

**BBX Holdings Limited**  
**ACN 089 221 634**

**Appendix 4D**  
**Half year report**  
**6 months Ended 31<sup>st</sup> December, 2010**

1. This report is in respect of the 6 months from 1<sup>st</sup> July, 2010 to 31<sup>st</sup> December, Previous corresponding period 1<sup>st</sup> July, 2009 to 31<sup>st</sup> December, 2009.
2. RESULTS FOR ANNOUNCEMENT TO THE MARKET:
  - 2.1 Revenue from ordinary activities for the period \$392,000  
Percentage change from previous corresponding period is down 86% percentage.
  - 2.2 Loss from ordinary activities after income tax attributable to members was (\$147,000) down from previous corresponding loss was (\$2,219,000).
  - 2.3 Net loss after income tax attributable to members was (\$147,000). Loss attributable to prior year was (\$2,219,000).
  - 2.4 A final dividend will not be paid on 30<sup>th</sup> April, 2010.
  - 2.5 Not applicable
  - 2.6 Not applicable
3. Net tangible assets per share as at 31<sup>st</sup> December, 2010 was \$0.007. For the previous corresponding period the figure was \$0.06.
4. Entities over which control has been gained or lost during the period:
  - 4.1 Name - N/A
  - 4.2 Date - N/A
  - 4.3 Contribution to profit - N/A
5. Details of dividends declared: Not applicable
6. Details of dividend reinvestment plans: Not applicable as no dividend declared.
7. This item is not applicable
8. This item is not applicable
9. The audit review is attached.

BBX Holdings Limited ABN 82 089 221 634 and Controlled Entities  
Interim Financial Report

**BBX Holdings Limited ABN 82 089 221 634 and Controlled Entities  
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**DIRECTORS' REPORT**

Your directors submit the financial report of the consolidated group for the half-year ended 31 December 2010.

**Directors**

The names of directors who held office during or since the end of the half-year:

Paul Page  
Phil Suriano  
Michael Hogg

**Review of Operations**

The consolidated loss of the consolidated group for the half year after providing for income tax and eliminating minority equity interests amounted to \$147,000.

***Rounding of Amounts***

The consolidated group has applied the relief available to it in ASIC Class Order 98/100 and accordingly certain amounts in the financial report and the directors' report have been rounded off to the nearest \$1,000.

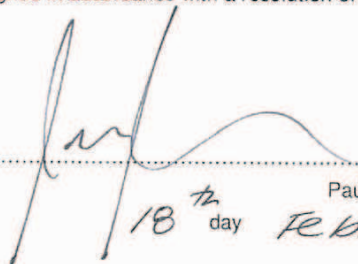
***Auditor's Declaration***

The lead auditor's independence declaration under s 307C of the Corporations Act 2001 is set out on page 2 for the half-year ended 31 December 2010.

This report is signed in accordance with a resolution of the Board of Directors.

Director .....

Dated this

  
Paul Page  
18<sup>th</sup> day February 2011

**AUDITORS INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF BBX HOLDINGS LIMITED**

I declare that to the best of my knowledge and belief, during the half-year ended 31 December 2010, there have been:

1. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
2. no contraventions of any applicable code of professional conduct in relation to the review.

**Robert Nielson Partners**



**Robert Nielson**

Dated this 18<sup>th</sup> day of February 2011

**BBX Holdings Limited ABN 82 089 221 634 and Controlled Entities**  
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**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR HALF-YEAR ENDED 31 DECEMBER 2010**

	Consolidated Group	
	31.12.2010	31.12.2009
	\$000	\$000
Revenue	392	2,750
Revaluation of share investment	-	(818)
Changes in inventories of finished	-	(608)
Employee benefits expense	-	(911)
Depreciation and amortisation expense	-	(136)
Impairment of goodwill	-	(704)
Occupancy costs	(2)	(295)
Bad debts written off	-	(76)
Advertising & sponsorship	-	(558)
Finance costs	-	(148)
Management fee	(390)	-
Directors fees	(71)	-
Other expenses	(76)	(715)
Profit before income tax	<u>(147)</u>	<u>(2,219)</u>
Income tax expense	-	-
Profit/(loss) from continuing operations	<u>(147)</u>	<u>(2,219)</u>
operations		
Loss for the period	<u>(147)</u>	<u>(2,219)</u>
Other comprehensive income	-	-
Total comprehensive income (loss) for the period	<u><u>(147)</u></u>	<u><u>(2,219)</u></u>
Profit attributable to		
Members of the parent entity	(147)	(2,214)
Minority interests	-	5
	<u>(147)</u>	<u>(2,219)</u>
<b>Overall Operations</b>		
Basic earnings per share (cents per share)	(0.0017)	(2.92)
Diluted earnings per share (cents per share)	(0.0017)	(2.91)

**BBX Holdings Limited ABN 82 089 221 634 and Controlled Entities**  
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**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2010**

	Consolidated Group	
	31.12.2010	30.06.2010
	\$000	\$000
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	270	-
TOTAL CURRENT ASSETS	<u>270</u>	<u>-</u>
NON-CURRENT ASSETS		
Financial assets	631	631
Property, plant and equipment	2	-
TOTAL NON-CURRENT ASSETS	<u>633</u>	<u>631</u>
TOTAL ASSETS	<u><u>903</u></u>	<u><u>631</u></u>
CURRENT LIABILITIES		
Trade and other payables	19	14
Other current liabilities	(8)	-
Short term provisions	78	-
TOTAL CURRENT LIABILITIES	<u>89</u>	<u>14</u>
NON-CURRENT LIABILITIES		
Trade and other payables	220	298
TOTAL NON-CURRENT LIABILITIES	<u>220</u>	<u>298</u>
TOTAL LIABILITIES	<u>309</u>	<u>312</u>
NET ASSETS	<u><u>594</u></u>	<u><u>319</u></u>
EQUITY		
Issued capital	10,516	10,104
Accumulated losses	(9,922)	(9,785)
Parent interest	594	319
Minority equity interest	-	-
TOTAL EQUITY	<u><u>594</u></u>	<u><u>319</u></u>

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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2010**

	Share Capital Ordinary	Accumulated losses	Foreign Exchange Reserve	Option Reserve	Minority Equity Interest	Total
	\$000	\$000	\$000	\$000	\$000	\$000
<b>Balance at 1.7.2009</b>	11,183	(10,657)	7	-	(30)	503
Profit attributable to members of parent entity		(2,214)				(2,214)
Profit attributable to minority shareholders					(5)	(5)
Adjustment from transaction of foreign controlled entity			(121)			(121)
<b>Subtotal</b>	11,183	(12,871)	(114)	-	(35)	(1,837)
<b>Balance at 31.12.2009</b>	11,183	(12,871)	(114)	-	(35)	(1,837)
<b>Balance at 1.7.2010</b>	10,104	(9,775)	-	-	-	329
Profit attributable to members of parent entity		(147)				(147)
Profit attributable to minority shareholders						
<b>Transaction with owners in their capacity as owners:</b>						
Shares issued , net transaction costs	412					412
Adjustment from transaction of foreign controlled entity						
<b>Subtotal</b>	10,516	(9,922)	-	-	-	594
Dividend paid or provided for						
<b>Balance at 31.12.2010</b>	10,516	(9,922)	-	-	-	594

**BBX Holdings Limited ABN 82 089 221 634 and Controlled Entities**  
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**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2010**

	Consolidated Group	
	31.12.2010	31.12.2009
	\$000	\$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	390	1853
Payments to suppliers and employees	(442)	(1,706)
Interest received	2	-
Finance costs	-	(68)
Net cash (provided)/used by operating activities	(50)	79
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of non-current assets	-	-
Purchase of non-current assets	-	-
Purchase of intangibles	-	-
Sale of shares	-	-
Loans to other entities	-	-
Net cash provided by investing activities	-	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares	357	-
Proceeds from borrowings	-	713
Repayment of borrowings	-	(188)
Fund raising costs	(37)	-
Net cash (provided)/used by financing activities	320	525
Net increase/(decrease) in cash held	270	604
Cash at beginning of period	-	(570)
Cash at end of period	270	34

**BBX Holdings Limited ABN 82 089 221 634 and Controlled Entities  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2010**

**NOTE 1: BASIS OF PREPARATION**

These general purpose financial statements for the interim half-year reporting period ended 31 December 2010 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standards including AASB 134: Interim Financial Reporting. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of BBX Holdings Ltd ( the Company) and BBX Holdings Ltd and its controlled entities (the Group). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2010, together with any public announcements made during the half-year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements except for the adoption of the following new and revised Accounting Standards.

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

New and revised Standards and amendments thereof and Interpretations effective for the current reporting period that are relevant to the Group include:

- Amendments to AASB 5 ,8, 101, 107, 117, 118, 136 and 139 as a consequence of AASB 2009-5 Further Amendments to Australian Accounting Standards arising from the Annual Improvements

AASB 2009-5 introduces amendments into Accounting standards that are equivalent to those made by the IASB under its program of annual improvements to its standards. A number of amendments are largely technical, clarifying particular terms, or eliminating unintended consequences. Other changes are more substantial, such as the current/non-current classification of convertible instruments, the classification of expenditures on unrecognised assets in the statement of cash flows and the classification of leases of land and building.

The adoption of these amendments has not resulted in any changes to the Group's accounting policies and have no affect on the amounts reported for the current or prior periods.

**NOTE 2: ACQUISITION AND DISPOSAL OF SUBSIDIARIES**

There are no acquisitions or disposals during the period.

**NOTE 3: PROFIT FROM ORDINARY ACTIVITIES**

All significant revenue and expense items for the periods are disclosed on the face of the statement of comprehensive income.



**BBX Holdings Limited ABN 82 089 221 634 and Controlled Entities**  
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**NOTE 4: SEGMENT INFORMATION**

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Chief Executive Officer, being the Group's chief operating decision maker, to assess performance and allocate resources.

The consolidated entity operates in one business segment, being the barter trade exchange and in one geographical segment, being Australia and New Zealand.

**NOTE 5: CONTINGENT LIABILITIES**

There are no contingent liabilities at 31 December 2010

**NOTE 6: CONSOLIDATED CASH FLOW STATEMENT**

The consolidated cash flow statement shows only net cash dollar increases (decreases) in the financial period.

**NOTE 7: EVENTS SUBSEQUENT TO REPORTING DATE**

There are no events subsequent to the reporting date.

**BBX Holdings Limited ABN 82 089 221 634 and Controlled Entities  
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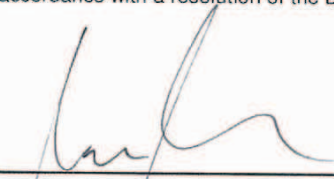
**DIRECTORS' DECLARATION**

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 4 to 9 are in accordance with the *Corporations Act 2001*, including:
  - a. complying with Accounting Standard AASB 134: Interim Financial Reporting; and
  - b. 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.
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 Board of Directors.

Director

  
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Paul Page

Dated this *18<sup>th</sup>* day of *February* 2011

**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF  
BBX HOLDINGS LIMITED AND CONTROLLED ENTITIES**

**Report on the Half-Year Financial Report**

We have reviewed the accompanying half year consolidated financial report of BBX Holdings Limited and controlled entities ('the consolidated company'), which comprises the condensed statement of financial position as at 31 December 2010, condensed statement of comprehensive income, condensed statement of changes in equity and condensed cash flow statement for the half-year ended on that date, the accounting policies, other selected explanatory notes and the directors' declaration.

**Directors' Responsibility for the Half-Year Financial Report**

The directors' of BBX Holdings Limited are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

**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 Australian Auditing Standard on Review Engagements ASRE 2410 Review of an Interim 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 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 the BBX Holdings Limited and controlled entities, 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.

### **Matters Relating to the Electronic Presentation of the Audited Financial Report**

This review report relates to the financial report of the consolidated entity for the half-year ended 31 December 2010 included on the website of BBX Holdings Limited. The directors of the company are responsible for the integrity of the website and we have not been engaged to report on its integrity. This review report refers only to the half-year financial report identified above and it does not provide an opinion on any other information which may have been hyperlinked to or from the financial report. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the reviewed financial report to confirm the information included in the reviewed financial report presented on the company's website.

### **Independence**

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

### **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 consolidated financial report of BBX Holdings Limited and controlled entities is not in accordance with the *Corporations Act 2001* including:

- i. giving a true and fair view of the company's financial position as at 31 December 2010 and of its performance for the half-year ended on that date; and
- ii. complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporation Regulations 2001.

### **Robert Nielson Partners**

A handwritten signature in black ink, appearing to be 'RN', written in a cursive style.

### **Robert Nielson**

Dated this 18<sup>th</sup> day of February 2011