liabilities

When the contract value recognised to date (revenue less costs incurred) is greater than progress billings to the customer, the surplus is shown as Contract assets on the statement of financial performance. For contracts where progress billings exceed the contract value recognised to date, the surplus is shown as Contract liabilities on the statement of financial performance. Amounts billed for work performed but not yet paid by the customer are included in the statement of financial position as trade receivables.

Contract fulfilment costs

Costs incurred prior to the commencement of a contract may arise due to mobilisation/site setup costs, feasibility studies, environmental impact studies and preliminary design activities as these are costs incurred to fulfil a contract. Where these costs are expected to be recovered, they are capitalised and amortised over the course of the contract consistent with the transfer of service to the customer. Where the costs, or a portion of these costs, are reimbursed by the customer, the amount received is recognised as deferred revenue and allocated to the performance obligations within the contract and recognised as revenue over the course of the contract.

Loss making contracts

A provision is made for the difference between the expected cost of fulfilling a contract and the expected unearned portion of the transaction price where the forecast costs are greater than the forecast revenue.

B3. OTHER OPERATING EXPENSES

Key Estimates and Judgements: COVID-19 impact

On 27 February 2020, the Australian government declared COVID-19 a national pandemic. The Governor General of Australia on 18 March 2020 soon after declared COVID-19 a Human Biosecurity Emergency. Governmental measures aimed at suppressing the transmission of coronavirus in Australia have had a consequential impact on economic activity generally across the markets in which the Group conducts business in both the 2020 and 2021 financial years.

The impacts of COVID-19 and related relief packages are as follows:

- Government grants, in the form of JobKeeper wage subsidies of $11,261 thousand (2020: $3,890 thousand) have been recognised in the 2021 financial year in accordance with government guidelines to maintain the Group's workforce.
- As reflected in the changes in trade and other payables in note B6 Commonwealth and State government initiatives aimed at alleviating cash flow pressures, including the deferment of indirect tax payments applied to the Group during the 2020 financial year. The Group deferred $14,340 thousand of payments in 2020, with $13,740 of these being repaid in the 2021 financial year. The remaining $600 thousand were repaid early in the 2022 financial year.
- As reflected in note C1, the assessment of expected credit losses included a consideration of the possible implications that COVID-19 may have on customer's ability to pay.
- As outlined in note C4, the assessment of the recoverable value of goodwill included a consideration of the possible implications that COVID-19 may have on future economic value of the relevant cash-generating unit.

The operations of the Group demonstrate a high degree of resilience due to the sizeable proportion of the business that qualify as an essential service.

Significant changes in the above judgements could have a material impact on the financial performance and position of the Group.

Significant Items

	Consolidated	
	2021 $'000	**2020 $'000**
Profit for the period includes the following items:		
Legal and professional fees relating to legacy issues	2,775	2,892
Business reorganisation and restructure costs	4,244	-
Acquisition related costs	362	-
Total significant items	**7,381**	**2,892**

Discontinued operations

FY2021 includes $nil associated with discontinued operations (FY2020: $8,762 thousand).

COVID-19 impact

Employee benefits expense has been reduced by $11,261 thousand in FY2021 to reflect government assistance received (JobKeeper wage subsidy) in accordance with government guidelines to maintain BSA's workforce.

Commonwealth and State government initiatives aimed at alleviating cash flow pressures, including the deferment of indirect tax payments, have applied to BSA during FY2021. The JobKeeper government assistance received in FY2020 totaling $3,890 thousand was reclassified as a reduction in employee benefits expense in the FY2020 comparative information presented. In addition $2,665 thousand disclosed as cash receipts from government assistance in 2020 have been reclassified as a reduction in payments to suppliers and employees.

Government assistance received is primary comprised of the JobKeeper wage subsidy and has been utilised to ensure employees can be retained during uncertain operational conditions. The Group has continued to ensure suitable health and safety protocols are in place with suitable working condition amendments made for all employees.

In March 2020 to June 2020, the group utilised COVID-19 payment deferral measures made available by government agencies to navigate near-term uncertainties. These are being progressively repaid with $13,740 thousand of deferred payments paid to tax authorities in FY2021 and $600 thousand repaid early in the 2022 financial year.

While there has been a number of delays and restricted capacity considerations in the construction sector, the Group considers that our products and services are likely to be in high demand once certainty returns and client spend patterns return to normal levels and as a consequence of infrastructure spending announced by federal and state governments.

Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, BSA Limited, its related practices and non-related audit firms:

	Consolidated	
	2021 $	2020 $
Audit and review of financial reports	383,000	385,000
Other services		
Tax services	129,335	996,706
Other	15,000	12,300
Total services provided	**527,335**	**1,394,006**

The auditor of the group is Deloitte Touche Tohmatsu.

Accounting Policy

Government grants

JobKeeper government grants are recognised as a reduction in the employee expenses for which the grants are intended to compensate. Grant amounts are recognised in profit or loss when the grant amount is known and the Group has confirmed it has complied with the conditions attached to the grant.

Significant items

Significant items are amounts incurred in the financial period which are significant in size and nature and relate to factors that are either not expected to be incurred in future periods or are not related to core on-going operational activities of the Group.

Discontinued operations

Discontinued operations are a major line of business (HVAC Build) that has been disposed of in FY2019. No discontinued operations costs have been incurred in FY2021.

B4. INCOME TAX

Income tax expense

	Consolidated 2021 $'000	2020 $'000
Income tax expense is attributable to:		
Profit from continuing operations	1,250	3,055
Loss from discontinued operation	-	(2,176)
Total income tax expense	**1,250**	**879**

Reconciliation of income tax expense to prima facie tax payable

	Consolidated 2021 $'000	2020 $'000
Profit from continuing operations before income tax expense	2,729	10,857
Profit from discontinued operation before income tax expense	-	(10,938)
Profit/(Loss) before income tax expense	2,729	(81)
Tax using the Group's statutory tax rate	819	(24)
Adjusted for:		
Prior year underprovision	236	-
Non-deductible goodwill disposal	-	1,199
Non-deductible share-based payment	101	100
Other	94	(396)
Income tax expense	**1,250**	**879**

Deferred tax balances

	Consolidated 2021 $'000	2020 $'000
The balance comprises temporary differences attributable to:		
Employee benefits	3,420	3,413
Provisions and accruals	2,763	4,553
Intangible assets	(649)	(118)
Other	(80)	(237)
Net deferred tax assets	**5,454**	**7,611**

Accounting Policy

Income tax expense comprises current and deferred income tax. It is recognised in profit or loss except to the extent that it relates to a business combination or items that are recognised directly in equity. Calculation of tax is based on tax rates and tax laws that are in place at the reporting date.

Tax consolidated group

The Company and all of its subsidiaries as outlined in note Group structure have formed an income tax consolidated group under the tax consolidation regime. The head entity within that tax consolidated group is the Company. Consequently, the Group is taxed as a single entity and the deferred tax assets and liabilities of these entities are offset in the consolidated financial statements.

Current tax

Current tax liabilities are taxation obligations to the Australian Taxation Office that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the consolidated financial statements (accounting profit).

Deferred tax

Deferred tax assets and liabilities are recognised where there is a difference in timing between the accounting recognition of the asset or liability and the tax timing of the same asset or liability. This method is used for all differences between tax and accounting basis except for:

- initial recognition of goodwill, or
- if the transaction has no impact on accounting or taxable profit.

In addition, a deferred tax liability is not recognised if the reversal of the difference is under the control of the Group, it relates to investments in subsidiaries or associates and the Group does not intend to take any action to trigger a change in ownership of the subsidiary or associate in the foreseeable future.

Deferred tax assets are recognised up to the value that it is probable that there will be sufficient taxable profits in future years to offset the asset reversals; this is based on forecasts the Group's future taxable profits and the timing of the reversal of the temporary differences. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised, such reductions are reversed when the probability of future taxable profits improves.

Deferred tax liabilities are always provided for in full. Deferred tax assets and liabilities are offset only when the Group has the legal ability and intent to settle these amounts on a net basis with the same taxation authority.

B5. EARNINGS PER SHARE

(a) Basic earnings per share

	Consolidated	
	2021 **Cents**	**2020** **Cents**
From continuing operations	0.341	1.811
From discontinued operations	-	(2.033)
Total basic earnings per share	**0.341**	**(0.222)**

(b) Diluted earnings per share

	Consolidated	
	2021 **Cents**	**2020** **Cents**
From continuing operations	0.340	1.805
From discontinued operations	-	(2.027)
Total diluted earnings per share	**0.340**	**(0.222)**

(c) Weighted average number of shares used as the denominator

	Consolidated	
	2021 **Number**	**2020** **Number**
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	433,213,060	430,911,121
Adjustments for calculation of diluted earnings per share:		
Performance rights outstanding	1,697,612	1,434,964
Weighted average number of ordinary and potential ordinary shares used as the denominator in calculating diluted earnings per share	**434,910,672**	**432,346,085**

B6. CASH FLOW INFORMATION

Cash generated from operations

	Consolidated	
	2021 **$'000**	**2020** **$'000**
Profit/(loss) for the period	**1,479**	**(960)**
Adjustments for:		
Depreciation and amortisation	10,921	10,375
Derecognition of goodwill on sale of business	-	4,000
Share-based payments	335	398
Net (gain)/loss on sale of non-current assets	(1,116)	(412)
Interest on ROU liabilities	1,335	524
Payments recognised in equity	(60)	1
Change in operating assets and liabilities		
Decrease/(increase) in trade and other receivables	(9,041)	7,424
Decrease/(increase) in inventories	298	(750)
Decrease/(increase) in deferred tax assets	2,157	1,371
Decrease/(increase) in other operating assets	(4,460)	3,583
Increase/(decrease) in trade and other payables	(12,494)	(10,997)
Increase/(decrease) in other operating liabilities	7,897	13,140
Increase/(decrease) in current tax liabilities	(735)	(1,224)
Increase/(decrease) in other provisions	(1,104)	4,813
Net cash generated by operating activities	**(4,588)**	**31,286**

OPERATING ASSETS AND LIABILITIES

C1. TRADE AND OTHER RECEIVABLES

The Group's Trade and other receivables are presented below.

	Consolidated	
	2021 $'000	2020 $'000
Current assets		
Trade receivables	47,767	41,289
Expected credit losses	(1,538)	(2,096)
Total trade receivables	**46,229**	**39,193**
Accrued revenue	16,390	16,475
Other receivables	1,038	-
Prepayments	2,591	1,535
Executive share plan receivables	363	367
Total other receivables	**20,382**	**18,377**
Total trade and other receivables	**66,611**	**57,570**

Expected Credit Losses

The average credit period for the Group is 30 days (2020: 32 days). No interest is charged on overdue receivables. 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.

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

	Consolidated				
	Current $'000	More than 30 days past due $'000	More than 60 days past due $'000	More than 90 days past due $'000	**Total** $'000
FY2021					
Gross carrying amount – trade receivables	33,836	8,158	2,440	3,333	47,767
Loss allowance	(742)	(226)	(54)	(516)	(1,538)
FY2020					
Gross carrying amount – trade receivables	31,984	3,911	1,968	3,425	41,289
Loss allowance	(363)	(161)	(19)	(1,553)	(2,096)

The loss allowances for trade receivables reconcile to the opening loss allowances as follows:

	Consolidated 2021 $'000	 2020 $'000
Opening loss allowance	2,096	1,705
Increase in loan loss allowance recognised in profit or loss during the year	258	699
Receivables written off during the year as uncollectible	(53)	(308)
Unused amount reversed	(763)	-
Closing loss allowance	**1,538**	**2,096**

Trade receivables and contract assets are written off where there is no reasonable expectation of recovery.

Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group and a failure to make contractual payments for a period of greater than 90 days past due.

Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Accounting Policy

Trade receivables and expected credit losses

See accounting policy in note D4.

Accrued revenue

Accrued revenue represents amounts receivable from customers for which all revenue recognition obligations have been met but an invoice is yet to be raised. Accrued revenue is based on the expected invoice amount to be raised for the services completed.

C2. TRADE AND OTHER PAYABLES

	Note	Consolidated 2021 $'000	 2020 $'000
Current liabilities			
Trade payables		26,645	21,810
Other payables		33,300	51,685
Deferred consideration for the acquistion of Catalyst ONE	E2	1,056	-
		61,001	**73,495**
Non-current liabilities			
Deferred consideration for the acquistion of Catalyst ONE	E2	1,210	-
		1,210	**-**

Trade payables are unsecured and are usually paid within 30 days of recognition. The carrying amounts of current trade and other payables are considered to be the same as their fair values, due to their short-term nature. Non-current other payables are recognised at amortised cost and are discounted based on the interest rate implicit in the arrangement.

Accounting Policy

Trade payables

See accounting policy in note D4.

Other payables

Primarily comprised of accrued expenses which represents amounts payable to suppliers for which all expense recognition criteria have been met but an invoice is yet to be received. Accrued expenses are based on the expected invoice amount to be received.

C3. PROPERTY, PLANT AND EQUIPMENT

Consolidated

Non-current	Land and Buildings $'000	Leasehold Improve-ments $'000	Plant & Equipment $'000	Right-of-use vehicles $'000	Right-of-use premises $'000	Assets Under Construction $'000	Total $'000
Year ended 30 June 2020							
Opening net book amount	542	1,649	7,393	3,618	509	166	13,877
Additions	-	1,108	1,714	745	2,817	71	6,455
Disposals	-	-	(1,792)	(2,894)	(216)	-	(4,902)
Transfers	-	-	166	-	-	(166)	-
Depreciation charge	(16)	(1,718)	(3,770)	(1,176)	(2,015)	-	(8,695)
Initial adoption of AASB 16	-	-	-	5,976	6,113	-	12,089
Closing net book amount	**526**	**1,039**	**3,711**	**6,269**	**7,208**	**71**	**18,824**
At 30 June 2020							
Cost or fair value	663	6,697	35,676	15,254	9,968	71	68,329
Accumulated depreciation	(137)	(5,658)	(31,965)	(8,985)	(2,760)	-	(49,505)
Net book amount (1)	**526**	**1,039**	**3,711**	**6,269**	**7,208**	**71**	**18,824**
Year ended 30 June 2021							
Opening net book amount	526	1,039	3,711	6,269	7,208	71	18,824
Acquisition of subsidiary	-	-	111	-	-	-	111
Additions	-	7	839	785	602	-	2,233
Disposals	-	-	(16)	(855)	(283)	(71)	(1,225)
Depreciation charge	(17)	(490)	(2,408)	(2,663)	(3,312)	-	(8,890)
Closing net book amount	**509**	**556**	**2,237**	**3,536**	**4,215**	**-**	**11,053**
At 30 June 2021							
Cost or fair value	663	4,602	27,722	11,559	10,570	-	55,116
Accumulated depreciation	(154)	(4,046)	(25,485)	(8,023)	(6,355)	-	(44,063)
Net book amount	**509**	**556**	**2,237**	**3,536**	**4,215**	**-**	**11,053**

(1) Plant & Equipment accumulated depreciation was adjusted through a $1,804 thousand transfer from software accumulated amortisation in the 2020 comparative information presented.

OPERATING ASSETS AND LIABILITIES

FOR THE YEAR ENDED **30 JUNE 2021**

Accounting Policy

Property, Plant and Equipment

Land and Buildings, Leasehold Improvements and Plant & Equipment are recognised at the cost of the asset less accumulated depreciation.

Right-of-use Assets

Right-of-use assets are initially measured with reference to the value determined for the associated right-of-use liability (refer note D1), less direct costs and any lease incentives. Expected end of lease costs such as make good are included in the right-of-use asset value determined at lease inception.

Throughout the lease term (including extended terms where judged appropriate), right-of-use assets are depreciated and periodically assessed for impairment. Depreciation begins when control of the leased asset by the Group occurs up until the date when control ends. In the event of changes to the lease, the right-of-use asset is remeasured with reference to the remeasurement of the right-of-use liability.

Expected useful lives

The expected useful life and depreciation methods used are listed below.

Asset	Useful life	Depreciation method
Land	n/a	n/a
Buildings	25 years	Straight-line
Leasehold Improvements	4 to 5 years	Straight-line
Plant & Equipment	3 to 10 years	Straight-line
Right-of-use vehicles	3 to 5 years	Straight-line
Right-of-use property	1 to 5 years	Straight-line
Assets Under Construction	To be determined	To be determined

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.

Right-of-use assets 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.

Impairment

Property, Plant and Equipment is tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use within its cash generating unit.

C4. INTANGIBLE ASSETS

Key Estimates and Judgements:

The Group has a large number of software assets, these operate in various states including on in-house servers, on designated third party servers and in cloud computing environments. A number of these software assets relate to the integration, interfacing and bespoke customisation of additional capability of cloud-based computer 'Software as a Service' (SaaS) arrangements. These integration, interfacing and customisation costs incurred provide significant operational and financial benefits to the Group, and as such are recognised as an intangible asset. The judgements over the nature of these assets and the benefits they provide are key to their classification as intangible assets. At 30 June 2021, a carrying amount of $10,400 thousand (2020: $5,809 thousand) has been recognised as intangible assets with respect to SaaS arrangements.

In April 2021 the IFRS Interpretations Committee ('IFRIC') released an agenda decision clarifying its interpretation of how current accounting standards apply to SaaS arrangements. Due the nature and timing of the IFRIC decision and the complexity of historical SaaS projects, the Group is still in the process of obtaining the required information to analyse the impact on the Group in respect of these SaaS arrangements. As the historical analysis of SaaS projects is completed over the coming months potential derecognitions of amounts previously capitalised may occur. The restatement of the accounting policy and quantum of any derecognitions will presented in the financial report for the half-year ending 31 December 2021.

Significant changes in the above judgements; including the application of the Group's revised accounting policy to SaaS projects currently capitalised as software assets could have a material impact on the financial performance and position of the Group

	Goodwill $'000	Software assets under construction $'000	Software $'000	Customer lists and contracts $'000	Total $'000
At 30 June 2020					
Cost	52,721	1,691	7,994	10,079	72,485
Accumulated amortisation and impairment	(41,536)	-	(855)	(9,687)	(52,078)
Net book amount[(1)]	**11,185**	**1,691**	**7,139**	**392**	**20,407**
Year ended 30 June 2021					
Opening net book amount	11,185	1,691	7,139	392	20,407
Additions	-	4,680	-	-	4,680
Acquisition of business	75	-	-	2,527	2,602
Amortisation charge	-	-	(1,273)	(758)	(2,031)
Transfers	-	(4,771)	4,771	-	-
Closing net book amount	**11,260**	**1,600**	**10,637**	**2,161**	**25,658**
At 30 June 2021					
Cost	11,260	1,600	12,765	12,606	79,767
Accumulated amortisation and impairment	-	-	(2,128)	(10,445)	(54,109)
Net book amount	**11,260**	**1,600**	**10,637**	**2,161**	**25,658**

(1) Software accumulated amortisation totalling $1,804 thousand was transferred into accumulated depreciation under plant & equipment in the 2020 comparative information presented.

Goodwill impairment assessment

Goodwill is not amortised but assessed for impairment at least once a year (and when there is evidence of impairment). The Group uses the Fair Value Less Costs to Sell (FVLCTS) to determine the amount which the business could be sold for (less sale related expenses). This FVLCTS amount is then compared to the carrying amount of assets to determine if there is any impairment.

Impairment testing is completed at a cash generating unit (CGU) level, which is the lowest level at which the Group generates discrete and separate cash inflows and outflows. Goodwill is allocated to the following CGUs:

Segment	CGU	2021 $'000	2020 $'000
APS	APS - Fire Build	11,185	11,185
CUI	CUI	75	-

The assessment of impairment of goodwill FVLCTS models include the following considerations:

- EBITDA forecast and expected EBITDA multiples incorporate the impact of the ongoing COVID-19 pandemic into the assumptions,
- EBITDA for the CGUs are broadly consistent with the 30 June 2022 financial year budgeted EBITDA, and
- EBITDA multiples for arm's length transactions of businesses similar in size and nature to the CGUs within recent financial periods.

The resulting FVLCTS models are consistent with level 3 instruments in the fair value hierarchy. No reasonably possible changes would unfavourably impact the models to the extent that the related goodwill would be impaired.

Accounting Policy

Goodwill

Goodwill arising on the acquisition of subsidiaries has an infinite useful life and is measured at cost less accumulated impairment losses. On disposal of a business unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal

Other intangible assets

Other intangible assets, including software and customer lists and contracts are acquired or developed by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

Impairment

Other intangible assets including software and customer lists and contracts are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Expected useful lives

The expected useful life and amortisation methods used are listed below.

Asset	Useful life	Amortisation method
Goodwill	indefinite	n/a
Software	2 to 8 years	Straight-line
Customer lists and contracts	1 to 9.5 years	Straight-line
Software assets under construction	To be determined	To be determined

Amortisation methods and useful lives are reviewed at each reporting date and adjusted if appropriate.

In June 2020 the Group launched significant software systems as part of the on-going strategy to use technology to drive delivery excellence, improve margins, increase client/customer experience and transform workforce management and deployment. As part of this deployment the estimated useful lives of a number of software assets have been revised; with the updated useful lives reflected in 2021. Core software assets are expected to have useful lives of up to 8 years (previously 2 – 5 years). This revision has reduced the Group's amortisation expense by $825 thousand in the financial year ended 30 June 2021.

C5. PROVISIONS

	2021			2020		
	Current $'000	Non-current $'000	Total $'000	Current $'000	Non-current $'000	Total $'000
Employee benefits	10,017	1,381	11,398	10,114	1,261	11,375
Other provisions	2,509	5,282	7,791	3,740	6,024	9,764
	12,526	**6,663**	**19,189**	**13,854**	**7,285**	**21,139**

Movements in other provisions in the current financial year are as follows:

Consolidated

	Office of State Revenue $'000	Make good provision $'000	Onerous Leases $'000	Contract Provisions $'000	Restructuring provision $'000	Total $'000
Carrying amount at start of year	1,328	1,518	1,806	5,112	-	9,764
Charged/(credited) to profit or loss	-	-	-	-	-	-
- additional provisions recognised	-	13	-	1,210	1,854	3,077
- unused amounts reversed	-	-	-	(2,231)	-	(2,231)
Amounts used during the year	(1,328)	-	(940)	(551)	-	(2,819)
Carrying amount at end of year	**-**	**1,531**	**866**	**3,540**	**1,854**	**7,791**

Other provisions relate to the following matters:

Provision	Matter
Office of State Revenue	A legacy NSW payroll tax issue which has been fully paid in the current year in accordance with the agreed repayment plan.
Make good provision	Estimated costs required to restore lease properties to a contractually defined condition at the end of the lease term.
Onerous leases	The remaining contractual costs over the lease term for under utilised leased premises space with the sale of the HVAC Build business in 2019.
Contract provisions	The expected cost of obligations under various construction contracts recognised at the Directors' best estimate of the expenditure to settle the Group's obligation.
Restructuring provision	The expected costs associated with organisational change restructures. These amounts primarily relate to headcount changes, with all affected employees notified prior to 30 June 2021.

Accounting Policy

Employee benefit liabilities

Employee benefits are included in current provisions at their face value if the Group expects to settle it within the next twelve months. Employee benefits payable later than one year are included in non-current provisions and have been measured at the present value of the estimated future cash outflows to be made for those benefits. The present value is determined using market yields on high quality corporate bonds with terms to maturity that match the expected timing of employee benefit cash flows.

Other 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.

CAPITAL AND FINANCING STRUCTURE

D1. FINANCIAL LIABILITIES

Borrowings

	Consolidated	
	2021 $'000	2020 $'000
Current borrowings	-	2,116
Total borrowings	**-**	**2,116**

Assets pledged as security

The carrying amounts of assets pledged as security for borrowings are:

		Consolidated	
	Note	2021 $'000	2020 $'000
Current			
Cash and cash equivalents		12,821	37,742
Receivables	C1	47,767	41,288
Inventories		1,450	1,748
Total current assets pledged as security		**62,038**	**80,778**
Non-current			
Property, plant and equipment	C3	11,053	18,824
Deferred tax assets	B4	5,454	7,611
Total non-current assets pledged as security		16,507	26,435
Total assets pledged as security		**78,545**	**107,213**

Lease Liabilities

	Consolidated	
	2021 $'000	2020 $'000
Current	4,473	5,384
Non-current	4,745	8,966
	9,218	**14,350**

At 30 June 2021, there were $921 thousand (2020: $2,906 thousand) of finance and hire purchase liabilities as determined under the accounting standard AASB 117 leases that applied prior to 1 July 2019.

Lease liabilities are effectively secured as the rights to the assets revert to the financier in the event of default. Interest rates for lease liabilities outstanding during the year ranged between 4.47% and 5.97%.

Accounting Policy

Borrowings

See accounting policy in note D4.

Lease liabilities

Initial recognition

Initially lease liabilities are measured as the present value of future lease payments discounted using the interest rate implicit in the lease or if that is not known then rate at which the Group could borrow similar cashflows over a similar term. Determination of future lease payments includes consideration of the impact of lease incentives (such as rent free periods), incremental increases during the lease term (such as CPI or fixed lease rate increases), lease extension options (where reasonably certain that will occur) and residual value guarantees expected to be paid.

Certain leases contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options (by the Group not the lessor) in new leases to provide operational flexibility. The Group has assessed at lease commencement whether it is reasonably certain to exercise the extension options, and where it is reasonably certain, the extension period has been included in the lease liability.

Subsequent measurement

Over the lease term, payments made by the Group to the lessor reduce the liability balance while applicable interest is recognised as interest expense and increases the liability balance.

Lease liabilities are re-assessed and remeasured in line with the initial recognition criteria above when substantive elements of the lease change. These elements can include changes to the lease term through exercise or otherwise of lease extension options or significant variations to amounts payable under the lease. Periodically, the Group reassesses whether it is reasonably certain that extension options will be exercised if there is a significant event or change in circumstances.

D2. EQUITY

Issued Capital

Movements in the Group's issued capital are outlines below:

	Consolidated	
	Number of shares (thousands)	**Total $'000**
Opening balance 1 July 2019	428,241	98,894
Dividend reinvestment plan issues	1,230	528
Exercise of performance rights	2,182	898
Exercise of Non-executive Director rights	206	70
Balance at 30 June 2020	**431,859**	**100,390**
Dividend reinvestment plan issues	522	135
Exercise of performance rights	482	157
Transfers between reserves	537	109
Exercise of Non-executive Director rights	226	70
Balance at 30 June 2021	**433,626**	**100,861**

The Group's issued capital is wholly comprised of ordinary shares. These 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.

No options are held over the Group's issued capital, with share-based payments rights in relation to the Group's issued capital outlined in note F1.

CAPITAL AND FINANCING STRUCTURE

FOR THE YEAR ENDED **30 JUNE 2021**

Dividends

Dividends paid

	Consolidated	
	2021	**2020**
	$'000	**$'000**
Final dividend	2,166	2,152
Interim dividend	2,167	2,154
Total dividends provided for or paid	**4,333**	**4,306**

The 30 June 2019 financial year interim dividend of 0.50 cents per share was distributed on 8 July 2020 (recognised in 2020 however distribution was deferred due to economic uncertainty as a result of COVID-19). $2,092 thousand was paid as cash with the remaining $69 thousand settled via the dividend reinvestment plan.

The fully franked dividend for the financial year ended 30 June 2020 of 0.50 cents per share was distributed on 3 November 2020.

Dividends not recognised at the end of the period

In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of 0.50 cents per fully paid ordinary share (2020: 0.50 cents). The aggregate amount of the proposed dividend of $2,170 thousand (2020: $2,163 thousand) is expected to be paid on 3 November 2021 out of retained earnings at 30 June 2021.

Dividend reinvestment plan

The Group has a Dividend Reinvestment Plan (DRP) in place and has been utilised as follows:

Dividend	DRP shares issued Number (thousands)	DRP per share $	DRP dividend payment $'000
FY2021 interim dividend (April 2021)	85	0.29	25
FY2020 final dividend (November 2020)	191	0.27	51
FY2020 interim dividend (July 2020)	246	0.28	69
FY2019 final dividend (November 2019)	1,230	0.43	528

In the prior year, the distribution resulted in $1,624 thousand being paid in cash and $528 thousand being raised by the DRP through the issue of 1,230 thousand securities at $0.43 in November 2019.

Franking credits

The final dividend recommended after 30 June 2021 will be fully franked utilising existing franking credits. As at 30 June 2021 based on the current tax rates of 30% the Group has $11,735 thousand franking credits available for future dividends (2020: $12,533 thousand).

The above amounts are calculated from the balance of the franking account as at the end of the reporting period, adjusted for franking credits and debits that will arise from the settlement of liabilities or receivables for income tax and dividends after the end of the year.

Capital 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 reporting date is shown below:

	Consolidated	
	2021 $'000	2020 $'000
Net (cash)/debt	(11,900)	(32,720)
Total equity	29,964	32,288
Gearing ratio	**(39.7)%**	**(101.3)%**

Net (cash)/debt excludes right-of-use lease liabilities and includes debt classified as finance lease liabilities had the legacy accounting standard AASB 117 Leases been applied.

Gearing levels were maintained at a healthy position. It is the Board's intention to monitor gearing levels going forward to ensure flexibility. There have been no 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

D3. CONTINGENT LIABILITIES

The group had contingent liabilities at 30 June 2021 in respect of:

Matter	Description
Bank guarantees and Insurance bonds	Established in favour of National Australia Bank, the Commonwealth Bank of Australia 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 $32,923 thousand (2020: $33,405 thousand).
Independent contractors class action	On 10 August 2020, the Group was served with a class action proceeding in relation to its contracting arrangements, specifically with independent contractors and whether they are properly classified as such. It is not possible to determine the ultimate impact, if any, of the proceedings on the Group. The Group continues to vigorously defend the proceedings.
Claims against the Group	Certain claims, including those arising out of construction contracts, have been made by, or against, the Group in the ordinary course of business. In addition, the Group has an on-going matter with SafeWork NSW which it is defending accordingly.

The Directors do not consider the outcome of any of these claims will be materially different to the position taken in the financial accounts of the Group.

D4. FINANCIAL RISK MANAGEMENT

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 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. Further details regarding these policies are set out below.

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.

Included in trade receivables, the most significant customer accounts for 5.8% of trade receivables at balance date (2020: 6.6%).

BSA only trades in Australia, as such the maximum exposure to credit risk at balance date on a country level is limited to Australia.

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	
	2021 **$'000**	**2020** **$'000**
Credit stand-by arrangements		
Borrowing Base Facility		
Facility Limit	37,500	37,500
Used	-	-
Unused	37,500	37,500
Cash Advance Facility		
Facility Limit	6,000	6,000
Used	-	-
Unused	6,000	6,000
Master Asset Finance Facility		
Facility Limit	921	3,050
Used	(921)	(2,909)
Unused	-	141
Total unused facilities at balance date	**43,500**	**43,641**

In addition to the above arrangements the group has bank guarantee facilities of $26,500 thousand (2020: $26,500 thousand) of which $15,703 thousand (2020: $14,664 thousand) was utilised.

In addition to the above facilities the group has a surety bond facility with Swiss Re International SE of $20,000 thousand (2020: $30,000 thousand) which was utilised to $17,220 thousand (2020: $18,741 thousand).

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.

Consolidated

	Carrying Amount $'000	Contractual Cash Flows $'000	< 6 mths $'000	6-12 mths $'000	1-3 years $'000	> 3 years $'000
30 June 2021						
Trade payables	26,645	26,645	26,645	-	-	-
Borrowings	-	-	-	-	-	-
Lease liabilities	9,218	10,047	2,862	2,400	4,519	266
Total	**35,863**	**36,692**	**29,507**	**2,400**	**4,519**	**266**
30 June 2020						
Trade payables	21,810	21,810	21,810	-	-	-
Borrowings	2,116	2,116	2,116	-	-	-
Lease liabilities	14,350	15,426	2,705	2,705	10,015	
Total	**38,276**	**39,352**	**26,631**	**2,705**	**10,015**	**-**

Accounting Policy

Classification of financial instruments

The Group classifies its financial instruments as follows:

Category	AASB 9 Classification
Cash and cash equivalents	Amortised cost
Trade receivables	Amortised cost
Net other receivables	Amortised cost
Trade and other payables	Amortised cost
Borrowings	Amortised cost

Recognition and measurement

Under AASB 9 Financial Instruments, a financial asset shall be measured at amortised cost; Fair Value through Profit & Loss (FVTPL); or Fair Value through Other Comprehensive Income (FVOCI) as classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Measurement of financial liabilities are also based on the business model and are classified and measured either at amortised cost or FVTPL.

Subsequent measurement

Category	Measurement
Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at FVOCI	These assets are subsequently measured at fair value. Net gains and losses are recognised in other comprehensive income, except for interest or dividend income, which are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Financial liabilities at amortised cost	These liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense is recognised in profit or loss with any gain or loss on derecognition is recognised in profit or loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument, to the net carrying amount on initial recognition.

Derecognition

Financial assets are derecognised when the rights to the cashflows associated with the asset have expired. Financial liabilities are derecognised when the cashflows associated with the liability have been repaid or expired. Any gain or loss on derecognition (being the difference between the carrying value and the consideration received, if any) is recognised in profit or loss.

Impairment

Impairment requirements use an Expected Credit Loss (‘ECL’) model under which credit losses are recognised earlier than incurred. The impairment model applies to financial assets measured at amortised cost and contract assets. The Group measures loss allowances at an amount equal to lifetime ECLs for all applicable assets. The Group considers amortised cost financial assets with the counterparty being ‘investment grade’ to have low credit risk when its credit risk rating is equivalent to be AA- or higher per Standard & Poor’s.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses with the key exposure being in relation to trade receivables and contract assets. ECLs for trade receivables and contract assets are determined after considering specific provisions against the financial asset and uses an expected loss percentage from recorded historic credit losses for that specific population. The key disaggregation of the balances is between those that are with investment grade counterparties and the age of the financial asset outstanding in 30-day tranches up to more than 121 days overdue. These expected loss percentages are then modified for forward-looking economic factors, such as the impact of the COVID-19 pandemic. The Group exercises considerable judgement about how the forward-looking economic factors impact each tranche independently, and applies a premium as deemed appropriate to adjust the historically determined default rates to present the total expected credit losses on the current balances.

Presentation of impairment

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

NOTES TO THE FINANCIAL STATEMENTS

GROUP STRUCTURE

E1. GROUP COMPANIES

Controlled entities

The Group's subsidiaries at 30 June 2021 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. All entities in the Group are registered in and have their principal place of business in Australia.

	Ownership interest held by the group (%)	
	2021	2020
Name of entity		
BSA Advanced Property Solutions (ACT) Pty Ltd	100	100
BSA Advanced Property Solutions (Administration) Pty Ltd	100	100
BSA Advanced Property Solutions (ECR) Pty Ltd	100	100
BSA Advanced Property Solutions (Essential Services) Pty Ltd	100	100
BSA Advanced Property Solutions (FIRE) Pty Ltd	100	100
BSA Advanced Property Solutions (Holdings) Pty Ltd	100	100
BSA Advanced Property Solutions (NSW & ACT) Pty Ltd	100	100
BSA Advanced Property Solutions (NSW) Pty Ltd	100	100
BSA Advanced Property Solutions (NT) Pty Ltd	100	100
BSA Advanced Property Solutions (VIC) Pty Ltd	100	100
BSA Advanced Property Solutions Australia Pty Ltd (formerly BSA Advanced Property Solutions (WA) Pty Ltd	100	100
Triple M Group Pty Ltd	100	100
066 059 809 Pty Ltd	100	100
ACN 085 921 615 Pty Ltd	100	100
BSA Equity Plans Pty Ltd	100	100
BSA Networks Pty Ltd	100	100
BSA Transmission Solutions Pty Ltd	100	100
Mr Broadband Pty Ltd	100	100
Satellite Receiving Systems (QLD) Pty Ltd	100	100
Catalyst ONE Pty Ltd	100	-
Jamik (AUS) Pty Ltd	100	-
BSA Communications and Utility Infrastructure Pty Ltd	100	-

Deed of cross guarantee

All controlled entities are parties to the Deed of Cross Guarantee and are members of the Closed Group, where relief is obtained from preparing individual financial reports under ASIC Instrument 2016/785. Under the deed, BSA Limited agrees to support the liabilities and obligations of the controlled entities.

Accounting policy

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.

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.

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.

The parent entity carries its investment in subsidiaries at cost less impairment (if any).

E2. BUSINESS COMBINATION

Key judgement - Fair value of assets acquired

When the Group obtains control over a new acquisition (acquiree) it is required to determine the value of assets and liabilities it has acquired. This value is based upon assessment of the fair value of the rights and obligations transferred to the Group and involves estimates and judgements in relation to the:

- date control was obtained over the acquiree by the Group (acquisition date),
- the acquisition price paid, including any non-cash, contingent or deferred consideration,
- assets and liabilities already recognised by the acquiree,
- amounts recognised by the acquiree and whether they are representative of the fair value of the assets and liabilities, and
- fair value of assets and liabilities not previously recognised including internally generated intangible assets.

These factors are complex and the determination of key assumptions requires a high degree of judgement. In the case of large or complex business combinations, external specialists are used to assist in determining the fair value of assets and liabilities resulting from the business combination.

If new information obtained within one year from the acquisition date about facts and circumstances that existed at the acquisition date, identified adjustments to the fair value, then the amounts recognised as at the acquisition date are retrospectively revised.

Acquisition of Catalyst ONE

Effective 22 December 2020, the Group acquired 100% of the issued shares in Catalyst ONE Pty Ltd and its wholly owned subsidiary Jamik (AUS) Pty Limited (Catalyst ONE), for $3,600 thousand net consideration which includes contingent consideration of between $nil and $2,108 thousand payable as 75% cash and 25% variable equity.

The contingent consideration is based on the achievement of agreed EBITDA targets over a one- and two-year period and is payable in March 2022 and March 2023. Based on current provisional accounting assessments the full $2,108 thousand of contingent consideration is expected to be paid.

Catalyst ONE provides integrated project solutions and infrastructure services across the Wireless Telecommunications market. The acquisition provides the Group with a strategic entry point into the Wireless Telecommunications market, which strongly complements the Group's existing strengths across Fixed Line Telecommunications Services.

Revenue of $4,597 thousand and net profit after tax of $63 thousand was recognised by the Group for the financial year; if Catalyst ONE had been held for the entire year, it would have contributed revenue and net profit after tax of $7,388 thousand and $931 thousand respectively. Total expenses of $362 thousand were included in acquisition-related expenses in relation to the Catalyst ONE business combination.

Acquisition values

- Goodwill associated with the acquisition primarily relates to synergies due to scale and operational efficiencies through the sharing of operational expertise throughout the Group and is not expected to be tax deductible,
- acquired receivables are recorded at their contractual cash flow amounts which are consistent with their fair values at acquisition date, and
- acquisition accounting remains provisional with minor changes to deferred consideration possible prior to the completion of the 12-month provisional accounting window on 22 December 2021.

Details of the purchase consideration and acquisition date fair values are as follows:

	$'000
Purchase consideration	
Cash consideration paid	3,636
Deferred cash consideration payable in March 2022 and 2023	1,581
Deferred variable BSA Limited share consideration payable in March 2022 and 2023	527
Less: cash and cash equivalents acquired	(2,144)
Total purchase consideration	**3,600**
Fair value of net assets acquired	
Trade and other receivables	1,645
Contract assets	1,226
Property, plant and equipment	124
Goodwill recognised on acquisition by the Group	75
Intangible assets recognised on acquisition by the Group (Customer order book, contracts and relationships)	2,527
Trade and other payables	(679)
Lease liabilities	(6)
Provisions	(309)
Deferred Tax Liabilities	(1,003)
Net identifiable assets acquired	**3,600**

Purchase consideration includes $3,636 thousand cash paid and variable consideration of between $nil and $2,108 thousand payable as a mix of 75% and 25% BSA shares in March 2022 and March 2023. The variable consideration is subject to EBITDA performance over the one- and two-year periods post acquisition on 22 December 2020.

Accounting policy

Goodwill arising on an acquisition of a business is carried at cost as established at the date of the acquisition of the business 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.

E3. PARENT ENTITY FINANCIAL INFORMATION

Summary financial information

The individual financial statements for the parent entity, BSA Limited, show the following aggregate amounts:

	Consolidated	
	2021	**2020**
	$'000	**$'000**
Balance sheet		
Current assets	36,804	71,109
Non-current assets	44,782	46,842
Total assets	**81,586**	**117,951**
Current liabilities	35,814	70,351
Non-current liabilities	15,808	15,312
Total liabilities	**51,622**	**85,663**
Net Assets	**29,964**	**32,288**
Shareholders' equity		
Issued capital	100,861	100,390
Reserves	-	-
Accumulated losses	(82,157)	(82,188)
Profit reserve	9,833	12,718
Share-based payments	1,427	1,368
Total Equity	**29,964**	**32,288**
Profit / (loss) for the period	**1,448**	**(5,493)**
Total comprehensive income	**1,448**	**(5,493)**

Guarantees entered into by the parent entity

	Consolidated	
	2021	**2020**
	$'000	**$'000**
Directly relating to the parent entity	9,616	6,915
Secured by cross guarantee by all wholly owned group members	23,307	26,490
	32,923	**33,405**

Contingent liabilities of the parent entity

Given the deed of cross guarantee, refer to Contingent liabilities at note D3.

E4. RELATED PARTY TRANSACTIONS

The Group's related parties are considered to have a special relationship with the Group as such additional disclosures are made to users of the Annual Report to draw attention to the possibility that its financial position and performance may have been affected related parties. Except from the amounts disclosed below there have been no other related party transactions in current or prior financial years.

Related Party Remuneration

The below outlines total remuneration paid to the Group's key management personnel, being the Non-executive Directors, CEO and CFO. Detailed disclosures by person and the determination of remuneration structures are outlined in the Remuneration Report section of this Annual Report.

	Consolidated	
	2021 $	2020 $
Short-term employee benefits	1,567,330	1,806,741
Post-employment benefits	92,937	83,296
Other long-term benefits	15,025	15,220
Termination benefits	-	394,749
Share-based payments	139,213	165,406
	1,814,505	**2,465,412**

Related Party Rights and Shareholdings

Related party rights and shareholdings are outlined in detail in the Remuneration Report section of this Annual Report.

F1. SHARE-BASED PAYMENTS

	Consolidated 2021 $'000	2020 $'000
Equity settled share-based payments expense	335	398
Share-based payments equity reserve	1,427	1,368

The following share-based payment (SBP) rights were on issue during the financial year:

Consolidated and parent entity

Plan	Grant Date	Vesting Date	Balance at 30 Jun 2020 Number	Granted in 2020 Number	Vested in 2020 Number	Balance at 30 Jun 2021 Number
PRP Plan (SR)	28 Jun 2019	30 Jun 2020	175,440	-	(175,440)	-
PRP Plan (SR)	19 Nov 2019	19 Nov 2020	108,108	-	(108,108)	-
PRP Plan (PR)	27 Nov 2019	30 Jun 2019	98,666	-	(98,666)	-
PRP Plan (PR)	27 Nov 2019	30 Jun 2020	100,001	-	(100,001)	-
PRP Plan (PR)	27 Nov 2019	30 Jun 2021	101,370	-	-	101,370
PRP Plan (SR)	27 Nov 2019	30 Jun 2021	771,319	-	-	771,319
PRP Plan (SR)	1 Sep 2020	1 Sep 2021	-	143,369	-	143,369
PRP Plan (SR)	25 Nov 2020	30 Jun 2022	-	1,088,365	-	1,088,365
NED Plan	23 Mar 2021	23 Jun 2021	-	226,025	(226,025)	-
			1,354,904	**1,457,759**	**(708,240)**	**2,104,423**

All the SBP rights outlined above are equity settled and have a $nil exercise price and expire 15 years after their grant date. No rights were forfeited in 2021.

The key characteristics of rights issued during the current financial year are as follows:

Consolidated

Grant Date	Risk Free Interest Rate	Valuation Inputs Volatility	Dividend Yield	Granted in 2020 Number	Fair Value per Right (1) Cents	Total Fair Value Number
1 Sep 2020	0.10%	50%	3.6%	143,369	27.0	39
25 Nov 2020	0.25%	49%	3.6%	1,088,365	26.0	283
23 Mar 2021(2)	-	-	-	226,025	31.0	70

(1) All of the above use the share price at grant date, historical dividend payout rates and historical volatility for the same duration as the time between grant and vesting dates as key inputs to a Black-Scholes model to determine the fair value per right.

(2) NED Plan deferred rights include no service or performance conditions and are thus considered to vest on grant date, as such grant date salary sacrificed fees is considered to be fair value.

Employee Performance Reward Plan

The Group performance reward plan includes a subset for the issuing of rights to select participants under the BSA Limited Rights Plan. The BSA Limited Rights Plan ('PRP Plan') was approved by shareholders at the 2008 AGM. The PRP Plan was established to reward selected eligible employees and to:

- provide an incentive for the creation of, and focus on, shareholder wealth,
- enable the Group to recruit and retain the talented people needed to achieve the Group's business objectives,
- link the reward of key employees with the achievement of strategic goals and the Group's performance,
- align the financial interests of participants with the Group's 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.

PRP Plan (SR)

Within the PRP Plan is a subset of Service Rights (SR). Service rights issued under the PRP Plan are only subject to service conditions, whereby the employee must remain employed by the Group until the vestment date. This is subject to a number of exceptions (including death, cessation of employment, takeovers and schemes of arrangement). Service Rights are typically used in the following instances by the Group:

- As part of senior management short-term incentive payments, to encourage continued service and alignment of employee and shareholder interests. Senior management incentive payments generally include two components:
  - an upfront cash payment for 50% of the reward, and
  - a PRP Plan (SR) portion which grants employees service rights which vest 24 months post the relevant financial performance period with the number of service rights granted calculated based on the 10-day Volume Weighted Average Price (VWAP) of the Group's shares after the release of the Group's annual report for the relevant financial performance period.
- As a method of retention of key employees who have joined the Group to ensure their remuneration packages are in-line with market practice in their first financial period prior to earning short-term incentives.

PRP Plan (PR)

Within the PRP Plan is a subset of Performance Rights (PR). Performance rights issued under the PRP Plan are subject to both non-market performance conditions and service conditions. Performance Rights are typically used to:

- incentivise financial performance of section of the Group's operations over the long-term, and
- encourage continued service and alignment of employee and shareholder interests.

Non-executive Director Fee Sacrifice Equity Plan

The Non-executive Director ('NED') Fee Sacrifice Equity Plan ('NED Plan') purpose is to:

- facilitate the acquisition of equity in the Group by NEDs serving on the board because it provides NEDs with "skin in the game" and aligns their interests with shareholders,
- preserve the independence of NEDs by ensuring that NED participate in a separate equity plan from the PRP plan in which executives of the Group participate and for which NEDs set performance vesting conditions, and
- overcome the challenges faced by NEDs in acquiring equity on-market due to governance and regulatory issues in a manner that is intended to demonstrate good-governance.

The NED Plan allows for eligible NEDs, subsequent to AGM approval can sacrifice a portion of their NED fees for an equivalent number of deferred rights, which covert into shares of the Group. The deferred rights are issued within 30 days of the NED application and convert to shares 90 days after the issue of the deferred rights. The shares are held in the NEDs name and are restricted from trading until the earlier of 15 years from grant date and the date the NED no longer serves on the Board of the Group.

As the NED Plan allows for the sacrifice of NED Fixed remuneration for a fixed value of shares this plan is considered a type of fixed remuneration share-based payment.

Accounting Policy

Equity-settled share-based payments are measured at the value an independent third party would pay for them on the date they were granted (fair value). This fair value along with an estimate of how many of them are expected to be transferred to the employee at the end of the arrangement is expensed on a straight-line basis from when the employee commenced working for them until the end of the arrangement (vesting). 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. The impact of the change in estimate, is recognised in profit or loss such that the total expense recognised over the arrangement to date reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

F2. OTHER ACCOUNTING POLICIES

Reclassifications

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. Significant reclassifications include:

- JobKeeper government grants received were reclassified from other income to employee expenses ($3,890 thousand, refer to note B3), and
- Reclassifications between Property, Plant and Equipment and Intangible Assets ($1,804 thousand, refer to notes C3 and C4).

Sale and leaseback

In the 2021 financial year the Group undertook a sale and leaseback transaction ('S&LB') to free up capital in 78 motor vehicles for more efficient use in the Group's operations. The S&LB involved the payment of existing finance lease liabilities on the vehicles totalling $1,351 thousand for vehicles with a carrying value of $487 thousand. These motor vehicles were then sold to a third party fleet provider for $1,910 thousand resulting in a gain on sale of $854 thousand and new right-of-use assets of $222 thousand and right-of-use liabilities of $791 thousand being recognised as at 30 June 2021.

New accounting standards and interpretations

April 2021 IFRIC agenda decision: Configuration or Customisation Costs in a Cloud Computing Arrangement

As outlined in the key estimates and judgements section of note C4 the Group has a large number of software assets. The assessment of the impact of the April 2021 IFRIC agenda decision on the Group's accounting policies is currently underway and will be completed over the coming months. This assessment and consequential changes in accounting policy may result in derecognitions of amounts previously capitalised as software assets. The restatement of the accounting policy and quantum will presented in the financial report for the half-year ending 31 December 2021.

Other new accounting standards effective in the current year

Other than the IFRIC agenda decision outlined above no new standards or amendments to accounting standards applicable to the current reporting period had a significant impact on the Group's financial statements.

New accounting standards not yet effective

At the date of authorisation of the financial report no Standards and Interpretations that were issued but not yet effective are anticipated to have a material impact on the Group's financial statements.

Finance costs

Finance costs relate to right-of-use liabilities, financial institution borrowing costs and bank guarantee costs and are recognised in profit or loss in the period in which they are incurred.

Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount is not recoverable from the taxation authority. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are presented in the consolidated statement of cash flow 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.

DIRECTORS' DECLARATION

FOR THE YEAR ENDED **30 JUNE 2021**

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 A1 to the financial statements,

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

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

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

In the Directors' opinion, there are reasonable grounds to believe that the Company and the companies to which the ASIC Class Order applies, as detailed in note E1 to the financial statements will, as a group, be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee.

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

On behalf of the Directors.

Michael Givoni
Chairman
Sydney
20 August 2021

Civil Contractor on site in Kilmany, Conduit being prepared to be back hauled through a 120m Drill Shot.

Image courtesy of Marta Gola

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Independent Auditor's Report to the Members of BSA Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of BSA Limited (the "Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of BSA Limited or the Group is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year then ended; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
Recognition of revenue on Fire Build construction contracts One of the Group's significant sources of revenue is from Fire Build construction projects. Revenue is derived from a number of contracts and recognised based on the stage of completion of each contract. Stage of completion of the construction work is determined with reference to the work completed, i.e. the percentage of work performed up to the reporting date compared to the total anticipated contract work to be performed. The recognition of revenue is dependent on the following key factors: • Determination of stage of completion; • Estimation of total contract revenue and contract cost including the estimation of cost contingencies; • Determination of contractual entitlement and assessment of the probability of customer approval of variations and acceptance of claims; and • Estimation of project completion date.	Our procedures included, but were not limited to: • Evaluated management's processes and controls over the recognition of contract revenue, including; - Obtained an understanding of the key controls, in particular the estimation and review of costs to complete; and - Understood the project review control that is undertaken by Group management on a monthly basis. • For a sample of contracts selected based on quantitative and qualitative characteristics our procedures included: - Obtained an understanding of the contract terms and conditions and inspected signed contracts to evaluate whether contract terms were reflected in management's estimate of forecast costs and revenue; - Challenged the forecast costs to complete, as well as inspection of supporting documentation for Contracted costs such as materials, subcontractors and labour; - Tested contractual entitlement, variations and claims recognised in contract revenue; - For loss making contracts, recalculated the expected loss at completion and verified that the appropriate loss was recorded; and - Evaluated significant exposures to liquidated damages for late delivery of contract works. • Assessed the appropriateness of the disclosures in the financial statements.
Collectability of trade receivables and contract assets on Fire Build construction contracts The Group recognises contract assets in respect of the progressive valuation of work completed as well as trade receivables which represent amounts invoiced to customers. Fire Build contract assets (or work in progress) are amounts due to the Group from customers that have not been invoiced. Some of these project receivables are made up of claims and variations, both approved and not approved by the customer. Management assesses the likelihood of recovery prior to recognising the amount due from the customer. Credit risk and collectability of trade receivables and amounts due from customers under construction contracts are subject to estimation and judgement	Our procedures included, but were not limited to: • Evaluated management's processes and controls over the collectability of Fire Build trade receivables and contact assets; • Assessed the completeness and accuracy of the aged debtor (including ageing analysis) and work in progress reports at year end, and on a sample basis, agreed to the subsequent receipt of cash; • For the trade receivable balances that were not collected prior to the issue of the financial statements, evaluated on a sample basis the probability of recovery of outstanding amounts by reference to the status of contract negotiations, correspondence with the customers, external and internal legal advice and supporting

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and are required to be monitored by management on an ongoing basis.	documentation, historical recoveries and other supporting documentation; - Confirmed that unbilled work in progress amounts at year end were subsequently billed to the customer; - For the work in progress amounts that were not billed to the customer we challenged management's assessment of the recoverability of these amounts via inquiry of management, inspection of internal and external legal advice, or inspection of subsequent billing approved by the client; and - Assessed the appropriateness of the disclosures in the financial statements.
Litigation and claims The Group is party to legal proceedings and claims brought by third parties as a result of normal business operations. Management have assessed each of these legal matters and determined, with the assistance of external legal counsel where relevant, whether there is a requirement to provide for expected exposures or disclose a contingent liability in the consolidated financial report. Judgement is applied when determining the likely settlement of litigation and claims. The most significant legal claims are related to: - Payroll tax liability with the State Revenue Office ("OSR") in New South Wales, Queensland and Victoria; - Research & development ("R&D") tax concession; and - Class action in relation to the Group's contracting arrangements.	Our procedures included, but were not limited to: - Evaluated management's processes and controls to assess the likely financial impact of legal proceedings; - Obtained the Group's litigation reports and making enquiries about the status of litigation matters with Group management and external legal advisors; - Reviewed minutes of meetings of those charged with governance to identify their consideration of legal proceedings as relevant and correspondence between the Group and its external legal advisors; - Assessed management's determination of the provisions recorded for potential litigation losses and claims; and - Assessed the appropriateness of the disclosures in the financial statements.
Acquisition of Catalyst ONE On 22 December 2020, the Group acquired 100% of the issued shares in Catalyst ONE Pty Ltd and its wholly owned subsidiary Jamik (AUS) Pty Limited ("Catalyst ONE"). The Catalyst ONE acquisition is a complex transaction and involves a number of significant judgements (as disclosed in Note E2. Business Combination) and requires management to ensure compliance with the requirements of AASB 3 Business Combinations, including determining the purchase price allocation and the fair value of identifiable intangible assets, which are recognised separately from goodwill.	Our procedures included but were not limited to: - Reviewed the purchase and sale agreement to understand the terms and conditions of the transaction and evaluated management's application of the relevant accounting standards including determining whether the acquisition was in substance a business combination; - Assessed whether the purchase price has been correctly determined and appropriately allocated across the acquisition fair values of the net assets acquired; - Challenged the appropriateness of the valuation methodologies adopted by management in determining the fair value of the net assets identified, including the assessment of the independent appraisal of the identifiable intangible assets;

	- Assessed how transaction costs have been accounted for; and - Assessed the appropriateness of the disclosures in the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2021 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors 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 preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 14 to 23 of the Directors' Report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of BSA Limited, for the year ended 30 June 2021, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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.

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AG Collinson
Partner
Chartered Accountants
Sydney, 20 August 2021

SHAREHOLDER INFORMATION

THE SHAREHOLDER INFORMATION SET OUT BELOW WAS APPLICABLE AS AT 31 JULY 2021

A. DISTRIBUTION OF EQUITY SECURITIES

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

	Number of Holders	Ordinary Shares	Percentage Held	Number of Holders	Performance Rights	Percentage Held
1 to 1,000	204	59,788	0.01%	10	694,251	50.67%
1,001 to 5,000	553	1,692,506	0.39%	0	-	-
5,001 to 10,000	302	2,328,735	0.54%	0	-	-
10,001 to 100,000	670	26,842,949	6.19%	5	420,287	30.67%
100,001 and above	182	402,701,899	92.87%	1	255,658	18.66%
	1,911	433,625,877	100.00%	16	1,370,196	100.00%

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
NATIONAL NOMINEES LIMITED	139,454,589	32.16%
CITICORP NOMINEES PTY LIMITED	96,261,365	22.20%
BIRKETU PTY LTD	73,175,760	16.88%
SANDHURST TRUSTEES LTD <WENTWORTH WILLIAMSON A/C>	22,213,723	5.12%
SAMLOWE PTY LTD <LOWE SUPER FUND A/C>	10,115,403	2.33%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	8,047,040	1.86%
EMELWIN PTY LTD <N & E YATES SUPER FUND A/C>	2,993,959	0.69%
HGT INVESTMENTS PTY LTD	2,599,488	0.60%
BNP PARIBAS NOMINEES PTY LTD SIX SIS LTD <DRP A/C>	2,500,125	0.58%
EDINGTON PTY LIMITED <HERRING SUPER FUND A/C>	1,769,376	0.41%
CTSF PTY LTD <VC SUPERANNUATION FUND A/C>	1,675,945	0.39%
NEWECONOMY COM AU NOMINEES PTY LIMITED <900 ACCOUNT>	1,563,177	0.36%
MISS YAN LI	1,400,000	0.32%
MR NICHOLAS KELVIN YATES	1,259,524	0.29%
VANWARD INVESTMENTS LIMITED	1,194,807	0.28%
MRS SUSAN ELIZABETH MCGREGOR	1,092,742	0.25%
MR GRAEME LESLIE HERRING + MRS JOAN HERRING	1,090,656	0.25%
MR MICHAEL GIVONI	891,453	0.21%
W & S SEJA INVESTMENTS PTY LTD <SEJA FAMILY A/C>	882,351	0.20%
MR LEASTON PAULL	738,981	0.17%
Top 20 Shareholders	370,920,464	85.54%
Total Shares Issued	**433,625,877**	**100.00%**

C. SUBSTANTIAL SHAREHOLDERS

Substantial shareholders in the Company are set out below:

Ordinary Shares	Number Held	Percentage
NAOS ASSET MANAGEMENT LIMITED	136,304,465	31.45%
LANYON ASSET MANAGEMENT PTY LIMITED	96,003,649	22.14%
BIRKETU PTY LTD	73,175,760	16.88%
SANDHURST TRUSTEES LIMITED <WENTWORTH WILLIAMSON A/C>	22,213,723	5.12%

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) Rights over an ordinary share

No voting rights.

E. ON MARKET BUY-BACK

There is currently an on-market buy back enabling the company to buy-back shares over a 12 month period commencing 19 November 2020.

CORPORATE DIRECTORY

BSA Limited - Corporate

Registered Office (Sydney)

Advanced Property Solutions (APS)
Communications & Utility Infrastructure (CUI)

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Auditor

Deloitte Touche Tohmatsu

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Financier

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