



Bentley Capital Limited

HALF YEAR REPORT

31 December 2012

THIS DOCUMENT SHOULD BE READ IN CONJUNCTION WITH THE
30 JUNE 2012 ANNUAL REPORT OF THE COMPANY
LODGED ON ASX ON 23 OCTOBER 2012



ASX Code: BEL

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A.B.N. 87 008 108 218

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BOARD

Farooq Khan	Executive Chairman
William M. Johnson	Executive Director
Christopher B. Ryan	Non-Executive Director

COMPANY SECRETARY

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APPENDIX 4D HALF YEAR REPORT

This Half Year Report is provided to the Australian Securities Exchange (ASX) under ASX Listing Rule 4.2A.3

Current reporting period:	1 July 2012 to 31 December 2012
Previous corresponding period:	1 July 2011 to 31 December 2011
Reporting Date:	31 December 2012
Company:	Bentley Capital Limited (Bentley or BEL)
Consolidated Entity:	Previous Reporting Period: BEL and controlled entities: <ol style="list-style-type: none"> (1) Scarborough Equities Pty Ltd (Scarborough), a wholly owned subsidiary; (2) Scarborough Resources Pty Ltd (SRPL), a wholly owned subsidiary of Scarborough; and (3) Devisd Pty Limited (Devisd) (incorporated on 12 July 2012 as Bentley Technologies Pty Limited), a wholly owned subsidiary of Bentley Capital Limited.

RESULTS FOR ANNOUNCEMENT TO THE MARKET

CONSOLIDATED	December 2012 \$'000	December 2011 \$'000	% CHANGE	UP / DOWN
Net gain on financial assets held at fair value through profit or loss	291	-	N/A	N/A
Other investment related income	351	161	118%	Up
Total revenue	642	161	299%	Up
Net loss on financial assets held at fair value through profit or loss	-	(2,836)	100%	Down
Other corporate and administration expenses	(656)	(822)	20%	Down
Total expenses	(656)	(3,658)	82%	Down
Loss before tax	(14)	(3,497)	100%	Loss Down
Income tax benefit/(expense)	-	-	N/A	N/A
Loss after tax attributable to members	(14)	(3,497)	100%	Loss Down
Basic and diluted loss per share (cents)	(0.02)	(4.80)	100%	Loss Down

CONSOLIDATED	December 2012 cents	June 2012 cents	% CHANGE	UP / DOWN
Pre-Tax NTA backing per share	26.25	27.28	4%	Down
Post-Tax NTA backing per share	26.25	27.28	4%	Down
Pre and Post-Tax NTA backing per share (with returns of capital in the previous 6 months added back)	27.25	28.28	4%	Down

APPENDIX 4D HALF YEAR REPORT

Brief Explanation of Results

- (1) Bentley incurred a net loss of \$14,286 (pre and post tax) during the half year (December 2011: \$3.5 million net loss pre and post tax).
- (2) The results in relation to Bentley's investments were a \$0.754 million net realised loss and \$1.043 million net unrealised gains (December 2011: \$1.597 million realised loss and \$1.239 million unrealised loss).
- (3) Gross interest, dividend and other investment income were \$0.351 million (December 2011: \$0.161 million).
- (4) Bentley's 6 month after tax net tangible asset (NTA) performance to 31 December 2012 was -0.11% (with capital returns added back) (December 2011: -11.09% with capital returns added back). This compares with the performance of the ASX All Ordinaries Accumulation Index of +15.54% over the same period (December 2011: -9.63%).
- (5) Bentley did not declare any dividends for the half year (December 2011: 2.4 cent fully franked special dividend and one cent fully franked final dividend distributed in September 2011 at a total cost of \$2,468,359).
- (6) Bentley returned one cent per share capital to shareholders during the half year (at a total cost of \$733,506) as approved by shareholders on 16 November 2011¹ (December 2011: 5 cents per share capital was returned in October 2011² at a total cost of \$3,672,845).
- (7) Bentley has not bought-back any shares during this financial half year. (December 2011: 665,961 shares bought-back on-market at a total cost of \$144,783); the on-market share buy-back expired on 31 August 2012³.
- (8) A significant portion of the Company's funds are held under management by Sydney based fund manager, FSP Equities Management, in the wholesale FSP Equities Leaders Fund (**FSP Fund**):
 - (i) As at 31 December 2012, Bentley had 33.3% (\$6.44 million) of its net assets invested in the FSP Fund (December 2011: 28.9% and \$5.56 million).
 - (ii) The 12 month performance of the FSP Fund to 31 December 2012 was 20.1% (December 2011: -17.3%) compared with its benchmark performance (S&P/ASX 200 Accumulation Index) of 20.3% (December 2011: -10.5%).
- (9) There were no entitlements arising under the Company's Performance Bonus Scheme (**PBS**) during the financial half year (December 2011: nil). The conditions for payment to members of the Investment Committee are related to Bentley's financial performance (based on the change in Bentley's net asset value relative to the Benchmark ASX All Ordinaries Index) during each half-year period.

Please also refer to the Directors' Report and financial statements and notes thereto for further information on a review of Bentley's operations and financial position and performance for the half year ended 31 December 2012.

¹ Approved by shareholders on 16 November 2012; refer [Notice of Meeting dated 12 October 2012](#) released on ASX on 18 October 2012 and [Results of 2012 Annual General Meeting](#) released on ASX on 16 November 2012.

² Refer Bentley's [Notice of General Meeting dated 26 August 2011 and released on ASX on 1 September 2011](#) for a general meeting held on [4 October 2011](#).

³ Refer [Appendix 3F Final Share Buy-Back Notice](#) released on ASX on 10 September 2012.

APPENDIX 4D HALF YEAR REPORT

Dividends

The Directors have not declared an interim dividend in respect of the half year ended 31 December 2012.

The Company has not paid any dividends during the financial half year.

Capital Return

The Directors have determined to seek shareholder approval for the Company to undertake a one cent per share return of capital (**Return of Capital**).

The Return of Capital is to be effected by the Company seeking shareholder approval for a reduction in the share capital of the Company by returning one cent per share to shareholders - this equates to an aggregate reduction of share capital by approximately \$0.734 million based upon the Company's 73,350,541 shares currently on issue.

No shares will be cancelled as a result of the Return of Capital. Accordingly, the number of shares held by each shareholder will not change as a consequence of the Return of Capital. The Return of Capital will have no effect on the number of shares on issue.

The Return of Capital is subject to shareholder approval which will be sought at a general meeting of shareholders anticipated to be held in early to mid April 2013.

Meeting documentation advising details of the meeting together with relevant explanatory materials will be despatched to shareholders and sent to the ASX in due course. The meeting documentation will include details of the record date for determining eligibility to participate in the Return of Capital and the expected payment date, assuming the requisite resolution is passed by shareholders.

If all conditions are met, including shareholder approval, the Directors aim to distribute the Return of Capital in mid to late April 2013.

Controlled Entities and Associates and Joint Venture Entities

Bentley incorporated a wholly owned subsidiary, Devisd Pty Limited, on 12 July 2012 (as Bentley Technologies Pty Limited).

The Company did not gain or lose control over any other entities during the financial half year. (December 2011: Nil). The Company did not have any interest in associates or joint venture entities during the financial half year (December 2011: Nil).

For and on behalf of the Directors,



Victor Ho
Company Secretary

Date: 28 February 2013

Telephone: (08) 9214 9757

Email: cosec@bel.com.au

COMPANY PROFILE

Bentley Capital Limited has been listed on the Australian Securities Exchange (**ASX**) since October 1986 as an investment company (ASX Code: BEL). Bentley's investment objectives are to:

- Achieve a high real rate of return over the medium term, ideally comprising both income and capital growth, whilst operating within acceptable risk parameters set by the Board; and
- Deliver a regular income stream for shareholders in the form of franked dividends.

As at 31 December 2012, BEL had net tangible assets (**NTA**) of \$19.252 million (at \$0.2625 post-tax NTA backing per share), 73,350,541 fully paid ordinary shares on issue, and 2,044 shareholders on its share register.

NET ASSET WEIGHTINGS

Net Assets	31 December 2012		30 June 2012		31 December 2011	
	\$'m	%	\$'m	%	\$'m	%
Australian equities ¹	12.34	63.8	15.17	75.6	11.61	60.2
Intangible assets and resource projects ²	0.13	0.7	0.06	0.3	0.06	0.3
Provision for income tax	-	-	-	-	-	-
Net cash on deposit/other assets/provisions	6.85	35.5	4.84	24.1	7.60	39.5
Total Net Assets	19.32	100.0	20.07	100.0	19.27	100.0
NTA Backing per share	\$0.2625		\$0.2728		\$0.2627	
NTA Backing per share	\$0.2725		\$0.2828		\$0.3484	

(with dividends, capital returns and share buy-backs in the previous 6 months added back)

¹ Includes an investment in the FSP Equities Leaders Fund

² Includes the value of capitalised software development and tenement applications costs

MAJOR HOLDINGS

A summary of Bentley's major investment holdings (by value and as a percentage of net assets) is:

Security	ASX Code	Industry Sector	31 December 2012		30 June 2012		31 December 2011	
			\$'m	%	\$'m	%	\$'m	%
FSP Equities Leaders Fund		Diversified	6.44	33.3	5.56	27.7	5.56	28.9
MEO Australia Limited	MEO	Energy	-	-	6.49	32.3	5.14	26.7
Beach Energy Limited	BPT	Energy	1.33	6.9	0.58	2.9	-	-
Cash Converters International Limited	CCV	Retail	0.81	4.2	-	-	-	-
Chorus Limited	CNU	Telecommunications	0.60	3.1	-	-	-	-
National Australia Bank Limited	NAB	Banking	0.54	2.8	-	-	-	-
Endocoal Limited	EOC	Energy	0.52	2.7	-	-	-	-
Other listed securities		Various	2.10	10.8	2.54	12.7	0.91	4.6

CAPITAL RETURNS

Capital Return	Record Date	Payment Date
1 cent per share	To be advised, subject to approval at a General Meeting to be held in early to mid April 2013	
1 cent per share	26 November 2012	30 November 2012
1 cent per share	16 April 2012	19 April 2012
5 cents per share	12 October 2011	14 October 2011

RECENT DIVIDENDS

Rate per share	Record Date	Payment Date	Franking	DRP Issue Price
2.4 cents (Special)	5 September 2011	26 September 2011	100%	\$0.2188
One cent	5 September 2011	26 September 2011	100%	\$0.2188
One cent	10 March 2011	17 March 2011	100%	\$0.2429
One cent	22 September 2010	30 September 2010	100%	\$0.2325
One cent	8 March 2010	15 March 2010	100%	\$0.2952
One cent	28 October 2009	30 October 2009	100%	\$0.2689

DIRECTORS' REPORT

The Directors present their Directors' Report on Bentley Capital Limited ABN 87 008 108 218 (**Company** or **Bentley** or **BEL**) and its controlled entities (the **Consolidated Entity**) for the financial half year ended 31 December 2012 (**Reporting Date**).

Bentley is a company limited by shares that was incorporated in South Australia in June 1986 and has been listed on the Australian Securities Exchange (**ASX**) since October 1986 as an investment company (ASX Code: BEL).

Bentley has prepared a consolidated financial report incorporating the entities that it controlled during the financial half year, being wholly owned subsidiaries - Scarborough Equities Pty Ltd ACN 061 287 045, Scarborough Resources Pty Ltd ACN 150 394 291 and Devisd Pty Limited (formerly Bentley Technologies Pty Limited) ACN 159 456 149 (incorporated on 12 July 2012).

PRINCIPAL ACTIVITIES

Bentley is a listed investment company. Since admission to ASX in 1986, the principal investment objective of the Company was to invest in equity securities listed on the world's major stock markets.

Bentley's investment objectives are to:

- Achieve a high real rate of return over the medium term, ideally comprising both income and capital growth, whilst operating within acceptable risk parameters set by the Board; and
- Deliver a regular income stream for shareholders in the form of franked dividends

NET TANGIBLE ASSET BACKING

CONSOLIDATED	December 2012 \$'000	June 2012 \$'000
Net tangible assets (before tax on unrealised gains)	19,252	20,007
Pre-tax NTA Backing per share (cents)	26.25	27.28
Less: Net deferred tax asset / liabilities	-	-
Net tangible assets (after tax on unrealised gains)	19,252	20,007
Post-tax NTA Backing per share (cents)	26.25	27.28
Value of dividends, capital returns and share buy-backs in previous 6 months (\$'000)	734	734
Pre and post-Tax NTA backing per share (cents) (with returns of capital in previous 6 months added back)	27.25	28.28
Based on total issued shares	73,350,541	73,350,541

Bentley's 6 month after tax net tangible asset (NTA) performance to 31 December 2012 was -0.11% (with capital returns added back) (December 2011: -11.09% with capital returns added back). This compares with the performance of the ASX All Ordinaries Accumulation Index of +15.54% over the same period (December 2011: -9.63%).

Bentley did not declare any dividends for the half year (December 2011: 2.4 cent fully franked special dividend and one cent fully franked final dividend distributed in September 2011 at a total cost of \$2,468,359).

DIRECTORS' REPORT

Bentley returned one cent per share capital to shareholders during the half year (at a total cost of \$733,506) as approved by shareholders on 16 November 2011⁴ (December 2011: 5 cents per share capital was returned in October 2011⁵ at a total cost of \$3,672,845).

Bentley has not bought-back any shares during this financial half year. (December 2011: 665,961 shares bought-back on-market at a total cost of \$144,783); the on-market share buy-back expired on 31 August 2012⁶.

OPERATING RESULTS

CONSOLIDATED	December 2012 \$'000	December 2011 \$'000
Net gain on financial assets held at fair value through profit or loss	291	-
Other investment related income	351	161
Total revenue	642	161
Net loss on financial assets held at fair value through profit or loss	-	(2,836)
Other corporate and administration expenses	(656)	(822)
Total expenses	(656)	(3,658)
Loss before income tax expense	(14)	(3,497)
Income tax expense	-	-
Loss after income tax expense	(14)	(3,497)

Bentley incurred a net loss of \$14,286 (pre and post tax) during the half year (December 2011: \$3.5 million net loss pre and post tax).

The results in relation to Bentley's investments were a \$0.754 million net realised loss and \$1.043 million net unrealised gains (December 2011: \$1.597 million realised loss and \$1.239 million unrealised loss).

Gross interest, dividend and other investment income were \$0.351 million (December 2011: \$0.161 million).

Subsequent to reporting date, the Consolidated Entity has earned a net profit of \$0.244 million (to 31 January 2013) (unaudited), principally as a consequence of a \$1.103 million unrealised gain and a \$0.468 million realised loss on its investments.

LOSS PER SHARE

CONSOLIDATED	December 2012 cents	December 2011 cents
Basic loss per share	(0.02)	(4.80)

⁴ Approved by shareholders on 16 November 2012; refer [Notice of Meeting dated 12 October 2012](#) released on ASX on 18 October 2012 and [Results of 2012 Annual General Meeting](#) released on ASX on 16 November 2012.

⁵ Refer Bentley's [Notice of General Meeting dated 26 August 2011 and released on ASX on 1 September 2011](#) for a general meeting held on 4 October 2011.

⁶ Refer [Appendix 3F Final Share Buy-Back Notice](#) released on ASX on 10 September 2012.

DIRECTORS' REPORT

FINANCIAL POSITION

CONSOLIDATED	December 2012 \$'000	June 2012 \$'000
Investments	12,345	15,171
Cash	6,648	4,948
Net deferred tax asset / liabilities	-	-
Resource projects	68	65
Intangible assets	61	-
Other assets	401	239
Liabilities	(199)	(351)
Net assets	19,324	20,072
Issued capital	20,554	22,068
Accumulated losses	(1,230)	(1,996)
Total equity	19,324	20,072

DIVIDENDS

The Directors have not declared an interim dividend in respect of the half year ended 31 December 2012.

The Company has not paid any dividends during the financial half year.

CAPITAL RETURNS

The Company has distributed a total of one cent as a return of capital (at a total cost of \$0.734 million) during the financial half year, as follows:

Capital Return	Record Date	Payment Date
1 cent per share	26 November 2012	30 November 2012

The Directors have determined to seek shareholder approval for the Company to undertake a one cent per share return of capital (**Return of Capital**).

It is the Company's understanding that 2010 changes to the Corporations Act permits the payment of dividends based on a company 'balance sheet'/solvency test and not based on whether a company has a net profit. However, subsequent pronouncements from the Australian Taxation Office (ATO) and Commonwealth Treasury have raised issues with a company's ability to pay a dividend where they do not have a profit (i.e. either a current year net profit, unrealised 'capital profit' or retained earnings) notwithstanding the Company's understanding of the intended effect of the Corporations Act changes. Draft legislation released by Parliament late in 2012 appears to confirm the ATO and Treasury position.

Based upon the pronouncements issued by the ATO and Commonwealth Treasury, the Company is unable to pay a fully franked dividend. The Company however currently holds uninvested capital in the form of cash and is therefore in a position to return capital to shareholders. Given the ongoing uncertainty in relation to the Company's ability to pay a dividend, the Directors have determined that it is appropriate for the Company to undertake the Return of Capital.

The Return of Capital is to be effected by the Company seeking shareholder approval for a reduction in the share capital of the Company by returning one cent per share to shareholders - this equates to an aggregate reduction of share capital by approximately \$0.734 million based upon the Company's 73,350,541 shares currently on issue.

DIRECTORS' REPORT

No shares will be cancelled as a result of the Return of Capital. Accordingly, the number of shares held by each shareholder will not change as a consequence of the Return of Capital. The Return of Capital will have no effect on the number of shares on issue.

The Return of Capital is subject to shareholder approval which will be sought at a general meeting of shareholders anticipated to be held in early to mid April 2013.

Meeting documentation advising details of the meeting together with relevant explanatory materials will be despatched to shareholders and sent to the ASX in due course. The meeting documentation will include details of the record date for determining eligibility to participate in the Return of Capital and the expected payment date, assuming the requisite resolution is passed by shareholders.

If all conditions are met, including shareholder approval, the Directors aim to distribute the Return of Capital in mid to late April 2013.

CAPITAL MANAGEMENT

Securities on Issue

The Company has 73,350,541 (30 June 2012: 73,350,541) fully paid ordinary shares on issue. All such shares are listed on ASX. The Company has no other securities on issue.

On-Market Share Buy-Back

Bentley's intention to conduct an on-market share buy-back of up to 6,599,890 shares (**Buy-Back**)⁷ expired on 31 August 2012 after 12 months.

There were no shares bought-back during the financial half year.

The Company cancelled a total of 665,961 shares bought back at a cost of \$144,783 (at an average buy-back cost (including brokerage) of \$0.217 per share) pursuant to the Buy-Back.

Return of Capital

As described above, the Company returned one cent per share to shareholders in November 2012 (at a total cost of \$733,506) during the financial half year pursuant to a return of capital approved by shareholders on 16 November 2012⁸.

⁷ Refer 17 August 2011 ASX market announcement "[Intention to Conduct On-Market Share Buy-Back](#)" and [Appendix 3C – Announcement of Buy-Back dated 17 August 2011](#)

⁸ Refer Bentley's [Notice of General Meeting dated 26 August 2011 and released on ASX on 1 September 2011](#) for a general meeting held on [4 October 2011](#)

DIRECTORS' REPORT

REVIEW OF OPERATIONS

Net Asset Weightings

A summary of Bentley's net asset weighting (by value and as a percentage of net assets) is:

Net Assets	31 December 2012		30 June 2012		31 December 2011		30 June 2011	
	\$'m	%	\$'m	%	\$'m	%	\$'m	%
Australian equities ¹	12.34	63.8	15.17	75.6	11.61	60.2	28.47	98.8
Intangible assets and Resource projects ²	0.13	0.7	0.06	0.3	0.06	0.3	0.06	0.2
Provision for income tax	-	-	-	-	-	-	-	-
Net cash on deposit/other assets/ provisions	6.85	35.5	4.84	24.1	7.60	39.5	0.28	1.0
TOTAL NET ASSETS	19.32	100.0	20.07	100.0	19.27	100.0	28.81	100.0
Value of dividends, capital returns and share buy-backs in previous 6 months (\$'m)	0.734		0.734		6.286		0.723	

¹ Includes an investment in the FSP Equities Leaders Fund

² Includes the value of capitalised software development and tenement applications costs

Major Holdings

A summary of Bentley's major investment holdings (by value and as a percentage of net assets) is:

Security	ASX		31 December 2012		30 June 2012		31 December 2011	
	Code	Industry Sector	\$'m	%	\$'m	%	\$'m	%
FSP Equities Leaders Fund		Diversified	6.44	33.3	5.56	27.7	5.56	28.9
MEO Australia Limited	MEO	Energy	-	-	6.49	32.3	5.14	26.7
Beach Energy Limited	BPT	Energy	1.33	6.9	0.58	2.9	-	-
Cash Converters International Limited	CCV	Retail	0.81	4.2	-	-	-	-
Chorus Limited	CNU	Telecommunications	0.60	3.1	-	-	-	-
National Australia Bank Limited	NAB	Banking	0.54	2.8	-	-	-	-
Endocoal Limited	EOC	Energy	0.52	2.7	-	-	-	-
Other listed securities		Various	2.10	10.8	2.54	12.7	0.91	4.6

Subsequent to 31 December 2012 half year end and to 22 February 2013, the Company:

- (1) Realised \$0.809 million from the sale of listed securities; and
- (2) Invested a further \$0.817 million in listed securities.

Investment in the FSP Equities Leaders Fund (FSP Fund)⁹

As at 31 December 2012, Bentley had \$6.44 million (33.3% of its net assets) invested in the FSP Equities Leaders Fund (**FSP Fund**) (December 2011: \$5.56 million (28.9%)).

The 6 month net performance of the FSP Fund to 31 December 2012 was +15.7% (December 2011: -15.2%). The benchmark performance (S&P/ASX 200 Accumulation Index) was +16.4% (December 2011: -9.7%) over the same period.

The FSP Fund is a wholesale fund not open to retail investors. The objective of the fund is to outperform the S&P/ASX 200 Accumulation Index over the medium term. The Investment Manager is "style neutral" and invests in growth stocks, value stocks, stocks with maintainable dividend yields and special situations.

⁹ Based on information provided by investment manager, FSP Equities Management Limited

DIRECTORS' REPORT

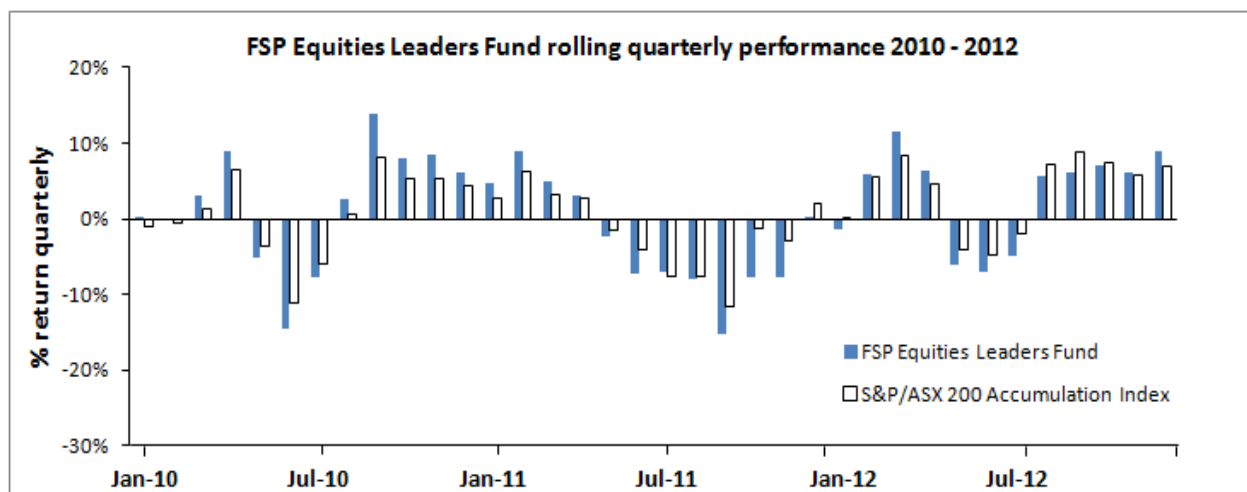
Bentley is able to redeem its investment in the FSP Fund at short notice without any exit fees.

FSP Fund details provided to the Company as at 31 December 2012 are as follows:

- The equity portfolio weighting was 95.98% (December 2011: 91.43%);
- 87.39% of the equity portfolio was invested in companies contained within the S&P/ASX 200 Index (December 2011: 85.58%) with the balance of 12.61% invested in companies outside of the S&P/ASX 200 Index (December 2011: 14.42%); and
- The equity portfolio contained 46 holdings (December 2011: 47 holdings).

FSP Fund Returns To: 31 December 2012	1mth (%)	3mths (%)	6mths (%)	1yr (%)	2yrs (% p.a.)	3yrs (% p.a.)	Since Inception (% p.a.)
FSP Fund	3.8%	9.1%	15.7%	20.1%	-0.4%	1.8%	8.9%
ASX/S&P 200 Accumulation Index	3.4%	6.9%	16.4%	20.3%	3.7%	3.0%	7.6%

FSP Fund Returns To: 31 January 2013	1mth (%)	3mths (%)	6mths (%)	1yr (%)	2yrs (% p.a.)	3yrs (% p.a.)	Since Inception (% p.a.)
FSP Fund	4.9%	9.7%	17.4%	18.7%	1.7%	5.5%	9.3%
ASX/S&P 200 Accumulation Index	5.0%	9.0%	17.1%	20.1%	6.2%	6.9%	8.1%



Source: FSP Equities Management Limited

Notes:

- Shows the net return of the fund over the preceding 3 months for each quarter, compared with that of the benchmark ASX/S&P 200 Accumulation Index
- The information in the table is historical and the past performance of the FSP Equity Leaders Fund is not a reliable predictor of the future performance of such fund; FSP have not made any representation to the Company that it will achieve any specific future rate of return on the fund

DIRECTORS' REPORT

FSP Fund Top 20 Holdings		Fund Weight	FSP Fund Sector Weights		Fund Weight
ASX Code	Asset Name	31-Dec-12			31-Dec-12
WBC	WESTPAC BANKING CORPORATION	9.8%	Financials (ex-Real Estate)		39.0%
CBA	COMMONWEALTH BANK OF AUSTRALIA	9.3%	Materials		14.3%
ANZ	ANZ BANKING GROUP LIMITED	8.5%	Industrials		11.6%
BHP	BHP BILLITON LIMITED	7.6%	Consumer Discretionary		11.6%
MMS	MCMILLAN SHAKESPEARE LIMITED	3.3%	Utilities		4.4%
FLT	FLIGHT CENTRE LTD	2.8%	Cash/Hybrids/Fixed Interest		4.0%
OSH	OIL SEARCH LIMITED	2.7%	Real Estate		4.0%
SUN	SUNCORP GROUP LIMITED	2.7%	Consumer Staples		3.6%
TCL	TRANSURBAN GROUP	2.6%	Energy		3.6%
HGG	HENDERSON GROUP	2.3%	Health Care		2.2%
DUE	DUET GROUP	2.2%	Telecommunications		0.1%
SYD	SYDNEY AIRPORTS	2.2%			
APA	APA GROUP	2.1%			
CPA	COMMONWEALTH PROPERTY OFFICE FUND	2.1%			
IFL	IOOF HOLDINGS LIMITED	2.0%			
IVC	INVOCARE LIMITED	1.9%			
LLC	LEND LEASE LIMITED	1.9%			
BTT	BT INVESTMENT MANAGEMENT LTD	1.8%			
AIX	AUSTRALIAN INFRASTRUCTURE FUND LTD	1.8%			
FXL	FLEXIGROUP LIMITED	1.7%			

DIRECTORS' REPORT

Devisd Applications / Software Development

Bentley established a technology division in July 2012 via the incorporation of Devisd Pty Limited (formerly Bentley Technologies Pty Limited) (**Devisd**).

The division was formed to allow Bentley exposure to the growing importance of the Internet and social media applications as a potentially valuable investment opportunity for Bentley.

The Devisd team is based in Perth and currently comprises a CEO, Chief Technology Officer and a Marketing Executive, with oversight provided by the Bentley Investment Committee.

Devisd has a number of applications and software projects under development with expected launch dates within the next 6 months:

- (1) **ShopBites** is a smartphone application designed to drive foot traffic into participating stores throughout Australia. Registered shoppers are targeted (using geo-location technology) and encouraged to visit partner stores and undertake certain actions using their smartphone (such as scanning in-store QR codes or product barcodes) and in doing so, will earn points called 'bites'. Bites can then be redeemed for a range of rewards, including digital gift vouchers and credits for other third-party applications, all within the smartphone application.
- (2) **Squizzed** is a smartphone application that allows users to create an Augmented Reality (AR) map to share with friends or the general public. Maps may include local attractions, tourist spots or something as specific as temporary locations at an event.
- (3) **"Rdrct.it"** is a tool that allows developers to forward mobile applications content to the correct smartphone system irrespective of the platform. Prospective end users of the developer's application are automatically directed to the correct applications store (for their smartphone) to download the application streamlining the download process for the developer and the end user.
- (4) **"Yurn.it"** is an e-commerce website interfaced with social and competitive elements. Via a series of rolling competitions, users will be encouraged to identify and upload consumer items to the yurn.it website.
- (5) **Tree Trauma** is a mobile game in which the player acts as a topiarist who, using a variety of tools, trims trees into shapes as set by topiary judges.

Performance Bonus Scheme (PBS)

There were no entitlements arising under the Company's Performance Bonus Scheme (**PBS**)¹⁰ during the financial half year (December 2011: Nil). The conditions for payment to members of the Investment Committee are related to Bentley's financial performance (based on the change in Bentley's net asset value relative to the Benchmark ASX All Ordinaries Index) during each half-year.

There was an underperformance of \$2.12 million and \$0.038 million recorded for the half year ended 31 December 2012 and 30 June 2012 respectively. These underperformance values (and the underperformance of \$0.029 million and \$1.23 million recorded for the half year ending 31 December 2011 and 30 June 2011 respectively) will be carried forward into future half year periods until they have been 'clawed back' by outperformance.

¹⁰ Refer [10 May 2010 ASX market announcement "Appointment of Chief Investment Officer and Implementation of Investment Strategy"](#) and also the Remuneration Report at pages 17 to 20 of the 2012 Annual Report.

DIRECTORS' REPORT

DIRECTORS

Directors in office during or since the financial half year are as follows:

FAROOQ KHAN	– Chairman
<i>Appointed</i>	– Director since 2 December 2003; Chairman since 10 February 2004
<i>Qualifications</i>	– BJuris, LLB. (UWA)
<i>Experience</i>	– Mr Khan is a qualified lawyer having previously practised principally in the field of corporate law. Mr Khan has extensive experience in the securities industry, capital markets and the executive management of ASX listed companies. In particular, Mr Khan has guided the establishment and growth of a number of public listed companies in the investment, mining and financial services sector. He has considerable experience in the fields of capital raisings, mergers and acquisitions and investments.
<i>Relevant interest in shares</i>	– None
<i>Special Responsibilities</i>	– Chairman of the Board and Investment Committee
<i>Other current directorships in listed entities</i>	– (1) Executive Chairman and Managing Director of Queste Communications Ltd (QUE) (since 10 March 1998) (2) Executive Chairman of Orion Equities Limited (OEQ) (since 23 October 2006)
<i>Former directorships in other listed entities in past 3 years</i>	– (1) Alara Resources Limited (AUQ) (18 May 2007 to 31 August 2012) (2) Yellow Brick Road Holdings Limited (YBR) (27 April 2006 to 18 March 2011) (3) Strike Resources Limited (SRK) (3 September 1999 to 3 February 2011)

WILLIAM M. JOHNSON	– Executive Director
<i>Appointed</i>	– 13 March 2009
<i>Qualifications</i>	– MA (Oxon), MBA
<i>Experience</i>	– Mr Johnson commenced his career in resource exploration and has held senior management and executive roles in a number of public companies in Australia, New Zealand and Asia. Throughout his career, Mr Johnson has been actively involved in the strategic analysis of a diverse range of business and investment opportunities and the execution of many corporate transactions. Mr Johnson brings a considerable depth of experience in business strategy and investment analysis and execution.
<i>Relevant interest in shares</i>	– None
<i>Special Responsibilities</i>	– Member of the Investment Committee, Audit Committee and Remuneration Committee
<i>Other current directorships in listed entities</i>	– (1) Executive Director of Strike Resources Limited (SRK) (since 21 January 2013) (Director since 14 July 2006) (2) Executive Director of Orion Equities Limited (OEQ) (since 28 February 2003) (3) Non-Executive Director of Alara Resources Limited (AUQ) (since 1 July 2011) (Director since 26 October 2009)
<i>Former directorships in other listed entities in past 3 years</i>	– None

DIRECTORS' REPORT

CHRISTOPHER B. RYAN – Non-Executive Director

Appointed – 5 February 2004

Qualifications – BEcon (UWA), MBA (UNSW)

Experience – Mr Ryan is the Principal of Westchester Corporate Finance, a Sydney based corporate advisory firm specialising in advising listed companies on fund raising, mergers and acquisitions and associated transactions. Prior to forming Westchester in July 1996, Christopher was with Schroders Australia for 27 years. At Schroders, he served 3 years in the investment division, 2 years as an economist monitoring influences on interest and exchange rates and 22 years in the corporate finance division of which he was a director for 19 years specialising in advising on project financing and mergers and acquisitions mainly in the Australian minerals and oil and gas sectors.

Relevant interest in shares – None

Special Responsibilities – Chairman of the Audit Committee and Remuneration Committee

Other current directorships in listed entities – None

Former directorships in other listed entities in past 3 years – None

COMPANY SECRETARY

VICTOR P. H. HO – Company Secretary

Appointed – Since 5 February 2004

Qualifications – BCom, LLB (UWA); Chartered Tax Adviser (CTA)

Experience – Mr Ho has been in company secretarial/executive roles with a number of public listed companies since early 2000. Previously, Mr Ho had 9 years experience in the taxation profession with the Australian Tax Office and in a specialist tax law firm. Mr Ho has been actively involved in the structuring and execution of a number of corporate transactions, capital raisings and capital management matters and has extensive experience in public company administration, corporations law and stock exchange compliance and shareholder relations.

Special Responsibilities – Member of the Investment Committee and Secretary of the Audit Committee and Remuneration Committee

Relevant interest in shares – 6,533 ordinary shares

Other positions held in listed entities – Current Executive Director and Company Secretary of:

- (1) Orion Equities Limited (OEQ) (Secretary since 2 August 2000 and Director since 4 July 2003)

Current Company Secretary of:

- (2) Queste Communications Ltd (QUE) (since 30 August 2000)
- (3) Alara Resources Limited (AUQ) (since 4 April 2007)

Former position in other listed entities in past 3 years – (1) Strike Resources Limited (SRK) (Secretary between 9 March 2000 and 30 April 2010 and Director between 12 October 2000 and 30 April 2010)

DIRECTORS' REPORT

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration as required under section 307C of the Corporations Act 2001 forms part of this Directors Report and is set out on page 17. This relates to the Auditor's Independent Review Report, where the Auditors state that they have issued an independence declaration.

Signed for and on behalf of the Directors in accordance with a resolution of the Board,



Farooq Khan
Chairman



Christopher Ryan
Non-Executive Director

28 February 2013

28 February 2013

The Board of Directors
Bentley Capital Limited
Level 14, The Forrest Centre
221 St Georges Terrace
PERTH WA 6000

Dear Sirs,

**DECLARATION OF INDEPENDENCE BY CHRIS BURTON TO THE DIRECTORS OF
BENTLEY CAPITAL LIMITED**

As lead auditor for the review of Bentley Capital Limited for the half-year ended 31 December 2012, I declare that to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Bentley Capital Limited and the entities it controlled during the period.



Chris Burton
Director

BDO Audit (WA) Pty Ltd
Perth, Western Australia

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the half year ended 31 December 2012

	Note	31 Dec 12	31 Dec 11
		\$	\$
REVENUE	2		
Investment			
Dividend Income		201,646	5,287
Interest Income		139,219	133,498
Other			
Net Gain on Financial Assets at Fair Value through Profit or Loss		290,702	-
Other Income		9,731	21,998
TOTAL REVENUE		641,298	160,783
EXPENSES	2		
Net Loss on Financial Assets at Fair Value through Profit or Loss		-	(2,835,737)
Investment Expenses		(70,181)	(40,100)
Occupancy Expenses		(53,991)	(72,454)
Finance Expenses		(2,755)	(2,382)
Corporate Expenses		(46,725)	(53,624)
Administration Expenses		(481,932)	(653,818)
LOSS BEFORE INCOME TAX		(14,286)	(3,497,332)
Income Tax Expense		-	-
LOSS FOR THE HALF YEAR		(14,286)	(3,497,332)
OTHER COMPREHENSIVE INCOME			
Other Comprehensive Income, Net of Tax		-	-
TOTAL COMPREHENSIVE LOSS FOR THE HALF YEAR		(14,286)	(3,497,332)
Total Comprehensive Loss for the Half Year is attributable to:			
Owners of Bentley Capital Limited		(14,286)	(3,497,332)
Basic Loss per Share (cents)	4	(0.02)	(4.80)

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2012

	Note	31 Dec 12 \$	30 Jun 12 \$
CURRENT ASSETS			
Cash and Cash Equivalents	5	6,647,833	4,947,792
Financial Assets at Fair Value through Profit or Loss	6	12,344,767	15,171,413
Trade and Other Receivables		369,984	224,583
Other Current Assets		15,932	3,600
TOTAL CURRENT ASSETS		19,378,516	20,347,388
NON-CURRENT ASSETS			
Resource Projects	7	67,625	64,863
Intangible Assets	8	61,465	-
Property, Plant and Equipment		14,960	10,765
Deferred Tax Asset		108,841	5,188
TOTAL NON-CURRENT ASSETS		252,891	80,816
TOTAL ASSETS		19,631,407	20,428,204
CURRENT LIABILITIES			
Trade and Other Payables		62,786	231,131
Provisions		135,733	120,046
TOTAL CURRENT LIABILITIES		198,519	351,177
NON-CURRENT LIABILITIES			
Deferred Tax Liability		108,841	5,188
TOTAL NON-CURRENT LIABILITIES		108,841	5,188
TOTAL LIABILITIES		307,360	356,365
NET ASSETS		19,324,047	20,071,839
EQUITY			
Issued Capital	9	20,553,598	22,067,796
Accumulated Losses		(1,229,551)	(1,995,957)
TOTAL EQUITY		19,324,047	20,071,839

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the half year ended 31 December 2012

	Note	Issued Capital \$	Accumulated Losses \$	Total \$
BALANCE AT 1 JULY 2011		26,308,733	2,497,739	28,806,472
Loss for the Half Year		-	(3,497,332)	(3,497,332)
Other Comprehensive Income		-	-	-
Total Comprehensive Loss for the Half Year		-	(3,497,332)	(3,497,332)
Transactions with Owners in their capacity as Owners:				
Dividends Paid	3	-	(2,468,359)	(2,468,359)
Shares Issued under Dividend Reinvestment Plan	9	310,196	-	310,196
Return of Capital	9	(3,672,845)	-	(3,672,845)
Share Buy-Back	9	(144,783)	-	(144,783)
BALANCE AT 31 DECEMBER 2011		22,801,301	(3,467,952)	19,333,349
BALANCE AT 1 JULY 2012		22,067,796	(1,995,957)	20,071,839
Loss for the Half Year		-	(14,286)	(14,286)
Other Comprehensive Income		-	-	-
Total Comprehensive Loss for the Half Year		-	(14,286)	(14,286)
Transactions with Owners in their capacity as Owners:				
Reduction of Share Capital to the extent not represented by assets	9	(780,692)	780,692	-
Return of Capital	9	(733,506)	-	(733,506)
BALANCE AT 31 DECEMBER 2012		20,553,598	(1,229,551)	19,324,047

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

for the half year ended 31 December 2012

	Note	31 Dec 12	31 Dec 11
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Dividends Received		201,646	5,287
Interest Received		120,689	121,278
Other Income Received		214,048	172,797
Payments to Suppliers and Employees		(833,771)	(685,760)
Sale/Redemption of Financial Assets at Fair Value through Profit or Loss		10,447,686	17,557,672
Purchase of Financial Assets at Fair Value through Profit or Loss		(7,657,508)	(3,561,423)
NET CASH PROVIDED BY OPERATING ACTIVITIES		2,492,790	13,609,851
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Plant and Equipment		(5,673)	(68)
Payments for Intangible Assets		(61,465)	-
Payments for Exploration and Evaluation		(2,762)	(991)
NET CASH USED IN INVESTING ACTIVITIES		(69,900)	(1,059)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends Paid	3	-	(2,158,163)
Return of Capital	9	(722,849)	(3,554,616)
Share Buy-Back	9	-	(144,783)
NET CASH USED IN FINANCING ACTIVITIES		(722,849)	(5,857,562)
NET INCREASE IN CASH HELD		1,700,041	7,751,230
Cash and Cash Equivalents at Beginning of Half Year		4,947,792	155,948
CASH AND CASH EQUIVALENTS AT END OF HALF YEAR	5	6,647,833	7,907,178

The accompanying notes form part of these financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2012

1. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

The half year financial statements are 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'. These half year financial statements do not include notes of the type normally included in the annual financial statements and should be read in conjunction with the most recent annual financial statements and the Company's ASX announcements released from 1 July 2012 to the date of this report.

Basis of Preparation

The financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. 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 accounting policies and methods of computation adopted in the preparation of the half year financial statements are consistent with those adopted and disclosed in the Company's financial statements for the financial year ended 30 June 2012 except as follows:

(a) Intangible Assets - Software Development (New Policy)

Expenditure during the research phase of a project is recognised as an expense when incurred. Development costs are capitalised only when:

- (i) the technical feasibility and commercial viability of the project is demonstrated;
- (ii) the Consolidated Entity has an intention and ability to complete the project and use or sell it; and
- (iii) the costs can be measured reliably.

Such costs include payments to external contractors to develop the software, any purchase of materials and equipment and personnel costs of employees directly involved in the project.

Capitalised software development expenditure is stated at cost less accumulated amortisation and impairment losses. Amortisation is based on a straight-line method over periods generally ranging from 1 to 4 years matched to the future economic benefits over the useful life of the project. The amortisation period and amortisation method of intangible assets other than goodwill are reviewed at least at each balance sheet date. No amortisation has taken place as the projects have not been completed as at the reporting date.

(b) AASB 2011-9: Amendments to Australian Accounting Standards-Presentation of Items of Other Comprehensive Income

Comparative figures have been reclassified as required to be consistent with the presentation of current year figures as required by the above AASB Amendment. The reclassification does not have an impact on the results presented.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2012

2. LOSS FOR THE HALF YEAR

The Consolidated Entity's Operating Loss before Income Tax includes the following items of revenue and expense:

(a) Revenue	31 Dec 12	31 Dec 11
Investment	\$	\$
Dividend Income	201,646	5,287
Interest Income	139,219	133,498
	<u>340,865</u>	<u>138,785</u>
Other		
Net Gain on Financial Assets at Fair Value through Profit or Loss	290,702	-
Other Income	9,731	21,998
	<u>641,298</u>	<u>160,783</u>
(b) Expenses		
Net Loss on Financial Assets at Fair Value through Profit or Loss	-	2,835,737
Investment Expenses		
Brokers Fees	35,301	13,206
Subscriptions	11,972	26,756
Other Investment Expenses	22,908	138
Occupancy Expenses	53,991	72,454
Finance Expenses	2,755	2,382
Corporate Expenses		
ASX Fees	25,537	28,726
Share Registry	17,198	21,490
Other Corporate Expenses	3,990	3,408
Administration Expenses		
Salaries, Fees and Employee Benefits	305,995	413,032
Accounting, Taxation and Related Administration	78,466	69,196
Office Administration	43,459	51,663
Audit	19,657	19,816
Communications	9,590	7,668
Travel, Accommodation and Incidentals	8,325	26,528
Other Professional Fees	839	51,043
Insurance	7,629	8,876
Depreciation	1,478	1,586
Other Administration Expenses	6,494	4,410
	<u>655,584</u>	<u>3,658,115</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2012

3. DIVIDENDS		31 Dec 12	31 Dec 11
		\$	\$
Dividends Paid	Paid On		
3.4 cents per share fully franked dividend	23-Sep-11	-	2,468,359
		<u>-</u>	<u>2,468,359</u>
Dividends paid in cash or satisfied by issue of shares under the Dividend Reinvestment Plan (DRP) were as follows:			
Paid in Cash		-	2,158,163
Satisfied by Issue of Shares under DRP		-	310,196
		<u>-</u>	<u>2,468,359</u>
Franking credits available for subsequent periods based on a tax rate of 30% (2011: 30%)			
		<u>1,843,295</u>	<u>1,796,278</u>

The above amounts represent the balance of the franking account as at the end of the reporting period, adjusted for:

- (a) Franking credits that will arise from the payment of the amount of the provision for income tax;
- (b) Franking debits that will arise from the payment of dividends recognised as a liability at the reporting date; and
- (c) Franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date.

The franking credits attributable to the Consolidated Entity include franking credits that would be available to the parent entity if distributable profits of subsidiaries were paid as dividends.

4. LOSS PER SHARE	31 Dec 12	31 Dec 11
	cents	cents
Basic Loss per Share	(0.02)	(4.80)
The following represents the loss and weighted average number of shares used in the EPS calculations:		
	31 Dec 12	31 Dec 11
	\$	\$
Net Loss after Income Tax	(14,286)	(3,497,332)
	Number of Shares	Number of Shares
Weighted Average Number of Ordinary Shares	73,350,541	72,822,329

The Consolidated Entity has no securities outstanding which have the potential to convert to ordinary shares and dilute the basic loss per share.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2012

5. CASH AND CASH EQUIVALENTS	31 Dec 12	30 Jun 12
	\$	\$
Cash at Bank and in hand	1,437,833	1,942,792
Short-Term Deposits	5,210,000	3,005,000
	6,647,833	4,947,792

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Current

Listed Investments at Fair Value	5,759,120	9,459,181
Unlisted Investments at Fair Value	150,000	150,000
Units in unlisted FSP Equities Leaders Fund	6,435,647	5,562,232
	12,344,767	15,171,413

7. RESOURCE PROJECTS

Opening Balance	64,863	63,871
Exploration and Evaluation Expenditure	2,762	992
Closing Balance	67,625	64,863

The exploration and evaluation expenditures relates to tenement application costs, a portion of which (\$57,032) is refundable if the applications are not granted or withdrawn. This potentially refundable amount is not recognised as an intangible asset for the purposes of disclosure of the Company's NTA backing.

8. INTANGIBLE ASSETS

Opening Balance	-	-
Software development costs	61,465	-
Closing Balance	61,465	-

The capitalised software development expenditure relates to applications/software under development.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2012

9. ISSUED CAPITAL	31 Dec 12	30 Jun 12	31 Dec 12	30 Jun 12
	Number	Number	\$	\$
Fully paid ordinary shares	73,350,541	73,350,541	20,553,598	22,067,796

Movement in Ordinary shares

	Date of Issue	Number	Issue Price	\$
AT 1 JULY 2011		72,598,802		26,308,733
Issued under the DRP - refer (b)	26-Sep-11	1,417,700	0.2188	310,196
Return of capital - refer (c)	14-Oct-11	-		(3,672,845)
Return of capital - refer (c)	18-Apr-12	-		(733,505)
Share buy-back - refer (d)	Sep-11	(559,600)	0.2262	(126,602)
Share buy-back - refer (d)	Oct-11	(106,361)	0.1709	(18,181)
AT 30 JUNE 2012		73,350,541		22,067,796
AT 1 JULY 2012		73,350,541		22,067,796
Reduction of Share Capital to the extent not represented by assets - refer (e)	16-Nov-12	-		(780,692)
Return of capital - refer (c)	30-Nov-12	-		(733,506)
AT 31 DECEMBER 2012		73,350,541		20,553,598

(a) Ordinary Shares

Fully paid ordinary shares carry one vote per share and the right to dividends.

(b) Dividend Reinvestment Plan (DRP)

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 issued under the plan during the previous financial half year were set at a 2.5% discount to the volume weighted average market price over five trading days up to and including the relevant dividend record date. A 2.4 cents per share fully franked special dividend and a one cent per share fully franked final dividend both paid on 26 September 2011 were subject to the DRP.

(c) Return of Capital

The Company has undertaken returns of capital to shareholders (after receipt of shareholder approval) as follows: 5 cents per share on 14 October 2011, one cent per share on 19 April 2012 and one cent per share on 30 November 2012. The returns of capital have no effect on the total number of shares on issue nor the holdings of each shareholder.

(d) Share Buy-Back

The shares bought-back related to an on-market share buy-back announced by the Company on 17 August 2011. This buy-back expired on 31 August 2012 after 12 months.

The Company cancelled a total of 665,961 shares bought back at a cost of \$144,783 (at an average cost (including brokerage) of \$0.217) in the half year ended 31 December 2011. There was no share buy-back transaction the current financial half year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2012

9. ISSUED CAPITAL (continued)

(e) Reduction of Share Capital to the extent not represented by assets

At the Annual General Meeting held on 16 November 2012, shareholders approved a reduction in value of the Company's share capital against accumulated losses by \$780,692, being an amount not represented by available assets, pursuant to section 258F of the Corporations Act. This was essentially an accounting entry that allowed the Company to remove from its books historical accumulated accounting losses that affects the ability of the Company to retain earnings from which future dividends may be paid. The reduction has no effect on the carried forward tax losses of the Company nor did it change the number of shares on issue or the net asset position of the Company.

10. SEGMENT INFORMATION

The operating segments are reported in a manner consistent with the internal reporting provided to the "Chief Operating Decision Maker". The "Chief Operating Decision Maker", who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

The Board has considered the business and geographical perspectives of the operating results and determined that the Consolidated Entity operates only within Australia, with the main segments being Investments, Resource Projects and Software Development. Unallocated items are mainly comprised of corporate assets, office expenses and income tax assets and liabilities.

	Investments	Software Development	Resource Projects	Unallocated	Total
	\$	\$	\$	\$	\$
31 Dec 12					
Segment Revenues	501,696	-	-	139,602	641,298
Segment Profit/(Loss)	431,515	(116,992)	-	(328,809)	(14,286)
Segment Assets	12,344,767	71,140	67,901	7,147,599	19,631,407
Segment Liabilities	-	(35,694)	-	(271,666)	(307,360)
31 Dec 11					
Segment Revenues	27,021	-	-	133,762	160,783
Segment Profit/(Loss)	(2,848,816)	-	-	(648,516)	(3,497,332)
30 Jun 12					
Segment Assets	15,171,413	-	64,863	5,191,928	20,428,204
Segment Liabilities	-	-	-	(356,365)	(356,365)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2012

11. COMMITMENTS	31 Dec 12	30 Jun 12
	\$	\$
Not longer than one year	78,630	157,261
	<u>78,630</u>	<u>157,261</u>

The non-cancellable operating lease commitment is the Consolidated Entity's share of the office premises at Level 14, The Forrest Centre, 221 St Georges Terrace, Perth, Western Australia, and includes all outgoings (exclusive of GST). The lease is for a 7 year term expiring 30 June 2013 and contains a rent review increase each year alternating between 5% and the greater of market rate or CPI + 1%.

12. CONTINGENCIES

The Consolidated Entity does not have any contingent assets or liabilities.

13. EVENTS OCCURRING AFTER THE REPORTING PERIOD

- (a) Subsequent to the reporting date and to 22 February 2013, the Consolidated Entity has:
- (i) Realised \$0.809 million from the sale of listed securities; and
 - (ii) Invested a further \$0.817 million in listed securities.
- (b) On 28 February 2013, the Company announced its intention to seek shareholder approval to undertake a one cent per share return of capital (Return of Capital).

The Return of Capital is to be effected by the Company seeking shareholder approval for a reduction in the share capital of the Company by returning one cent per share to shareholders - this equates to an aggregate reduction of share capital by approximately \$0.734 million based upon the Company's 73,350,541 shares currently on issue.

No shares will be cancelled as a result of the Return of Capital. Accordingly, the number of shares held by each shareholder will not change as a consequence of the Return of Capital. The Return of Capital will have no effect on the number of shares on issue.

The Return of Capital is subject to shareholder approval which will be sought at a general meeting of shareholders anticipated to be held in early to mid April 2013.

Meeting documentation advising details of the meeting together with relevant explanatory materials will be despatched to shareholders and sent to the ASX in due course. The meeting documentation will include details of the record date for determining eligibility to participate in the Return of Capital and the expected payment date, assuming the requisite resolution is passed by shareholders.

If all conditions are met, including shareholder approval, the Directors aim to distribute the Return of Capital in mid to late April 2013.

No other matter or circumstance has arisen since the end of the financial half year that significantly affected, or may significantly affect, the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial years.

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Bentley Capital Limited made pursuant to sub-section 303(5) of the *Corporations Act 2001*, we state that:

In the option of the Directors:

- (a) The financial statements and notes of the Company are 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 2012 and of its performance for the half year ended on that date; and
 - (ii) complying with Accounting Standards AASB 134 "Interim Financial Reporting", *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
- (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board,



Farooq Khan
Chairman

28 February 2013



Christopher Ryan
Non-Executive Director

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF BENTLEY CAPITAL LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Bentley Capital Limited, which comprises the consolidated statement of financial position as at 31 December 2012, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a statement of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the disclosing entity and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the disclosing entity 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 2012 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 Bentley Capital 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.

Independence

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 Bentley Capital Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.



Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Bentley Capital 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 2012 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

BDO Audit (WA) Pty Ltd

BDO


Chris Burton
Director

Perth, Western Australia
Dated this 28th day of February 2013

SECURITIES INFORMATION

as at 31 December 2012

DISTRIBUTION OF LISTED ORDINARY SHARES

Spread of Holdings	Number of Holders	Number of Shares	% of Total Issued Capital
1 - 1,000	257	126,356	0.172%
1,001 - 5,000	766	2,361,152	3.219%
5,001 - 10,000	400	2,889,257	3.939%
10,001 - 100,000	551	14,674,843	20.006%
100,001 - and over	70	53,298,933	72.663%
Total	2,044	73,350,541	100%

SUBSTANTIAL SHAREHOLDERS

Substantial Shareholders	Registered Shareholder	Number of Shares held	Voting Power
Orion Equities Limited (OEQ)	OEQ	20,513,783	27.97%
Queste Communications Ltd (QUE)	QUE	1,740,625	} 30.34% ⁽¹⁾
	OEQ	20,513,783	
Mr Azhar Chaudhri, Renmuir Holdings Limited and Chi Tung Investments Ltd	QUE	1,740,625	} 30.34% ⁽²⁾
	OEQ	20,513,783	
Data Base Systems Limited (DBS)	DBS	11,717,586	15.98% ⁽³⁾

Notes:

- (1) Based on the [substantial shareholding notice filed by QUE dated 15 October 2009](#)
- (2) Based on the [substantial shareholding notice filed by Azhar Chaudhri dated 1 May 2012](#)
- (3) Based on the [substantial shareholding notice filed by DBS and Ambreen Chaudhri dated 15 May 2012](#)

SECURITIES INFORMATION

as at 31 December 2012

TOP TWENTY ORDINARY FULLY PAID SHAREHOLDERS

Rank	Shareholder	Total Shares Held	% Issued Capital
1	ORION EQUITIES LIMITED	20,513,783	27.967
2	DATABASE SYSTEMS LTD	11,717,586	15.975
3	3 RD PULITANO INCORPORATION	1,876,164	2.558
4	QUESTE COMMUNICATIONS LTD	1,740,625	2.373
5	MR JOHN ROBERT DILLON	1,489,919	2.030
6	MR COLIN JOHN VAUGHAN & MRS ROBIN VAUGHAN	887,945	1.211
7	BLUEDALE PTY LTD	748,332	1.020
8	CHARLES W ROCKEFELLER PTY LTD	654,721	0.893
9	PATJEN2 PTY LTD	557,441	0.760
10	MON NOMINEES PTY LTD	550,000	0.750
11	AVENUE ATHOL PTY LTD	536,046	0.731
12	MRS KERRY ELIZABETH DRAFFIN	530,598	0.723
13	MR MICHAEL BRUCE SMITH & MRS KAY SMITH	481,044	0.656
14	LEIBLER SUPERANNUATION NOMINEES PTY LTD	457,743	0.624
15	MS STEPHANIE LEE ROCKEFELLER	406,884	0.555
16	MANAR NOMINEES PTY LTD	390,773	0.533
17	DALEREGENT PTY LTD	376,121	0.513
18	MR PETER JOHN JACKSON	367,000	0.500
19	AVANTEOUS INVESTMENTS LIMITED	354,687	0.484
20	KJ & MJ GILROY PTY LTD	350,000	0.477
TOTAL		42,284,204	57.647%