



BSA Limited

Appendix 4D and Half Year Results

Supplied to ASX under listing rule 4.2A

23rd February 2011

APPENDIX 4D
HALF-YEAR INFORMATION GIVEN TO THE ASX
UNDER LISTING RULE 4.2A

Name of entity	BSA Limited
ABN	50 088 412 748
Half year ended	31 December 2010
Previous corresponding period	31 December 2009

The information contained in this report should be read in conjunction with the most recent annual financial report.

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Results for announcement to the market	1.
Net tangible assets per ordinary share	2.
Details of controlled entities	3.
Details of associates and joint venture entities	4.
Dividends	5.
Accounting Standards	6.
Audit Disputes or Qualifications	7.

1. RESULTS FOR ANNOUNCEMENT TO THE MARKET

Revenue from ordinary activities	Up	39.2%	to	\$'000 190,306
Profit(Loss) from ordinary activities after income tax attributable to members	Up	71.2%	to	4,305
Net profit (loss) for the period attributable to members	Up	71.2%	to	4,305

	Amount per share	Franked amount per share at 100% tax
Dividends per Share		
Final - FY 2010	1.0 cents	1.0 cents
Interim - FY 2011	1.0 cents	1.0 cents

Record date for determining entitlements to dividends	11 March 2011
Election date for DRP	29 March 2011
Payment date of dividend	15 April 2011

Explanation of Revenue

Contracting Solutions

The revenue for the period declined \$7.1 million to \$70.3 million, compared to the previous corresponding reporting period of \$77.4 million. This was mainly due to a reduction in volumes from Foxtel. The business's strong relationships with Foxtel, Silcar and Optus continue to deliver stable and predictable revenue streams.

Building Services

The revenue for the period was \$120.0 million compared to the previous corresponding reporting period of \$59.5 million. The business's revenue includes the contribution of six months revenue from Allstaff compared to only a half month in the corresponding reporting period.

Explanation of Net Profit after Tax

Contracting Solutions

Profit for the period of \$2.9 million, excluding head office allocations, was lower than the previous corresponding reporting period of \$5.4 million primarily due to lower sales volumes and start up costs associated with the initial NBN contracts.

Building Services

Profit for the period of \$6.0 million, excluding head office allocations, was higher compared to the previous corresponding reporting period of \$2.1 million. The Allstaff business contributed a full six months profit compared to one half month in the previous corresponding period.

The Building Services division has a combined order book of \$261.8 million. The business continues to focus on building recurring maintenance style revenue, and with the Allstaff business, it now has \$30 million of annual maintenance related revenue already locked in.

Major build programs in the healthcare sector are progressing well with hospital projects underway. During the period the division was awarded the \$130 million Fiona Stanley Hospital and the \$20 million QIMR HVAC contracts.

Profit after tax was positively impacted by an additional tax deduction of \$1.4 million associated with the finalisation of the FY2010 Research and Development claims.

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

Current Period	Previous corresponding period
5.24 cents	(0.12) cents

3. DETAILS OF CONTROLLED ENTITIES

3.1 Control Gained Over Entities During the Period

Name of entity

N/A

Date control acquired, i.e. date from which profit(loss) has been calculated

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Profit (loss) from ordinary activities after extraordinary items and income tax of the controlled entity (or group of entities) during the current period *since the date on which control was acquired*

-

Profit (loss) from ordinary activities after extraordinary items and income tax of the controlled entity (or group of entities) for the *whole of the previous corresponding period*

-

3.2 Loss of Control of Entities During the Period

Nil

4. DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES

4.1 Equity Accounted Associates and Joint Venture Entities

Nil

4.1 Equity Accounted Associates and Joint Venture Entities

	% Ownership Interest	
	Current Period %	Previous Corresponding Period %
<i>Not Applicable</i>		

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

Nil

5. DIVIDENDS

Current Period \$'000	Previous corresponding period \$'000
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5.1 Dividends per Share**(a) Ordinary Shares**

A final dividend of 1.0 cents per fully paid ordinary share, (2009: 1.0 cents) fully franked based on tax at 30%, was paid on 8 October 2010.

2,104	1,987
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(b) Dividends not recognised at the end of the current period

The directors have declared the payment of an interim dividend for the current financial year of 1.0 cent per share (2009: 1.0 cents) fully franked at the rate of 30% payable on 15 April 2011.

2,141	2,068
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5.2 Dividend Reinvestment Plan

The company has established a dividend reinvestment plan under which holders of ordinary shares may elect to have all or part of their dividend entitlements satisfied by the issue of new ordinary shares rather than by being paid in cash. Shares will be allotted or transferred under the DRP for a price which is equal to 95% of 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.

6. ACCOUNTING STANDARDS

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

7. AUDIT DISPUTES OR QUALIFICATIONS

Nil

BSA LIMITED

HALF-YEAR REPORT

For the Half-Year Ended 31 December 2010

ABN 50 088 412 748

BSA Limited

For the Half-Year Ended 31 December 2010

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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2010 and any public announcements made by BSA Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

BSA LIMITED and its Controlled Entities
Directors' Report

Your directors present their report on the consolidated entity consisting of BSA Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2010.

Directors

The names of persons who were directors of BSA Limited during the whole of the half-year and up to the date of this report, unless otherwise stated, are as follows:

Ross Johnston	Paul Teisseire
Mark Foley (Retired 26 October 2010)	Michael Givoni
Mark Lowe	Max Cowley
Stephen Nash (Appointed 17 January 2011)	

Review of Operations

A summary of the consolidated revenues and results by significant industry segment is set out below:

	Revenue		Segment Profit	
	Half-year ended		Half-year ended	
	31 Dec 10	31 Dec 09	31 Dec 10	31 Dec 09
	\$'000	\$'000	\$'000	\$'000
Contracting Solutions	70,276	77,362	2,863	5,464
Building Services	120,030	59,513	5,991	2,119
Other	393	151	-	-
	190,699	137,026	8,854	7,583
Corporate costs including acquisition, legal, advisory and amortisation			(3,272)	(3,609)
Finance costs			(1,183)	(600)
			4,399	3,374
Profit before income tax			4,399	3,374
Income tax expense			(94)	(859)
			4,305	2,515
Consolidated segment revenue and profit for the period	190,699	137,026	4,305	2,515

**BSA LIMITED and its Controlled Entities
Directors' Report (cont'd)**

Review of Operations (cont'd)

Contracting Solutions

The revenue for the period declined for the period by \$7.1 million to \$70.3 million (HY10: \$77.4 million) and EBITDA was \$3.4 million (HY10: \$7.0 million) excluding head office allocations. This was as a result of lower FOXTEL volumes and mobilization costs associated with the Division's participation in the first two NBN field trials in Tasmania and the South Coast of NSW.

Notable events during the half were:

- The FOXTEL contract continues to provide strong volumes, albeit lower than the corresponding period last year due to product mix changes. As a result the business is adapting to these changes by reviewing its cost base to mitigate the effect of volume reductions.
- During the half year the Division relocated the back of house operations of the Home Services Division from Melbourne to the Contracting Solutions National Call Centre operation at Sydney Olympic Park. The co-location of support functions is delivering improved customer and field service performance and positions the division well for further profitable growth.
- The division has been involved in the first stages of the NBN Rollout in Tasmania and South Coast of NSW providing valuable insight and learning into the NBN roll-out requirements. The experiences in these first phases position the company well to manage risk associated with this opportunity in the future.

Building Services

The revenue was \$120.0 million (HY10: \$59.5 million) and EBITDA was \$7.0 million (HY10: \$2.8 million) excluding head office allocations. The Allstaff business contributed a full six months profit compared to only a half month in the corresponding reporting period and Triple M improved earnings as a result of increased volumes associated with a strong pipeline of work.

Investment continues to be made in Building Information Modeling resources to ensure the division is considered a leader in this emerging technology in the HVAC and Fire Services Sectors. This leadership position continues to pay dividends with the division being awarded several major sought after contracts during the half.

Notable events during the half were:

- Triple 'M' were awarded by Brookfield Multiplex the contract for the provision of HVAC services for Buildings B and Y at the Fiona Stanley Hospital (FSH) project at Murdoch in WA.
- The division has now successfully deployed the implementation of the accounting software program, Pronto, across all major areas.
- The Building Services division continues to grow its order book with the award of several major contracts during the year and has an order book in excess of \$260m at December 2010 compared to \$180m at end of June.

Future Development, Prospects and Business Strategies

With a solid first half, 2011 is shaping up to be a further year of consistent earnings. The balance sheet is strong, the company has good cash flow, a supportive customer base and a committed team to take BSA to the next stage in its growth.

- The Building Services Division enters the second half with a strong order book and a number of strong prospects in large-scale infrastructure projects, which will provide earnings visibility into 2012.
- The Contracting Solutions division enjoys strong work flows across our FOXTEL, Telstra and Optus platforms. Moving forward our focus remains in continuing to deliver a superior service to these major customers.
- The Contracting Solutions division's Registered Training Organisation Trainee Program continues to perform well, providing a flexible workforce through to our FOXTEL, Telstra and Optus platforms and returning solid revenue.
- The Business Development team continues to focus on organic growth opportunities in those market segments aligned with BSA's core competencies.

Auditor's Independence Declaration

A copy of the independence declaration by the lead auditor under section 307C is included on page 10.

Rounding of Amounts

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

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



Ross Johnston
Director



Stephen Nash
Director

Sydney
23rd February 2011

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

23 February 2011

Dear Board Members

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.

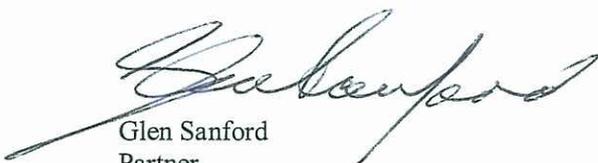
As lead audit partner for the review of the financial statements of BSA Limited and its controlled entities for the half year ended 31 December 2010, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours sincerely



DELOITTE TOUCHE TOHMATSU



Glen Sanford
Partner
Chartered Accountants

BSA LIMITED

**Condensed Consolidated Statement of Comprehensive Income
for the Half-Year Ended 31 December 2010**

	Note	Consolidated	
		Half Year Ended	
		31 December 2010 \$'000	31 December 2009 \$'000
Revenue	3	190,306	136,734
Other Income	3	393	292
Changes in inventories of finished goods and work in progress		(709)	918
Subcontractors and raw materials used		(151,533)	(110,305)
Employee benefits expense		(18,466)	(13,234)
Depreciation and amortisation expenses		(3,195)	(1,696)
Finance costs		(1,183)	(600)
Occupancy expense		(2,056)	(1,373)
Other expenses	2	(9,158)	(7,362)
Profit before tax		4,399	3,374
Income tax expense	7	(94)	(859)
Profit for the period		4,305	2,515
Other comprehensive income for the period (net of tax)		-	-
Total comprehensive income		4,305	2,515
		Cents	Cents
Basic earnings per share		2.03	1.25
Diluted earnings per share		1.92	1.22

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

BSA LIMITED

**Condensed Consolidated Statement of Financial Position
as at 31 December 2010**

Consolidated Entity

	31 December 2010 \$'000	30 June 2010 \$'000
CURRENT ASSETS		
Cash and cash equivalents	17,237	19,720
Trade and other receivables	62,337	71,030
Inventories	3,055	3,764
Current tax assets	3,775	4,063
Total Current Assets	86,404	98,577
NON-CURRENT ASSETS		
Trade and other receivables	1,602	1,680
Property, plant and equipment	10,345	8,851
Deferred tax assets	1,874	1,256
Goodwill	51,360	51,360
Other intangible assets	5,984	7,267
Other financial assets	4	4
Total Non-Current Assets	71,169	70,418
TOTAL ASSETS	157,573	168,995
CURRENT LIABILITIES		
Trade and other payables	49,389	64,107
Borrowings	4,504	2,953
Current tax payables	-	-
Provisions	6,900	6,407
Total Current Liabilities	60,793	73,467
NON-CURRENT LIABILITIES		
Borrowings	25,368	27,485
Provisions	967	938
Total Non-Current Liabilities	26,335	28,423
TOTAL LIABILITIES	87,128	101,890
NET ASSETS	70,445	67,105
EQUITY		
Issued capital	74,574	73,708
Reserves	1,791	1,518
Accumulated losses	(5,920)	(8,121)
TOTAL EQUITY	70,445	67,105

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

BSA LIMITED

**Condensed Consolidated Statement of Cash Flows
for the Half-Year Ended 31 December 2010**

Consolidated Entity

Half Year

	31 December 2010 \$'000	31 December 2009 \$'000
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CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	218,093	138,229
Payments to suppliers and employees	(213,848)	(132,953)
Interest and other costs of finance paid	(1,336)	(583)
Income taxes paid	(411)	(2,112)
Net cash inflow from operating activities	<u>2,499</u>	<u>2,581</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest received	326	219
Payments for plant and equipment	(3,068)	(993)
Proceeds from sale of plant and equipment	104	63
Payment for businesses	-	(1,325)
Net cash outflow from investing activities	<u>(2,638)</u>	<u>(2,036)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Expenses paid for issue of shares	(4)	(15)
Proceeds from borrowings	-	22,000
Repayment of borrowings	-	(13,000)
Payment of finance lease liabilities	(1,105)	(748)
Dividends paid	(1,234)	(1,239)
Net cash outflow/(inflow) from financing activities	<u>(2,343)</u>	<u>6,998</u>

NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(2,483)	7,543
Cash and cash equivalents at the beginning of the period	19,720	9,511
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u><u>17,237</u></u>	<u><u>17,054</u></u>

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

BSA LIMITED

Condensed Consolidated Statement of Changes in Equity
for the Half-Year Ended 31 December 2010

	Issued capital \$'000	Accumulated losses \$'000	Share- based payment reserve \$'000	Cash flow hedge reserve \$'000	Total equity \$'000
Balance at 1 July 2009	70,797	(13,223)	1,261	-	58,835
Profit for the period	-	2,515	-	-	2,515
Total comprehensive income for the period	-	2,515	-	-	2,515
Dividends paid	-	(1,987)	-	-	(1,987)
Share-based payment expense	-	-	109	-	109
Shares issued during period	2,119	-	-	-	2,119
Balance at 31 December 2009	72,916	(12,695)	1,370	-	61,591
Balance at 1 July 2010	73,708	(8,121)	1,601	(83)	67,105
Profit for the period	-	4,305	-	-	4,305
Total comprehensive income for the period	-	4,305	-	-	4,305
Dividends paid	-	(2,104)	-	-	(2,104)
Share-based payment expense	-	-	273	-	273
Shares issued during period	866	-	-	-	866
Balance at 31 December 2010	74,574	(5,920)	1,874	(83)	70,445

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

BSA LIMITED

Notes To The Condensed Consolidated Financial Statements

for the Half-Year Ended 31 December 2010

Note 1. Significant accounting policies

(a) Statement of compliance

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

(b) Basis of preparation

The condensed consolidated financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

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

The accounting policies and methods of computation adopted in preparation of the half-year financial report are consistent with those adopted and disclosed in the company's 2010 annual financial report for the financial year ended 30 June 2010, except for the impact of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

(c) Significant accounting judgments, estimates and assumptions

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(d) Adoption of new and revised standards

Since 1 July 2010, BSA has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2010. Adoption of these Standards and Interpretations did not have a material affect on the financial position or performance of the consolidated entity.

(e) New standards and interpretations not yet adopted

Certain new standards, amendments to existing standards and interpretations have been issued, but are not yet effective. They are available for early adoption at 31 December 2010, but have not been applied in preparing this financial report. The potential affect on BSA's financial report has not yet been determined.

BSA LIMITED

Notes To The Condensed Consolidated Financial Statements

for the Half-Year Ended 31 December 2010

Half Year Ended	
31 Dec 10	31 Dec 09
\$'000	\$'000

Note 2. Results for the period

Individually significant items

Profit before related income tax expense include the following significant items:

Acquisition-related costs recognised as an expense in the period.	-	428
	-	428

Note 3. Segment Information

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

Information reported to the Group's Chief Executive Officer for the purposes of resource allocation and assessment of performance is organised into the following reportable segments:

Contracting Solutions

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

Building Services

Building Services provides the design, installation and maintenance of building services for commercial and industrial buildings including: mechanical services, air conditioning, heating and ventilation, refrigeration and fire services.

Other

Interest income that is not allocated to the operating segments.

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

	Revenue		Segment profit	
	Half-year ended		Half-year ended	
	31 Dec 10	31 Dec 09	31 Dec 10	31 Dec 09
	\$'000	\$'000	\$'000	\$'000
Continuing operations				
Contracting Solutions	70,276	77,362	2,863	5,464
Building Services	120,030	59,513	5,991	2,119
Other	393	151	-	-
Revenue from external customers	190,699	137,026	8,854	7,583
Corporate costs including acquisition, legal, advisory and amortisation			(3,272)	(3,609)
Finance costs			(1,183)	(600)
Profit before tax			4,399	3,374
Income tax expense			(94)	(859)
Consolidated segment revenue and profit for the period	190,699	137,026	4,305	2,515

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

	31 Dec 10	31 Dec 09
	\$'000	\$'000
Continuing operations		
Contracting Solutions	87,679	92,968
Building Services	71,162	66,340
Total assets	158,841	159,308

BSA LIMITED

Notes To The Condensed Consolidated Financial Statements

for the Half-Year Ended 31 December 2010

Note 4. Dividends

	Half Year Ended	
	31 Dec 10	31 Dec 09
	\$'000	\$'000
Ordinary Shares		
Dividends paid during the half-year	2,104	1,987

Dividend paid on 9 October 2010 was 1.0 cents per share fully franked at a tax rate of 30%.

Dividends not recognised at the end of the half-year

The directors have declared the payment of an interim dividend for the current financial year of 1.0 cent per fully paid ordinary share (2009: 1.0 cent per fully paid ordinary share) fully franked at the rate of 30% payable on 15 April 2011 to holders of ordinary shares. The aggregate amount of the proposed dividend which has not been included as a liability in the half-year financial report, is:

2,141	2,068
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Note 5. Equity Securities Issued

	Half Year Ended		Half Year Ended	
	31 Dec 10	31 Dec 09	31 Dec 10	31 Dec 09
	Shares	Shares	\$'000	\$'000
Issues of Ordinary Shares During the Half-Year				
Shares issued under the Executive Securities Plan (net of costs)	-	-	-	-
Shares issued under the Dividend Reinvestment Plan (net of costs)	3,627,167	3,563,980	866	740
Shares issued under the Allstaff Acquisition Agreement (net of costs)	-	4,545,455	-	1,379
	<u>3,627,167</u>	<u>8,109,435</u>	<u>866</u>	<u>2,119</u>

Note 6. Events Subsequent To Balance Date

On 20 January 2011, the Group acquired 100% of the assets of MEC Services Pty Limited for a purchase consideration of \$1 million. MEC Services provides design and installation of mechanical services, certification of mechanical services, chilled water lagging, steam lagging and cladding, decontamination of airconditioning, ducting installation, sheet metal fabrication, specialised gas installations and cool room and freezer installations. These assets were acquired with the objective of extending the presence of the Group into Darwin. The financial effect of this transaction has not been brought to account in the 2011 half-year report.

Note 7. Tax

The tax expense for the period was positively impacted by an additional tax deduction of \$1.4 million which is associated with the finalisation of the 2010 Research and Development claims.

INTERIM CONSOLIDATED FINANCIAL REPORT

BSA LIMITED

Declaration by Directors

The directors of the company declare that:

1. In the Directors' opinion, the financial statements, comprising the Statement of Comprehensive Income, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity and accompanying notes, are in accordance with the Corporations Act 2001 and:

(a) comply with Accounting Standard AASB 134 Interim Financial Reporting; and

(b) give a true and fair view of the consolidated entity's financial position as at 31 December 2010 and of the performance for the half-year ended on that date.

2. 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.

This declaration is made in accordance with a resolution of the Directors made pursuant to s. 303(5) of the Corporations Act 2001 and is signed for and on behalf of the directors by:



Ross Johnston
Director



Stephen Nash
Director

Sydney
23rd February 2011

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

We have reviewed the accompanying half-year financial report of BSA Limited, which comprises the condensed consolidated statement of financial position as at 31 December 2010, and the condensed consolidated statement of comprehensive income, the condensed consolidated statement of cash flows and the condensed consolidated statement of changes in equity for the half-year ended on that date, selected explanatory notes and, the directors' declaration of the consolidated entity comprising BSA Limited and the entities it controlled at the end of the half-year or from time to time during the half-year as set out on pages 11 to 18.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2010 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of BSA Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Auditor's Independence Declaration

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

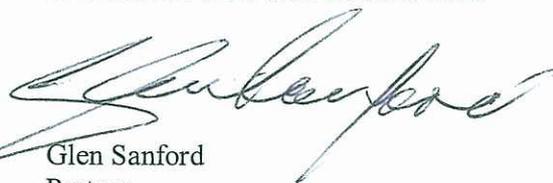
Conclusion

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

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2010 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



DELOITTE TOUCHE TOHMATSU



Glen Sanford
Partner
Chartered Accountants
Parramatta, 23 February 2011