Geo

2020 ANNUAL REPORT

Geo Limited

Year ended 30 June 2020

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CHAIR AND CEO REPORT

"Our core Geo product is proving competitive and the roadmap is now tightly aligned to both the market opportunity and market feedback. It's working and momentum is building quickly"

Dear fellow shareholders

We are pleased to present GEO's FY20 annual report.

CEO Tim Molloy has led a quiet revolution at GEO since joining in February 2020. The fruits of his and the team's work are becoming evident and will be clear during FY21.

Overview of Financial Result

GEO reported a 62.6% improvement in net loss from operations, a 12.4% improvement in EBITDA and a 40.5% reduction in operating and investing cash outflows, despite pausing customer acquisition activities during COVID-19 lockdowns in H2.

Group revenue for the financial year fell 14.7% to $4.8m (FY19 $5.6m), largely as *Geo for Sales* customers reduced their field-based sales activities, resulting in a 51.1% reduction in product revenues. This product now accounts for less than 10% of group revenues and is held at zero value in the balance sheet.

Subscription revenue for the Company's core *Geo* platform proved resilient during the pandemic, with revenues down 6.6% on FY19 to $3.3m, and monthly recurring revenue at June 2020 down 5.7% on FY19. While job activity levels on the *Geo* platform decreased during lockdowns in Australia and New Zealand, active customer retention strategies ensured that churn remained consistent with historical trends.

Prior to the pandemic, all parts of the Company's business were reviewed to deliver a range of operational efficiencies and sustained cost savings that have driven the improvements in the bottom line result and cash flows.

The Company took the view that marketing should be curtailed during the lockdowns, and this saw external marketing spend down 97% in the June quarter relative to the same quarter in FY19. Marketing spending is being reinstated.

Employment costs were reduced by 35% in Q4 versus the same quarter in FY19, reflecting carefully targeted reductions in staff numbers and temporary salary reductions for senior team members. In addition, general overhead costs were reduced by 41% over the same period and Directors' fees were reduced by 20%.

After normalising for COVID-19 wage subsidies and temporary salary reductions, Q4 FY20 cash expenses were 39% lower than the prior period.

CEO Commentary

Since joining GEO, my focus has been on refining the Company's strategy, and driving operational excellence into all parts of the business: strategy, product, go-to-market and analytics.

GEO sells its software to an addressable market of more than 800,000 home services professionals and tradies in Australasia alone. We have the largest installed user base of any home services mobile application in Australia and New Zealand. Our priority customer segments include building, cleaning, concreting, electrical, HVAC, maintenance, painting, pest control, plumbing, roofing and security. Many businesses in these segments are digitising their operations, with some acceleration evident since the onset of COVID-19. Applications like ours are no longer 'nice to haves', they are 'must-haves'.

Prior to the onset of COVID-19 we adopted an operationally lean and focused strategy, reducing the size of the team by 25%. Every team member can now see their contribution to producing value for our customers. Doing more with less has made us resilient and faster-moving.

Our core *Geo* product is proving competitive and the roadmap is now tightly aligned to both the market opportunity and market feedback. All of our efforts are focused on scaling this product and accelerating customer acquisition from a carefully segmented and profitable portfolio of customers with attractive metrics. It's working, and momentum is building quickly.

By segmenting our target markets, we are rapidly increasing the effectiveness of our sales activities, increasing the quality of leads, decreasing our cost-per-lead, reducing wastage and improving sales. Indicators of these improvements include: a strong increase in Q4 customer enquiries over the same period a year ago (despite a nominal marketing spend during the pandemic); priority customer segments showing >100% increases in enquiry levels; and the cost-per-lead falling by more than 80% in recent months.

Sales effectiveness is also increasing, with evidence that we are beginning to convert enquiries to customers more efficiently. In recent months we have been exceeding sales targets and have recruited a new Head of Sales from the leading home services platform, *hipages*, to accelerate that trend.

Finally, we believe in measuring everything we do and our focus on introducing analytics and a data-based approach is enabling us to make informed decisions on the efficient use of our cash.

Chair Commentary

Under the leadership of Tim Molloy, and Chief Revenue Officer Scott Player, the company's key metrics are showing a marked improvement. Cash burn has reduced, the cost of customer acquisition has come down, churn has been stable, our ability to conduct and close trials has improved, and sales are increasing.

COVID-19 has provided all of us with a difficult environment, and on behalf of your directors, I pay tribute to Tim, Scott, and the entire team for maintaining - and improving - their velocity while working from home.

After a number of years of working to turn this business around, it is finally showing us clear signs that it can scale profitably. We are grateful to our shareholders for their patience.

Signed

ROGER SHARP

TIM MOLLOY

"GEO sells its software to an addressable market of more than 300,000 home services professionals and tradies in Australasia alone. We have the largest installed user base of any home services mobile application in Australia and New Zealand."

FINANCIAL OVERVIEW

YEAR ENDED 30 JUNE	2020 $'000	2019 $'000	VARIANCE $'000	VARIANCE %
Revenue				
Geo Subscription Revenue	3,317	3,550	(233)	-6.6%
Geo for Sales Subscription Revenue	664	1,357	(693)	-51.1%
Recurring Revenues (Subscriptions)	**3,981**	**4,907**	**(926)**	**-18.9%**
Training & Implementation Fees	28	68	(40)	-58.8%
Other Revenues (incl. grants)	764	620	144	+23.2%
Total Revenues	**4,773**	**5,595**	**(822)**	**-14.7%**
Earnings				
Statutory Net (Loss) after Tax	(2,054)	(5,495)	3,441	-62.6%
EBITDA	(1,198)	(1,368)	170	-12.4%
Operational Cash Flows				
Operating Cash Flows	(439)	(1,218)	779	-64.0%
Investing Cash Flows	(998)	(1,199)	201	-16.8%
Total Operating & Investing Cash Flows	**(1,437)**	**(2,417)**	**980**	**-40.5%**
Licenses				
Geo	14,807	16,347	(1,540)	-9.4%
Geo for Sales	231	905	(674)	-74.5%
Monthly ARPU				
Geo	$17.79	$17.09	$0.70	+4.1%
Geo for Sales	$82.59	$93.05	$(10.46)	-11.2%

BOARD

Roger Sharp | *Non-Executive Chairman*

For more than 30 years Roger has invested in, advised and run growth companies across several continents. His technology investment banking firm North Ridge Partners has invested and participated in or led numerous technology turnarounds, including Software of Excellence, Tru-Test Corporation, travel.com.au, Asia Pacific Digital and Geo. Roger is currently Chairman of Webjet and Lotto New Zealand, is Deputy Chair of Tourism New Zealand and chairs North Ridge Partners. He was previously Global Head of Technology for ABN AMRO Bank in London and CEO of ABN AMRO Asia in Hong Kong.

Rod Snodgrass | *Independent Non-Executive Director*

Rod has extensive experience in strategy, innovation, digital growth and disruption. He was previously the Chief Customer Officer of Vector and prior to that was a member of the Spark leadership team for 10 years, holding senior positions including CEO of Spark Ventures, Chief Product Officer and Chief Strategy Officer.

Rod is also a Non-Executive Director of Metlifecare, JUCY Group and SMX. He is also a founder of strategy consultancy The Exponential Agency, holds a BCA from Victoria University, an Executive Management Diploma from Darden Business School, and is a Chartered Accountant and Member of the New Zealand Institute of Directors.

Shailesh (Sal) Manga | *Independent Non-Executive Director*

Sal's background includes senior leadership roles in global and New Zealand companies over the past 15 years. His broad consulting experience with the world's most well-known technology brands has given a unique and informed perspective on Innovation and Product Design, particularly with his last role involving leading a global team of 400 in Innovation and Product Design consulting.

Sal sits on the Board of Optimal Workshop of which he is one of the owners. As well as governance, he focuses on working with Product Managers and the Customer Research team to help ensure that products have strong customer centric roadmaps that drive commercial success.

MANAGEMENT

Tim Molloy | *Chief Executive Officer*

As a former CEO, CSO and non-executive director, Tim has a strong operational and growth focus with M&A and capital markets skills. Tim has delivered outstanding results for private equity-backed high growth service and technology businesses. Tim built Exonet Business Software, a New Zealand-based software platform, before selling it to MYOB in 2007. Tim spent four years in senior roles at MYOB including Head of Corporate Development and Head of Online, participating in the successful private equity buyout and exit of MYOB to Bain Capital for A$1.2bn. Subsequently he was appointed CEO of Console, a Macquarie Capital-backed SaaS property management and trust accounting solutions business.

Scott Player | *Chief Revenue Officer*

Scott brings more than two decades of leadership experience in building and running digital marketing and software businesses in Australia. He has broad experience in cross-channel sales and marketing and has led numerous revenue growth programmes throughout his career. Prior to joining GEO, Scott co-founded two software-as-a-service businesses (Hey You and Ordermentum) and built and sold a digital creative agency to IPG Mediabrands. He was formerly CEO of Asia Pacific Digital in Australia.

Peter Hynd | *Chief Financial Officer*

With 25 years' experience in advising, financing and investing in emerging companies, Peter has a particular interest in the areas of digital and technology. Peter is a partner with GEO's major shareholder, North Ridge Partners, and was appointed as GEO's CFO in May 2020. Prior to North Ridge Partners, Peter was a small cap financier with Ernst & Young, Burdett Buckeridge Young and Paterson Ord Minnett. He has been a director of a number of private and public companies.

2020 FINANCIAL REPORT

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors of Geo Limited (the "Company") are pleased to present to shareholders the financial statements for Geo Limited and its subsidiaries ("GEO" or "the Group") for the year ended 30 June 2020.

The Directors are responsible for presenting financial statements in accordance with New Zealand law and generally accepted accounting practice, which present fairly in all material respects the financial position of the Group as at 30 June 2020 and the results of its operations and cash flows for the year ended on that date.

The financial statements of the Group have been prepared using accounting policies which have been consistently applied and supported by reasonable judgements and estimates and that all relevant financial reporting standards have been followed.

The Directors believe that proper accounting records have been kept which enable with reasonable accuracy the determination of the financial position of the Group and facilitate compliance of the financial statements with the Companies Act 1993, NZX Listing Rules, Financial Reporting Act 2013 and Financial Markets Conduct Act 2013.

The Directors ensure that they have taken adequate steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide a reasonable assurance as to the integrity and reliability of the financial statements.

The Financial Statements are signed on behalf of the Board on 15 September 2020 by:

Roger Sharp
Chair

Rod Snodgrass
Chair of Audit and Risk Committee

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2020

STATED IN NEW ZEALAND DOLLARS	NOTE	2020 $'000	2019 $'000
Revenue			
Revenue from contracts with customers	3(a)	4,009	4,975
Other income	3(b)	764	620
Total Revenue and Other income		**4,773**	**5,595**
Expenses			
Research and development		(1,868)	(2,011)
Sales and marketing		(1,703)	(1,847)
General operating and administration		(2,400)	(3,105)
Write down of intangible assets	8(b)	-	(3,191)
Depreciation and amortisation		(808)	(936)
Total Expenses	**3(c)**	**(6,779)**	**(11,090)**
Finance expense	3(d)	(48)	-
(Loss) from operations before tax		**(2,054)**	**(5,495)**
Income tax benefit	4 (a)	-	-
Net (loss) from operations for the year	**13**	**(2,054)**	**(5,495)**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Gain/(loss) on translation of foreign operations		(239)	177
Total comprehensive income for the year, net of tax attributable to shareholders		**(2,293)**	**(5,318)**
Earnings per share			
Basic (loss) per share (cents)	13	(2.52)	(6.98)
Diluted (loss) per share (cents)	13	(2.21)	(6.98)

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2020

STATED IN NEW ZEALAND DOLLARS	NOTE	SHARE CAPITAL $'000	SHARE BASED PAYMENT RESERVE $'000	FOREIGN CURRENCY TRANSLATION RESERVE $'000	RELATED PARTY LOANS – EQUITY INSTRUMENT $'000	ACCUMULATED LOSSES $'000	TOTAL EQUITY $'000
Balance at 1 July 2018		28,719	84	346	-	(25,473)	3,676
Loss for the year		-	-	-	-	(5,495)	(5,495)
Currency translation movements		-	-	177	-	-	177
Total Comprehensive Income		**-**	**-**	**177**	**-**	**(5,495)**	**(5,318)**
Transactions with Owners							
Issue of shares	12	4,089	(122)	-	-	-	3,967
Share based payment expense	20	-	101	-	-	-	101
Balance at 30 June 2019		**32,808**	**63**	**523**	**-**	**(30,968)**	**2,426**
Loss for the year		-	-	-	-	(2,054)	(2,054)
Currency translation movements		-	-	(239)	-	-	(239)
Total Comprehensive Income		**-**	**-**	**(239)**	**-**	**(2,054)**	**(2,293)**
Transactions with Owners							
Issue of shares	12	116	(113)	-	-	-	3
Share buyback	12	(50)	-	-	-	-	(50)
Convertible Note	14(c)	-	-	-	202	-	202
Share-based payment expense	20	-	196	-	-	-	196
Balance at 30 June 2020		**32,874**	**146**	**284**	**202**	**(33,022)**	**484**

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2020

STATED IN NEW ZEALAND DOLLARS	NOTE	2020 $'000	2019 $'000
Current assets			
Cash and cash equivalents	5	313	1,024
Trade and other receivables	6	781	1,115
Other assets	6	30	-
Total current assets		**1,124**	**2,139**
Non-current assets			
Property, plant & equipment	7	336	37
Intangible assets	8	1,994	1,689
Other assets	6	30	58
Total non-current assets		**2,360**	**1,784**
Total assets		**3,484**	**3,923**
Current liabilities			
Trade and other payables	10(a)	822	723
Contract liabilities and other deferred income	10(b)	827	762
Lease liabilities	15(b)	102	-
Total current liabilities		**1,751**	**1,485**
Non-current liability			
Provision for long service leave		14	12
Related party loans – debt instrument	14(c)	1,003	-
Lease liabilities	15(b)	232	-
Total non-current liabilities		**1,249**	**12**
Total liabilities		**3,000**	**1,497**
Net assets		**484**	**2,426**
Equity			
Share capital	12	32,874	32,808
Share-based payments reserve	20	146	63
Related party loans – equity instrument	14(c)	202	-
Accumulated losses		(33,022)	(30,968)
Foreign currency translation reserve		284	523
Total equity		**484**	**2,426**

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2020

STATED IN NEW ZEALAND DOLLARS	NOTE	2020 $'000	2019 $'000
Cash flows from operating activities			
Cash was provided from (applied to):			
Receipts from customers		4,254	5,178
Grants received		684	659
Receipt of COVID-19 government subsidies		140	-
Interest received		4	38
Payments to suppliers & employees		(5,521)	(7,093)
Net cash inflow (outflow) from operating activities	**18**	**(439)**	**(1,218)**
Cash flows from investing activities			
Cash was provided from (applied to):			
Bonds (purchased)/ matured		(2)	(27)
Purchase of property, plant and equipment	7	(4)	(35)
Sale of property, plant and equipment		3	-
Capitalised development costs	8	(912)	(1,100)
Capitalised trademark costs and other intangibles	8	(83)	(37)
Net cash inflow (outflow) from investing activities		**(998)**	**(1,199)**
Cash flows from financing activities			
Cash was provided from (applied to):			
Repayment of related party lending	14(c)	-	(551)
Related party loans received	14(b & c)	1,148	194
Capital raising costs		-	(101)
Principal paid on lease liabilities		(92)	-
Interest paid on lease liabilities		(21)	-
Capital reduction – small share buyback	12(ii)	(50)	-
Issue of ordinary shares	12 (iii)	-	1,634
Net cash inflow (outflow) from financing activities		**985**	**1,176**
Net (decrease)/increase in cash held		**(452)**	**(1,241)**
Cash and cash equivalents at start of the period		1,024	1,995
Exchange (losses) / gains on cash and cash equivalents		(259)	270
Balance at end of the year		**313**	**1,024**
Comprised of:			
Cash and cash equivalents	**5**	**313**	**1,024**

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

1. CORPORATE ENTITY

Reporting Entity and Statutory Base

Geo Limited (the "Company") and its subsidiaries ("GEO" or "the Group") is a for-profit entity incorporated and domiciled in New Zealand, registered under the Companies Act 1993. The Company's shares publicly trade on the NZX Main Board.

The registered office of the Company is located on Level 21, ANZ Centre, 171 Featherston Street, Wellington, New Zealand.

The financial statements represented are those for Geo Limited and its subsidiaries ("the Group"). The Company is an FMC reporting entity for the purpose of the Financial Markets Conduct Act 2013 and the Financial Reporting Act 2013.

The financial statements of the Group for the year ended 30 June 2020 were authorised for issue in accordance with a resolution of the Directors on 15 September 2020.

The principal activity of the Group is the development and commercial deployment of cloud-based mobile workforce productivity technologies.

2. BASIS OF ACCOUNTING

Basis of Preparation

The consolidated financial statements of the Group are prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP") and comply with the New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS"). The financial statements comply with International Financial Reporting Standards ("IFRS").

Other than where described below, or in the notes, the financial statements have been prepared using the historical cost convention. Cost is based on the fair values of the consideration given in exchange for assets.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand ($000), except as otherwise indicated.

Going Concern

The consolidated financial statements have been prepared using the going concern assumption which assumes that the Group has the intention and ability to continue its operations for the foreseeable future.

The Group incurred a net loss of $2,054,000 for the year ended 30 June 2020 (loss of $5,495,000 for the year ended 30 June 2019 including a $3,191,000 non-cash write down in the value of the *Geo for Sales* intangibles). Excluding the non-cash write down in 2019, the net loss has reduced by 11% in 2020.

The net cash outflow from operations for the year was $439,000 (2019: net cash outflow of $1,218,000). Capitalised development costs were $912,000 (2019: $1,100,000).

On 23 August 2019, the Group entered a convertible note agreement to provide funding of $1,500,000 (up to $2,000,000 by agreement) via a convertible note (Note 14). As at 30 June 2020, the Group had drawn down $1,148,000 of convertible notes under the facility.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

Directors note that at the time of time of this report, several known future circumstances and capital initiatives are in process and are expected to lead to a material improvement in net current assets, including:

- forecast receipt of approximately $560,000 in Australian government research and development grants by October 2020;
- drawdown of remaining capacity under the convertible note facility ($352,000);
- ability to place the remaining $500,000 of available capacity under the existing convertible note facility; and
- the Group has historically funded its operations and prior development of its software-as-a-service platform via capital raisings conducted through the public equity markets. Based on this prior support and regular communications with both existing shareholders and external investors, the Directors have cause to believe that equity market funding will continue to be available in the future to allow the Group to continue to meet its commitments.

Given available cash and funding facilities and the current cashflow run rate, the Group has sufficient cash to fund its operations until early calendar 2021. The Group, therefore, will need to secure new revenue opportunities and raise additional capital to continue operations for at least 12 months from the date of signing these financial statements.

Directors note that while the Group's revenues from its core *Geo* product have remained largely stable throughout the COVID-19 period, there remain uncertainties in meeting the forecasted financial performance due to unusual market conditions. In addition to this, the going concern assumption is also dependent on raising sufficient cash through future capital raising initiatives. The uncertainty of meeting forecasted financial performance and dependency on future fund raising creates a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern, and therefore may be unable to realise its assets and discharge its liabilities in the normal course of business. These consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded assets amounts, nor to the amounts and classification of liabilities that may be necessary should the Group be unable to continue as a going concern.

Notwithstanding the uncertainty to meet forecasted financial performance and dependency on raising further funding the Directors are confident that the Group remains a going concern and are confident of being able to meet forecasted financial performance and raise further funding from the equity capital markets consistent with prior history. Accordingly, the Directors believe the going concern assumption is valid and have reached this conclusion having regard to the circumstances which they consider likely to affect the Group during the period of one year from the date these financial statements are approved.

Critical Judgements in Applying Accounting Policies

In the application of NZ IFRS, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the estimates. 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.

Key Sources of Estimation Uncertainty and Key Judgements

Judgements made by management in the application of NZ IFRS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

The significant judgements, estimates and assumptions made by management in the preparation of these financial statements are outlined below:

- the application of the going concern assumption (refer to page 13);
- the determination of cash generating units (CGU) for impairment testing (refer to Note 8); and
- capitalised development costs - determining whether the intangible assets to which the development expenditure relate meet the criteria for capitalisation. Judgement is required to ensure that costs capitalised as intangible assets meet each of the six criteria set out in Note 8 "Intangible Assets". This includes assessment of whether the software will generate future economic benefits given the Group is currently loss-making.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be relevant under the circumstances.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

Significant Accounting Policies

Significant accounting policies applied in the preparation of the consolidated financial statements are included in the notes to which they relate. Significant accounting policies that do not relate to a specific note are outlined below. These policies have been consistently applied unless otherwise stated.

Comparatives

Prior year comparatives on some notes have been restated to be consistent with current year groupings:

- in Note 3c, some employee benefits and contractors' costs have been recoded to other operating expenses to be consistent with current year presentation. This also impacts the expenditure categories on the profit or loss; and
- in the Statement of Financial Position, trade and other payables costs have been spilt between contract liabilities and other deferred income and trade and other payables.

Basis of Consolidation

The consolidated financial statements prepared are issued in the name of the legal entity and parent, Geo Limited (the "Parent"). The consolidated financial statements incorporate the financial statements of the Parent and entities controlled by the Parent. Control is achieved when the Parent:

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

Subsidiaries are fully consolidated from the date on which the Parent obtains control over subsidiaries and are de-consolidated from the date that control ceases. Inter-company transactions, balances and unrealised gains and losses on transactions between Group companies are eliminated. Accounting policies of subsidiaries are consistent with the policies adopted by the Group.

Financial Instruments

Financial assets and financial liabilities are recognised on the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit or loss and other comprehensive income.

Financial Assets

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value depending on the classification of the financial assets.

Classification of financial assets

Debt instrument that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of debt instrument and of allocating interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial assets. If, in the subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial Liabilities and Equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Financial Liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognised in consolidated statement of profit or loss and other comprehensive income.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not classified at FVTPL are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

The carrying amount and fair value of each financial assets and financial liabilities are disclosed in Note 19(f).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

Foreign Exchange Translation Reserve

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. New Zealand dollars) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve (in respect of translating the net assets of foreign operations) are reclassified to profit or loss on the disposal of the foreign operation.

Foreign Operations

The results and financial position of all foreign operations that have a functional currency different from New Zealand Dollars are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses of the statement of profit or loss and other comprehensive income are translated at average exchange rates for the period; and
- all resulting exchange differences are recognised as other comprehensive income and accumulated in the foreign currency translation reserve.

Consolidated Statement of Cash Flows

For the purpose of the consolidated cash flow statement, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments net of outstanding bank overdrafts.

The consolidated cash flow statement is prepared exclusive of GST, which is consistent with the method used in the consolidated statement of profit or loss and other comprehensive income.

Definition of terms used in the consolidated cash flow statement:

- operating activities include all transactions and other events that are not investing or financing activities;
- investing activities are those activities relating to the acquisition and disposal of current and non-current investments and any other non-current assets; and
- financing activities are those activities relating to changes in the equity and debt capital structure of the Group and those activities relating to the cost of servicing the Group's equity.

Significant Events and Transactions – the Effects of COVID-19

In March 2020, the World Health Organisation declared the outbreak of a novel coronavirus (COVID-19) as a pandemic. During the year, the virus continued to spread globally giving rise to economic downturn impacting the Group's customers. While the ultimate disruption caused by the outbreak has been uncertain, it has resulted in an adverse impact on the Group's financial position, performance, and cash flows primarily related to a significant drop in *Geo for Sales* revenue. As a direct impact of the pandemic, the Group:

- anticipated reduced levels of business enquiry and new licence sales and increased levels of customer churn, and reduced the staffing levels and discretionary overhead expenses of the business to preserve cash;
- reduced full-time headcount by approximately 25%;
- reduced external marketing spend and associated customer acquisition costs to minimal levels; and
- the board and senior employees took a temporary 20% reduction in salaries.

Subsequent to balance date, Victoria and New Zealand has gone into further restrictions due to COVID-19. The impact of this lockdown is not yet known. Most of GEO's customers in trade are expected to continue working during level 2 and level 3 restrictions.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

Use of estimates and judgements

As discussed in the respective notes, the effects of COVID-19 have required significant judgments and estimates to be made, including:

- whether rent concessions satisfy the criteria to be accounted for using the practical expedient introduced by the amendments to IFRS 16;
- assessing whether the entity has reasonable assurance as to whether it will comply with the conditions attached to government grants and subsidies;
- calculating the recoverable amount for cash generating units in the process of assessing any potential impairment as at the period end; and
- determining which information obtained subsequent to year end provides evidence of conditions that existed as at the end of the reporting period ('adjusting events after the reporting period') and which do not ('non-adjusting events after the reporting period'). For disclosure of non-adjusting events after the reporting period, refer to Note 21.

Additionally, while the changes in the following estimates and judgments have not had a material impact on the Group, the effects of COVID-19 have required revisions to:

- estimates of customer churn and retention; and
- estimates of expected credit losses attributable to accounts receivable arising from sales to customers on credit terms, including the incorporation of forward-looking information to supplement historical credit loss rates.

Adoption of New or Revised Standards and Interpretations

The group has adopted all new mandatory standards and the amended standards and interpretations.

The impact of the adoption of these new standards is disclosed below:

NZ IFRS 16: Leases

NZ IFRS 16 is effective for reporting period beginning on or after 1 January 2019. The Group applied NZ IFRS 16 from 1 July 2019. The standard introduces new requirements with respect to lease accounting. It presents significant changes to the lessee accounting by removing the distinction between operating and finance leases and requiring the recognition of a right-of-use asset and a lease liability at the lease commencement for all leases, except for short-term leases and leases of low value assets.

The impact of the adoption of NZ IFRS 16 on the Group's consolidated financial statements is described below.

Impact on Lessee Accounting

NZ IFRS 16 changes how the Group accounts for leases, previously classified as operating leases under NZ IAS 17, which were off-balance-sheet.

Applying NZ IFRS 16, for all leases:

- recognises right-of-use assets and lease liabilities in the consolidated statement of financial position, initially measured at the present value of future lease payments;
- recognises depreciation of right-of-use assets and interest on lease liabilities in the consolidated statement of profit or loss and other comprehensive income;
- separates the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within financing activities) in the consolidated statement of cash flows; and
- recognises short-term and low value leases in the Consolidated Statement of Profit or Loss and Other Comprehensive Income as rental costs.

Lease incentives (e.g. free rent period) are recognised as part of the measurement of the right-of-use assets and lease liabilities whereas under NZ IAS 17 they resulted in the recognition of a lease incentive liability, amortised as a reduction of rental expense on a straight-line basis.

Under NZ IFRS 16, right-of-use assets are tested for impairment in accordance with NZ IAS 36 Impairment of Assets. This replaces the previous requirement to recognise a provision for onerous lease contracts.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

Recognition and measurement of the Group's leasing activities

The Group has adopted NZ IFRS 16 using the modified retrospective transition approach. Under this approach the cumulative effect of initially applying NZ IFRS 16 is recognised as an adjustment to opening retained earnings of the current period.

Since the cumulative impact of the leases adjustment on opening retained earnings at 1 July 2019 was not material ($2,000), the group has not adjusted the opening retained earnings at the date of transition.

In applying NZ IFRS 16 for the first time, the Group has used the following practical expedients permitted by the standard:

- use of a single discount rate to leases with reasonably similar characteristics;
- use of hindsight in determining a lease term;
- reliance on previous assessments on whether leases are onerous; and
- short-term leases and low value lease exemption as allowed under the standard.

The impact of adoption of NZ IFRS 16 on the Group's consolidated financial position is summarised in the table below:

	1 JULY 2019 $'000
Assets	
Increase in property, plant and equipment	424
Total increase in assets	**424**
Liabilities	
Increase in short-term liabilities	126
Increase in long-term liabilities	296
Total increase in liabilities	**422**
Total increase/(decrease) in equity	**2**

Reconciliation of operating lease commitment from prior year

	1 JULY 2019 $'000
Minimum operating lease commitment at 30 June 2019	471
Plus: Additional lease commitment	(1)
Less: effect of discounting using the incremental borrowing rate as at the date of initial application	(48)
Lease liability as at 1 July 2019	**422**

COVID-19 related rent concessions: amendments to IFRS 16: Leases

On 28 May 2020, the IASB issued amendments to IFRS 16: COVID-19-Related Rent Concessions. These amendments introduce a practical expedient available to lessees in accounting for rent concessions (e.g. rent holidays and deferrals of lease payments) that are a direct consequence of the COVID-19 pandemic and that satisfy certain other criteria.

If a reporting entity elects to utilise the practical expedient, the rent concession is not accounted for as a lease modification, regardless of whether the rent concession meets the definition of a lease modification in IFRS 16. Instead, the reporting entity applies the other requirements of IFRS 16. In many cases, this will result in the reporting entity accounting for the adjustment to the lease liability as a variable lease payment, and therefore, the adjustment is recorded in profit or loss, without the requirement to determine a revised discount rate. If not for the practical expedient, entities would have to review all lease contracts to determine whether a rent concession met the definition of a lease modification. If the concession did meet that definition, the adjustment to the lease liability would require a revised discount rate be determined and the adjustment would be recorded against the right-of-use asset. No practical expedient is available for lessors.

The amendments are effective for annual reporting periods beginning on or after 1 June 2020.

In order to apply the practical expedient, the rent concession should arise as a direct consequence of the COVID-19 pandemic and satisfy the following criteria:

- revised consideration must be either the same or less than the consideration before the change;
- the discount on rentals must not go beyond 30 June 2021. Therefore, if the lease term ends in December 2021 and the lessor gives a discount on all payments until December 2021, then the practical expedient may not be applied to the lease; and
- no other significant change in terms and conditions of the lease.

As a result of COVID-19 pandemics, GEO was granted a 50% discount on its rent liability by the lessor from 1 April 2019 to 30 June 2020. The group has applied the practical expedient as permitted by the new IFRS 16 amendment and not accounted for the discount as lease modification, as the group met all three conditions mentioned above to do so. Therefore, the Group has accounted for the discount as rent concession directly through profit & loss. This practical expedient can be applied to the financial statements for the period starting on or after 1 June 2020, but even earlier than that if the financial statements have not been authorised for issue on 11 June 2020. The Group has applied this practical expedient earlier from 1 April 2020. The effect of applying the practical expedient is disclosed in Note 3(b).

NZ IFRIC 23: Uncertainty over Income Tax Treatment

NZ IFRIC 23 provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments. The Interpretation requires:

- the Group to determine whether uncertain tax treatments should be considered separately, or together as a group, based on which approach provides better predictions of the resolution;
- the Group to determine if it is probable that the tax authorities will accept the uncertain tax treatment; and
- if it is not probable that the uncertain tax treatment will be accepted, measure the tax uncertainty based on the most likely amount or expected value, depending on whichever method better predicts the resolution of the uncertainty. This measurement is required to be based on the assumption that each of the tax authorities will examine amounts they have a right to examine and have full knowledge of all related information when making those examinations.

The Group elected to apply NZ IFRIC 23 retrospectively with the cumulative effect recorded in retained earnings as at the date of initial application, 1 January 2019. The adoption of NZ IFRIC 23 resulted in no material impact in corporate tax liabilities, relating to the Group's transfer pricing structure hence no adjustments required.

New Standards, Interpretations and Amendments Not Yet Effective

There are no standards or amendments that have been issued but are not yet effective that are expected to have a significant impact on the Group.

The Group has not adopted, and currently does not anticipate adopting, any standards prior to their effective dates.

3. PROFIT OR LOSS BREAKDOWN

(a) Revenue from Contracts with Customers

	2020 $'000	2019 $'000
Subscription revenue (i)	3,981	4,907
Implementation fee (ii)	28	68
	4,009	4,975

Accounting policy

(i) Subscription revenue for most customers is billed on a monthly or annual basis and paid in advance by customers which exception of *Geo for Sales* customers who are invoiced monthly in arrears. Revenue is recognised over time as benefits are simultaneously received and consumed. Consideration received prior to the service being rendered is deferred and recognised in the Consolidated Statement of Financial Position as a contract liability and included within contract liabilities and other deferred income. Revenue for which services have been rendered but invoices have not been issued is recognised within the Consolidated Statement of Financial Position as a contract asset and included within trade and other receivables.

(ii) Training and implementation fees are billed when incurred but are not a distinct performance obligation as they are highly interrelated with subscription revenue. Therefore, they are also recognised as revenue over time based on the subscription contract period.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

The Group has assessed that the disaggregation of revenue by operating segment is appropriate and has disclosed revenue by segment/ product in the segmentation report in Note 17.

(b) Other Income

	2020 $'000	2019 $'000
Government grants (i)	545	581
Interest revenue (ii)	4	39
COVID-19 Government Subsidies(iii)	201	-
Rent concessions (iv)	14	-
	764	**620**

Accounting policy

(i) Government grants are recognised in the period the corresponding research and development amortisation expense is incurred and when it is highly probable that the grant will be received and that the Group will comply with all attached conditions. Government grants are from Callaghan Innovation, Australian research and development tax incentive and the Export Market Development Grants (EMDG). These grants relate to Group's research and development investment. Grant revenue recognised for the year 2020 is less than 2019 due to no recognition of grant revenue related to *Geo for Sales* project.

(ii) Interest revenue is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

(iii) COVID-19 Government Subsidies are accrued and recognised on a time basis when it is determined that the Group has satisfied the criteria to receive the subsidies. COVID-19 government subsidies relates to ATO cash boost on PAYG account and the JobKeeper subsidy.

(iv) Rent concessions are recognised in the period the expense is incurred at the fair value of the rent concession received as a direct consequence of COVID-19.

(c) Expenses

	NOTE	2020 $'000	2019 $'000
Amortisation of intangible assets	8	682	903
Auditors' fees for audit of the financial statements		53	75
Audit year ended 30 June 2019		10	-
Other fees for prior period auditor:			
Other assurance services		12	10
Taxation compliance services		17	34
Depreciation of property, plant & equipment	7	126	33
Employee benefits		2,062	2,279
Contractors		1,054	1,064
Superannuation		233	254
Share based payments	20	196	101
Lease expenditure (i)		-	120
Net foreign exchange differences		(187)	381
Loss on disposal of assets		-	60
Bad debt expense		55	30
Write down of intangible assets	8	-	3,191
Loan fee – related party loan		57	-
Other operating expenses		2,409	2,555
Total expenses		**6,779**	**11,090**

(i) Operating lease rentals last year relates to the Company's offices in Auckland, New Zealand and in Sydney and Melbourne, Australia. Melbourne and Auckland office leases were terminated in November 2018 and September 2018. During the year, the Group adopted NZ IFRS 16 and hence recognised the current Sydney office lease as a right-of-use asset and a corresponding liability in the Statement of Financial Position.

(d) Finance expense

	2020 $'000	2019 $'000
Interest – related party loan	27	-
Interest – lease liability	21	-
Total Finance Expense	48	-

4. TAXATION

Accounting policy

Goods and Services Tax (GST)

All items in the Consolidated Statement of Profit or Loss and Other Comprehensive Income are stated exclusive of GST.

All items in the Consolidated Statement of Financial Position are stated exclusive of GST with the exception of receivables and payables, which include GST.

Cash flows are included in the Consolidated Statement of Cash Flows on a net basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

Current Tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income. Current tax for current and prior periods is recognised as a liability (or asset) to the extent it is payable (or refundable).

Deferred Tax

Deferred tax is accounted for using the comprehensive balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax is based on the expected manner of realisation of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period.

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

(a) Reconciliation of income tax expense to prima facie tax payable

	2020 $'000	2019 $'000
Loss before tax	(2,054)	(5,495)
Benefit at 28%	575	1,539
Non-deductible expenses	(41)	(930)
Future benefit of tax losses not recognised	(516)	(574)
Effect of different tax rates of subsidiaries operating in other jurisdictions	(18)	(35)
Income tax benefit	-	-

(b) Deferred Tax Balances

The Group has an unrecognised deferred tax asset arising from tax losses of $5,012,000 measured at 28% (2019: $4,471,000). The carry forward of losses are subject to confirmation by the relevant tax authority.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

5. CASH AND CASH EQUIVALENTS

Accounting policy

Cash and short-term deposits comprise cash on hand, demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

	2020 $'000	2019 $'000
Cash at bank	313	1,024

$180,000 (2019: $527,000) was held in Australian dollars, $24,000 (2019: $81,000) was held in USD with the balance of $109,000 (2019: $416,000) held in NZD. Two bank guarantees (not included in the amount above) over the lease premises are held by NAB totalling $40,057 (2019: $38,322). At 30 June 2020, $32,000 (2019: $32,000) direct debit facility was held in Australian dollars with NAB.

6. TRADE AND OTHER RECEIVABLES

Accounting policy

Trade and other receivables are measured at initial recognition at fair value, plus transaction costs (if any) and are subsequently measured at amortised cost using the effective interest rate method less impairment losses. The Group has applied NZ IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected credit loss allowance for all trade receivables. In applying the 'simplified approach' the Group has used a provision matrix using the following steps to determine the expected credit loss rates.

PROVISION MATRIX STEPS	KEY JUDGEMENTS	OUTCOME
Step 1 – Determine the appropriate grouping of receivables into categories of shared credit risk characteristics	Determine the appropriate grouping of receivables	Management determined the grouping of receivables to be by product, *Geo* and *Geo for Sales*.
Step 2 - Determine the period over which historical loss rates are obtained to develop estimates of expected future loss rates.	Determine the period to collect reliable historical data	Reliable historical data on trade receivables for a period of three years was compiled to work out the trend and assess the loss rates
Step 3 - Determine the historical loss rates.	No major judgement required, other than reviewing the historical loss rates	Historical loss rate was computed using observable data for a period of three years, categorising into the aging groups and the total credit losses relating to those sales categorised into product groups.
Step 4 - Consider forward looking macro-economic factors and adjust historical loss rates to reflect relevant future economic conditions.	Judgement required in accessing the trade receivable profile and considering macroeconomic factors such as: • economic output; • unemployment; • inflation; • savings and investments; • diversity of customers; • organisational restructure and resourcing.	Management considered the macroeconomic factors that could affect the credit risk of the customers e.g. diverse range of customers, geographical location, organisation restructure, impact of COVID-19 pandemic; and made adjustment to the expected credit loss rate determined in step 3.
Step 5 – Calculate the expected credit losses	No major judgement required after Step 4	The expected credit loss of trade receivables is determined by multiplying the expected credit loss rate determined in step 4 to the gross receivable balance at each age -band of receivable in each product category.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the consolidated statement of profit or loss and other comprehensive income. When a receivable is uncollectible, it is written off against the allowance account for receivables. Subsequent recoveries of amounts previously written off are credited to the consolidated statement of profit or loss and other comprehensive income.

	2020 $'000	2019 $'000
Current assets		
Trade receivables	59	356
Allowance for expected credit losses	(8)	(29)
Grants receivable	570	599
Prepayments	97	172
Sundry debtors	63	17
NZX and rental bond	30	-
	811	**1,115**
Non-current asset		
NZX and rental bond	30	58
	30	**58**

Trade receivables relate to the monthly or annual subscriptions charged for GEO's services. These are on an average credit period of 30 days. In accepting a new customer, the Group assesses the customer's credit quality and reviews credit performance monthly. Trade receivable balance has reduced for the year ended 2020 compared to the year 2019 due to significantly reduced revenue for *Geo for Sales* during COVID-19 pandemic and providing limited free months' usage or invoice freezes for customers in temporary financial difficulty to retain them.

Grants receivable relate to the Callaghan Growth Grant GEO receives from Callaghan Innovation, Australian research and development tax incentive and the EMDG Grant. Grants are recognised when there is reasonable assurance that the grant will be received and that the Group will comply with all attached conditions.

(a) Aging profile of trade receivables:

	2020 GROSS $'000	2020 IMPAIRMENT $'000	2020 NET $'000	2019 GROSS $'000	2019 IMPAIRMENT $'000	2019 NET $'000
Not past due	46	1	45	266	7	259
Past due 1 - 30 days	2	-	2	9	-	9
Past due 31 - 60 days	9	7	2	29	1	28
Past due 61 – 90 days	2	-	2	26	1	25
Past due over 90 days	-	-	-	26	20	6
Total	**59**	**8**	**51**	**356**	**29**	**327**

As at 30 June 2020, $46,000 or 78% (2019: $266,000 or 75%) of trade receivables were not past due.

7. PROPERTY, PLANT & EQUIPMENT

Accounting policy

All items of Property, Plant and Equipment are stated at historical cost less accumulated depreciation and accumulated impairment.

Depreciation on assets is charged on a straight-line basis to allocate the differences between their original cost and residual values over their estimated useful lives, as follows:

CATEGORY	ESTIMATED USEFUL LIFE
Office Equipment	1 - 8 years
Computer Equipment	1 - 5 years
Fixtures & Fittings	4 - 15 years
Office furniture	4 - 15 years

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

The assets' residual values and useful lives are reviewed and adjusted if appropriate at each balance date. If an asset's carrying amount is greater than its estimated recoverable amount, the carrying amount is immediately written down to its recoverable amount.

	OFFICE EQUIPMENT $'000	COMPUTER EQUIPMENT $'000	FIXTURES & FITTINGS $'000	OFFICE FURNITURE $'000	RIGHT-OF-USE ASSETS $'000	TOTAL $'000
At 1 July 2018						
Cost	39	212	28	49	-	328
Accumulated depreciation and impairment	(34)	(174)	(11)	(23)	-	(242)
Carrying amount at beginning of year	**5**	**38**	**17**	**26**	**-**	**86**
Year ended 30 June 2019						
Additions	-	34	1	-	-	35
Disposal (net of accumulated depreciation)	(3)	(8)	(15)	(25)	-	(51)
Depreciation	(1)	(30)	(1)	(1)	-	(33)
Carrying amount at 30 June 2019	**1**	**34**	**2**	**-**	**-**	**37**

	OFFICE EQUIPMENT $'000	COMPUTER EQUIPMENT $'000	FIXTURES & FITTINGS $'000	OFFICE FURNITURE $'000	RIGHT-OF-USE ASSETS $'000	TOTAL $'000
At 1 July 2019						
Cost	5	85	4	-	-	94
Accumulated depreciation and impairment	(4)	(51)	(2)	-	-	(57)
Carrying amount at end of year	**1**	**34**	**2**	**-**	**-**	**37**
Year ended 30 June 2020						
Transition balance [(i)]	-	-	-	-	424	424
Additions	-	-	4	-	-	4
Disposal (net of accumulated depreciation)	-	(3)	-	-	-	(3)
Depreciation	(1)	(16)	(1)	-	(108)	(126)
Carrying amount at end of year	**-**	**15**	**5**	**-**	**316**	**336**
At 30 June 2020						
Cost	5	71	8	-	424	508
Accumulated depreciation and impairment	(5)	(56)	(3)	-	(108)	(172)
Carrying amount at 30 June 2020	**-**	**15**	**5**	**-**	**316**	**336**

The Group's right-of-use assets are for the Group's premises in Sydney, Australia. The Sydney premises lease has a term of four years expiring on 31 May 2023 with no rights of renewal.

[(i)] Transition balance refers to the adjustment required as a result of the Group adopting NZ IFRS 16 at 1 July 2019.

For the year ended 30 June 2020

8. INTANGIBLE ASSETS

Accounting policy

Costs that are directly associated with the development of software are recognised as internally generated intangible assets where the following criteria are met:

- completing the intangible asset so that it will be available for use or sale is technically feasible;
- there is an intention to complete the intangible asset and use or sell it;
- there is an ability to use or sell the intangible asset;
- the intangible asset is expected to generate probable future economic benefits;
- there is available technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised as internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no intangible asset can be recognised, development expenditure is charged to profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets and other intangibles are reported at cost less accumulated amortisation and accumulated impairment losses. With the exception of goodwill and trademark, the useful lives of the Group's intangible assets are assessed to be finite. The useful life of internally generated and acquired intangible assets is as follows:

CATEGORY	ESTIMATED USEFUL LIFE
Application Software	2 – 7 years
Trademarks	Infinite life
Other Intangibles	2 – 7 years
Website	2 – 3 years

Impairment Consideration for Trademarks, Website and Application Software

Intangible assets with indefinite useful lives and intangible assets that are not yet available for use are tested for impairment annually, or more frequently if events or changes in circumstances indicate that they might be impaired, by estimating the asset's recoverable amount. Other assets are assessed for indicators of impairment at each reporting date. Where an indicator of impairment exists, the Group estimates the recoverable amount. The recoverable amount is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (cash-generating unit) is estimated to be less than the carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately. Impairment losses on goodwill are not reversed.

	TRADE-MARKS $'000	WEBSITE $'000	APPLICATION SOFTWARE $'000	GOODWILL $'000	OTHER INTANGIBLES $'000	TOTAL $'000
At 1 July 2018						
Cost	62	21	7,707	4,868	-	12,658
Accumulated amortisation and impairment	-	(10)	(3,060)	(4,868)	-	(7,938)
Carrying amount at beginning of year	**62**	**11**	**4,647**	**-**	**-**	**4,720**
Year ended 30 June 2019						
Additions	32	-	1,100	-	33	1,165
Disposal (net of accumulated amortisation)	-	(9)	-	-	-	(9)
Amortisation	-	(2)	(901)	-	-	(903)
Write down of intangible assets	-	-	(3,191)	-	-	(3,191)
Foreign currency translation reserve	-	-	(97)	-	4	(93)
Carrying amount at 30 June 2019	**94**	**-**	**1,558**	**-**	**37**	**1,689**
At 1 July 2019						
Cost	94	2	8,638	-	37	8,771
Accumulated amortisation and impairment	-	(2)	(7,080)	-	-	(7,082)
Carrying amount at end of year	**94**	**-**	**1,558**	**-**	**37**	**1,689**
Year ended 30 June 2020						
Additions	2	-	919	-	54	975
Disposal (net of accumulated amortisation)	-	-	-	-	-	-
Amortisation	-	-	(659)	-	(23)	(682)
Write down of intangible assets	-	-	-	-	-	-
Foreign exchange on accumulated amortisation	-	-	(128)	-	-	(128)
Foreign currency translation reserve	-	-	139	-	1	140
Carrying amount at end of year	**96**	**-**	**1,829**	**-**	**69**	**1,994**
At 30 June 2020						
Cost	96	2	9,696	-	92	9,886
Accumulated amortisation and impairment	-	(2)	(7,867)	-	(23)	(7,892)
Carrying amount at 30 June 2020	**96**	**-**	**1,829**	**-**	**69**	**1,994**

(a) Application Software

The Application Software arises from capitalised development expenditure relating to the continued development of the Group's technology platform hosted in the cloud and mobile application software.

The Group has two CGUs : *Geo* and *Geo for Sales*. As at 30 June 2020, the *Geo* CGU and *Geo for Sales* CGU had carrying value of $1,829,000 (2019: $1,558,000) and $Nil (2019: $Nil) of Application Software respectively.

The Group performs an impairment assessment annually unless there is an internal or external indicator for impairment in which case an assessment is performed at an earlier point in time.

Management has conducted the annual formal impairment assessment on the *Geo* CGU, and has given particular consideration to the following factors:

- impact of COVID-19 pandemic on the marketing activities of the Company and customer retention; and
- decline in licences and revenues due to delays in launch of new *Geo* product and subsequent COVID-19 impact.

The recoverable amount of the *Geo* CGU was calculated on the basis of a value-in-use discounted cashflow model. Future cash flows were projected for five years based on Board-approved budget, forecast and detailed business plan using the following key estimates which were stress tested:

Key estimates used for value-in-use calculations:

Revenue growth rate	(0.1%) – 51%
Pre-tax discount rate	12%
Terminal growth rate	2%

Management determined budgeted revenue growth rate based on both past experience and future expectation of the CGU performance. In determining the growth rates, management considered the impact of COVID-19 (-1% growth rate in FY 2021), historical average growth rates and a detailed analysis of market opportunities for the CGU. The discount rates used were pre-tax and reflected specific risks relating to the CGU. The terminal growth rate is determined based on the long-term anticipated growth rate of the business.

After using various stress test scenarios detailed below and the valuation obtained, management concluded that no impairment is required for the *Geo* CGU.

	SCENARIO 1	SCENARIO 2	SCENARIO 3
Revenue growth rate	(0.1%) – 51%	(0.1%) – 38%	(0.1%) – 26%
Pre-tax discount rate	12%	12%	12%
Terminal growth rate	2%	2%	2%

(b) Goodwill and Intangibles

In FY2017, on acquisition of the InterfaceIT business, goodwill was allocated to the *Geo for Sales* CGU. As a result of impairment assessments of the *Geo for Sales* CGU at 31 December 2018, and 30 June 2019, the carrying value of goodwill related to the *Geo for Sales* CGU was reduced to $Nil with a further write down of $3,191,000 of Application Software to *Geo for Sales* CGU.

The recoverable amount of the *Geo for Sales* CGU was calculated on the basis of a value-in-use discounted cashflow model. Future cash flows were projected for five years, based on Board-approved forecast and business plans using the following key estimates:

Key estimates used for value-in-use calculations:

Revenue growth rate	15% per annum
Pre-tax discount rate	14.8%
Terminal growth rate	1%

The impairment review valued the recoverable amount of the *Geo for Sales* CGU at $Nil.

GEO has revisited the performance for *Geo for Sales* CGU at 30 June 2020 and due to further declines in revenues associated with the impact of COVID-19, concluded that no changes or reversals to the impairment of intangibles was required.

During the year, no further costs for *Geo for Sales* were capitalised to the *Geo for Sales* CGU (2019: $Nil).

Trademarks, Website and Other Intangibles

As at 30 June 2020, the *Geo* CGU had a carrying value of $96,000 (2019: $94,000) of trademarks, $Nil (2019: $Nil) of website and $69,000 (2019: $37,000) of other intangibles. There was no impairment indicator for the *Geo* CGU.

9. SUBSIDIARIES

SUBSIDIARY	EQUITY INTEREST 2020	EQUITY INTEREST 2019	BALANCE DATE	COUNTRY OF INCORPORATION	PRINCIPAL ACTIVITY
Geo Workforce Solutions Pty Ltd (formerly Geo.tools Pty Ltd)	100%	100%	30 June	Australia	Software developer and supplier
GeoOp Trustees Limited	100%	100%	30 June	New Zealand	Trustee Company
Geo for Sales Pty Ltd (formerly Interface IT Operations Ltd)	100%	100%	30 June	Australia	Software developer and supplier
Interface IT Pty Ltd	100%	100%	30 June	Australia	Holding Company
Interface IT Inc	100%	100%	30 June	United States	Software developer and supplier

10. TRADE AND OTHER PAYABLES AND CONTRACT LIABILITIES

Accounting policy

(a) Trade and Other Payables

Accounts payable are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method.

Employee Benefits

Provision is made for benefits accruing to employees in respects of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and benefits are capable of being measured reliably.

Provisions made in respect of employee benefits expected to be settled within 12 months are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provisions made in respect of employee benefits which are not expected to be settled within 12 months are measured at the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to reporting date and reported as a non-current liability.

	2020 $'000	2019 $'000
Trade and other payables	290	140
Accruals	413	460
Employee benefits	119	123
Total trade and other payables	**822**	**723**

The average credit period on trade and other payables represents an average of 30 days credit (2019: 30 days credit). The Group has financial risk policies in place to ensure that all payables are paid within payment terms.

(b) Contract Liabilities and Other Deferred Income

	2020 $'000	2019 $'000
Deferred income (government grant)	406	296
Contract liability (subscription revenue)	421	466
Total contract liabilities and other deferred income	**827**	**762**

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

Contract Liability

(i) Revenue recognised in relation to carried-forward contract liability

The following table shows the amount of revenue recognised in the current reporting period that relates to carried forward contract liability balance at beginning of the period.

	2020 $'000	2019 $'000
Subscription revenue	466	477

(ii) Revenue expected to be recognised in relation to unsatisfied performance obligations

The following table shows the revenue expected to be recognised in the future relating to performance obligations that were unsatisfied (or partially satisfied) at the balance sheet date.

EXPECTED TIMING OF RECOGNITION	2020 $'000	2019 $'000
As at 30 June 2020		
Subscription revenue	421	466

11. CONVERTIBLE NOTE

Accounting policy

The convertible notes are recorded initially at fair value and subsequently measured at fair value through the profit and loss.

The movement in carrying value of the convertible note liability is as follow:

	NOTE	2020 $'000	2019 $'000
Opening balance		-	1,466
Converted to ordinary shares	12(i)	-	(1,466)
Closing balance		**-**	**-**

On 1 June 2016 3,000,000 unlisted convertible notes of $1 each were issued as part consideration to the vendors on acquisition of Interface IT Pty Ltd. During the year ended 30 June 2017, 1,534,000 of these notes were converted to ordinary shares.

The notes were fully paid, having a 0% coupon and a two-year term at which time they were, at the option of the holder, to be repaid or converted to ordinary shares (at the 90-day volume weighted average price per share over the preceding 90 trading days). The notes were able to convert earlier, at the option of the holder, at the 90-day volume weighted average price per share over the preceding 90 trading days or, if GEO undertook a capital raise, at the capital raise price.

The remaining balance of 1,466,000 convertible notes were converted to 9,773,180 ordinary shares at the same price as the Company's capital raise price of $0.15 on 9 July 2018.

12. SHARE CAPITAL

Accounting policy

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

All shares are ordinary shares, they have been fully paid and have no par value. Fully paid ordinary shares carry one vote per share, carry a right to dividends and a pro-rate share of net assets on a wind up.

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

	NOTE	NUMBER OF SHARES	$'000
Balance at 30 June 2018		**53,172,198**	**28,719**
Movements during the year			
Issue of shares on conversion of convertible notes – related parties	i	9,773,180	1,466
Issue of shares on conversion of related party loans	ii	6,474,488	971
Issue of shares under right issue	iii	10,647,364	1,634
Issue of shares – related parties	iv	186,535	31
Issue of shares under placement – other parties	v	200,000	30
Deferred shares issue under placement – related parties	vi	297,619	50
Transaction costs for the issue of new share		-	(131)
Issue of shares under placement	vii	256,849	38
Balance at 30 June 2019		**81,008,233**	**32,808**
Movements during the year			
Issue of shares under placement – related parties	i	661,564	66
Capital reduction – small share buyback	ii	(498,702)	(50)
Issue of shares under placement – related parties	iii	500,000	50
Balance at 30 June 2020		**81,671,095**	**32,874**

2019

In the year to 30 June 2019, the Company issued equity as follows:

i. On 9 July 2018, the Company converted convertible notes to equity by issuing 9,773,180 ordinary shares at an issue price of $0.15 in settlement of convertible note liability of $1,466,000 (Note 11).

ii. On 9 July 2018, 6,474,488 shares were issued at a price of $0.15 to Wentworth Financial Pty Limited for settlement of the outstanding related party loan by $971,000 (Note 14 (c)).

iii. On 9 July 2018, the Company issued 10,647,364 ordinary shares for $1,634,000. Shares were issued to both related and non- related parties.

   a. 9,429,918 shares were issued in a 1-for-4 entitlement offer at a price of $0.15 per share. Certain executive and non-executive directors purchased shares in the issue as follow:
      - 800,000 shares were issued to the former CEO, Kylie O'Reilly. 500,000 of these shares were paid to Iper Pty Limited, a company in which Kylie O'Reilly is a director and shareholder.
      - 300,834 shares were issued to Ashelie Investments Pty Ltd, a company in which Rochelle Lewis, the former Chief Financial Officer is a director and shareholder.
      - 270,750 shares were issued to The Backbone Trust, a trust in which Mark Rushworth, former director is a trustee.
      - 102,500 shares were issued to Ebbeck Holdings Pty Ltd, a company in which Tim Ebbeck, former director is a director and shareholder.
      - 7,955,834 shares were issued to non-related parties under a capital raising process.

   b. 1,217,446 shares were issued from the shortfall facility at a price of $0.18 per share to non-related parties.

iv. On 9 July 2018, the Company issued 186,535 shares to the former CEO, Kylie O'Reilly, at $0.167 per share in lieu of 2018 salary remuneration.

v. On 9 July 2018, the Company issued 200,000 shares to Philip Hardie Boys at $0.15 per share as payment for services rendered in relation to the Company's rights issue.

vi. On 12 July 2018, the Company issued 297,619 shares at $0.168 per share in satisfaction of accrued and unpaid directors fees for year ended 30 June 2018 being 82,672 shares to former director, Mark Rushworth and 214,947 shares to former director, Tim Ebbeck.

vii. On 22 March 2019, the Company issued 256,849 shares at $0.146 per share to two directors in satisfaction of accrued and unpaid directors fees being 171,233 shares to former director, Mark Rushworth and 85,616 shares to Rod Snodgrass.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

2020

During the year ended 30 June 2020, the Company issued shares as follows:

i. On 16 September 2019, the Company issued 661,564 shares at $0.10 per share to directors and former director in satisfaction of accrued and unpaid directors fees being 250,000 shares to Rod Snodgrass, 119,897 shares to Shailesh Manga and 291,667 shares to Mark Rushworth.

ii. On 18 December 2019, the Company repurchased and cancelled 498,702 shares held by shareholders with less than $200 minimum holdings at a volume weighted average price of $0.1077 to reduce administration and transaction costs and improve capital structure.

iii. On 6 March 2020, the Company issued 500,000 shares at $0.10 per share to the CEO, Timothy Molloy as a sign on bonus pursuant to the CEO's employment contract.

13. EARNINGS PER SHARE

Accounting policy

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares.

- Basic EPS is calculated by dividing the Group profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares on issue during the period.
- Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of shares on issue for the effects of any potential dilutive issue of ordinary shares.

	NOTE	2020	2019
Net (loss) after tax for the period ($'000)		(2,054)	(5,495)
Weighted average number of ordinary shares issued		81,402,443	78,708,939
Weighted average potential ordinary shares		11,480,220	-
Weighted average number of ordinary shares for diluted earnings (loss) per share		**92,882,663**	**78,708,939**
Basic earnings (loss) per share (cents)		(2.52)	(6.98)
Diluted earnings (loss) per share (cents)		(2.21)	(6.98)

14. RELATED PARTY TRANSACTIONS

a. Remuneration

Directors

At reporting date, the Directors of Geo Limited (the "Company") controlled 29.75% (2019: 32.26%) of the voting shares in the Company.

(i) Roger Sharp, Chair of the Company held (directly and indirectly) 29.75% (2019: 31.61%) of the shares in the Company at balance date.

a. During the year, the Company paid North Ridge Partners Pty Ltd, a company of which Roger Sharp is a director and shareholder, $71,250 (2019: $68,750) for director and Chair fees in cash, and;

b. $50,000 consulting fees for acting as the Company's strategic and financial advisor in relation to potential corporate actions including capital raising, equity and debt investments (2019: $182,000).

c. Amount owed to Mr. Sharp in respect of director's fees at year end was $5,000 (2019: $6,250).

d. During the year, the Company appointed Peter Hynd, who is also a partner in North Ridge Partners Pty Ltd, as the Chief Financial Officer. Amount owed to North Ridge Partners Pty Ltd for the provision of Mr. Hynd's services at year end was $13,900.

(ii) Mark Rushworth was appointed as an independent non-executive director on 1 February 2018 and resigned on 2 August 2019. During the year Mr. Rushworth was paid $9,722 (2019: $8,333) in director's fees in cash and $29,000 (2019: $39,000) in shares, in lieu of director's fees. The amount owed to Mr. Rushworth at year end was $Nil (2019: $8,200) in cash and $Nil (2019: $25,250) in shares.

(iii) Rod Snodgrass was appointed as an independent non-executive director on 15 October 2018. During the year Mr. Snodgrass was paid $16,516 (2019: $4,167) in director's fees in cash and $25,000 (2019: $12,500) in shares, in lieu of director's fees. Mr. Snodgrass was also paid $15,000 in cash and $30,000 in shares accrued in lieu of consultancy services provided. The amount owed to Mr. Snodgrass at year end was $7,150 (2019: $8,200) in cash and $76,900 (2019: $25,000) in shares.

(iv) Shailesh Ishvar Manga was appointed as an independent non-executive director on 25 March 2019. During the year Mr. Manga was not paid any director's fees in cash (2019: $Nil) and $11,990 (2019: $Nil) in shares, in lieu of director's fees. The amount owed to Mr. Manga at year end was $19,525 (2019: $4,125) in cash and $46,900 (2019: $12,500) in shares.

Key Management Personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly and include the Chief Executive Officer and the executive team.

The following table summarises remuneration earned by key management personnel and directors:

		2020 $'000	2019 $'000
Directors' fees	- cash portion paid and accrued	104	102
	- shares issued and accrued	94	101
	- other consultancy	15	-
Short term employee benefits and contractors		790	648
Share based payments expense		30	-
		1,033	851

Increase in short term employee benefits and contractors has resulted from accounting for both the current and former CEO remuneration.

b. Loans to Directors

	INTEREST PAID/RECEIVED		BALANCES OUTSTANDING	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Opening Balance (Non-Executive directors)	-	-	-	194
Less: Loan Repayment	-	-	-	(194)
Closing Balance	-	-	-	-

In 2013, GEO provided an interest-free loan facility to two Non-Executive Directors, Viv Brownrigg and Mark Weldon (who resigned on 16 March 2018 and 31 August 2016) that enabled them to each acquire 200,000 shares at $1.00 per share (for a total of 400,000 shares).

The loans were interest free and discounted back to the value at the time of issue at September 2013. Mark Weldon repaid the loan in its entirety on 12 November 2018.

c. Related Party Loan Payable

Accounting policy

Related party loans are measured at initial recognition at fair value, plus transaction costs (if any) and are subsequently measured at amortised cost using the effective interest rate method or at fair value through profit or loss depending on the classification of liability.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

The Group has applied NZ IAS 32 to evaluate if the convertible note (related party loan) is a debt or equity instrument and determined that it is a compound financial instrument which has both debt and equity component. The Group has used the following steps to determine the debt and equity components of the compound financial instrument:

1. Identify the various components of the compound financial instrument.
2. Determine the fair value of the compound financial instrument as a whole.
3. Determine the fair value of the liability component of the convertible note by determining the fair value of future cash flows with the same parameters (maturity, coupon rate) but without the option to convert into issuer's shares. The Group has assumed an interest rate of 13.13% as appropriate.
4. Determine the fair value of the equity component which is fair value of compound financial instrument as a whole less fair value of the liability component.
5. Allocate transaction costs to liability and equity components proportionally.

	NOTE	2020 $'000	2019 $'000
Opening balance		-	1,528
Related party loan - debt component		1,003	-
Related party loan - equity component		202	-
Loan repayment - cash		-	(551)
Loan repayment - conversion of convertible note to ordinary shares	12(ii)	-	(971)
Loan repayment - foreign currency loss		-	(6)
Closing balance		**1,205**	-

2020

On 23 August 2019, Geo Limited entered into a facility agreement in the form of a convertible note of up to $1,500,000, extendible by mutual agreement to $2,000,000 with its major shareholder, North Ridge Partners Pty Limited to fund the Company's working capital requirements.

The facility is unsecured with a three-year term, with six monthly conversion windows unless redeemed for cash or converted to equity sooner. Interest on the loan is 6% annualised, compounded daily and payable quarterly in arrears. If the Company completes an equity raise, the principal and any capitalised interest may be paid by way of the issue of shares at $0.10 per share. At any point prior to the conversion date, the Company may elect to repurchase the convertible notes at a premium.

The Company has agreed to pay the holder an additional cash fee of 5% of the amount drawn down under the agreement. The Company has recognised a loan facility fee payable to North Ridge Partners Pty Ltd of $57,400 proportionally allocated to liability and equity components. Interest accrued on the related party loan was $27,000 as at the balance date.

2019

On 12 December 2017, the Company entered into a facility agreement with Wentworth Financial Pty Ltd (a company of which Chairman Roger Sharp is a director and shareholder), of up to $1,500,000 with its major shareholder North Ridge Partners / Wentworth Trust to fund the Company's working capital requirement, pending a rights issue and/or placement in 2018.

The Interest on the loan was 5% annualised, calculated daily, until 1 June 2018 and then 15% afterward if not redeemed for cash or converted to equity, subject to a three-month extension if a capital raise was underway. Interest was capitalised into the loan balance.

In July 2018, the related party loan was fully settled in two instalments:

- $971,000 of the loan was repaid by issuing 6,474,488 shares at a price of $0.15 per share to Wentworth Financial Pty Ltd on 9 July 2018 during capital raising process; and
- the balance of $551,000 was settled in cash on 10 July 2019 with $6,000 foreign currency loss.

15. LEASE LIABILITIES

Accounting policy

2019 Policy

Commitments are future expenses and liabilities to be incurred on contracts entered into before balance date.

Cancellable commitments that have penalty or exit costs explicit in the agreement are reported at the minimum future payments, including the value of the penalty or exit cost. Commitments include:

- non-cancellable operating leases for property, which are measured as the future payments due under the lease contract
- other non-cancellable commitments for consulting contracts, which are measured as the future payments due under the contracts.

Non-cancellable operating lease commitments are as follows:

	2019 $'000
Less than one year	112
After one year but more than five years	359
	471

Current Policy

Under NZ IFRS 16 all qualifying leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the consolidated statement of profit or loss and other comprehensive income over the lease period. The right-of-use asset is depreciated over the asset's lease term on a straight-line basis.

The lease payments are discounted using the incremental borrowing rate of 5.36%, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. The Group has determined appropriate incremental borrowing rate with reference to property yield rates and discount rates used for valuation of similar premises obtained from listed property investment companies.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the group is contractually required to dismantle, remove or restore the leased asset.

The Group has leases for property and office equipment. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The consolidated statement of comprehensive income includes operating expenses of $3,600 which relates to short term leases or leases of low value.

Lease liabilities

	LAND AND BUILDINGS $'000	TOTAL $'000
At 1 July 2019	422	422
Rent concession	(14)	(14)
Interest expense	21	21
Lease payments	(99)	(99)
Foreign exchange movements	4	4
At 30 June 2020	334	334

The maturity of the lease liabilities is as follows:

	2020 $'000	2019 $'000
Less than 1 year	102	-
Later than 1 year but not more than five years	232	-
	334	-

Right-of-use asset balances are included in Note 7.

16. CONTINGENT ASSETS, LIABILITIES AND CAPITAL COMMITMENT

Accounting policy

(a) Contingent Assets and Contingent Liabilities

Contingent assets and contingent liabilities are disclosed at the point at which the contingency is evident.

Contingent assets are disclosed if it is probable that the benefits will be realised. Contingent liabilities are disclosed if the possibility that they will crystallise is not remote.

There were no material contingent assets or contingent liabilities at 30 June 2020 (2019: $Nil).

(b) Capital Expenditure Commitments

Capital Commitments are future expenses to be incurred on contracts entered into before balance date.

As at 30 June 2020 there were no capital expenditure commitments (2019: $Nil).

17. SEGMENTAL REPORTING

Accounting policy

The accounting policies of the reportable segments are the same as the Group's accounting policy described. Segment profit represents the profit before tax earned by each segment without allocation of general and administration costs, director costs, capital raising costs, interest income, amortisation and depreciation. This is the measure reported to the chief operating decision makers for the purposes of resource allocation and assessment of segment performance. The chief operating decision maker for the Group is the Chief Executive Officer.

Identification of Reportable Segments

Information reported to the chief operating decision makers for the purposes of resource allocation and assessment of segment performance focuses on the type of product delivered. The directors of the Company have chosen to organise the Group around differences in products and services. No operating segments have been aggregated in arriving at the reportable segments of the Group.

For both the years ended 30 June 2020 and year ended 30 June 2019 financial information about geographical areas is not available and the cost to develop it has been deemed to be excessive.

Types of Services Provided

The group has identified two main products being *Geo* and *Geo for Sales*.

Geo is a mobile workforce management and costing solution that helps users create, schedule and assign jobs to field workers in real time. On site, workers can generate quotes, record job details and attach photos, signatures and files immediately. Once the jobs have been completed, workers can send invoices and organise fast payment. All customer records are available anywhere, at any time.

Geo for Sales is a field sales management solution, it was introduced to GEO's product suite in 2016 through the acquisition of Interface IT. It allows managers to allocate selling regions to staff, provides detailed geographic and demographic information and monitor sales performance in real time.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

Segment Revenues and Results

The following is an analysis of the Group's revenue and results from continuing operations by reportable segment.

	GEO $'000	GEO FOR SALES $'000	TOTAL $'000
Year ended 30 June 2020			
Revenue from contracts with customers	3,317	692	4,009
Total segment revenue	**3,317**	**692**	**4,009**
Hosting and infrastructure costs	(730)	(237)	(967)
Sales and marketing	(363)	(3)	(366)
Staffing	(2,993)	(328)	(3,321)
Internal Software	(75)	(1)	(76)
Total segment expenses	**(4,161)**	**(569)**	**(4,730)**
Segment earnings	**(844)**	**123**	**(721)**
Year ended 30 June 2019			
Revenue from contracts with customers	3,556	1,419	4,975
Total segment revenue	**3,556**	**1,419**	**4,975**
Hosting and infrastructure costs	(629)	(259)	(888)
Sales and marketing	(443)	(23)	(466)
Staffing	(2,347)	(1,107)	(3,454)
Internal Software	(55)	(7)	(62)
Write down of intangible assets	-	(3,191)	(3,191)
Total segment expenses	**(3,474)**	**(4,587)**	**(8,061)**
Segment earnings	**82**	**(3,168)**	**(3,086)**

Segment revenue reported above represents revenue generated from external customers. There were no intersegment sales in the current year (2019: nil).

Reconciliation of segment earnings to statement of comprehensive income:

	2020 $'000	2019 $'000
Segment earnings	(721)	(3,086)
Add: Other revenue	764	620
Less: General operating and administration	(1,289)	(2,093)
Less: Amortisation of intangible assets	(682)	(903)
Less: Depreciation of property, plant and equipment	(126)	(33)
Net loss before tax	**(2,054)**	**(5,495)**

Segment Assets and Liabilities

The segment asset and liabilities are assessed by the chief operating decision makers at a group level for both year ended 30 June 2020 and 30 June 2019.

Information About Major Customers

None of the customers contributed 10% or more to the Group's revenue in either 2020 or 2019.

18. RECONCILIATION OF NET LOSS WITH CASH FLOWS FROM OPERATING ACTIVITIES

	2020 $'000	2019 $'000
Net loss from operations for the year	(2,054)	(5,495)
Adjustments for non-cash items:		
Amortisation of intangible assets	682	903
Depreciation of property, plant and equipment	126	33
Write down of intangible assets	-	3,191
Loss on disposal of assets	-	60
Share based payment expenses	196	101
Rent concessions	(14)	-
Unrealised foreign exchange (gain)/ loss	20	(99)
Other non-cash items	(39)	-
	971	4,189
Movements in working capital:		
Accounts receivable and other receivables	334	182
Accounts payable and accruals	310	(94)
	644	88
Net cash (outflow) from operating activities	(439)	(1,218)

19. FINANCIAL RISK MANAGEMENT

The Group is subject to a number of financial risks including liquidity risk, credit risk and market risk. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. Specific risk management objectives and policies are set out below:

Accounting policy

(a) Capital Risk Management

The capital structure of the Group consists of equity raised by issue of ordinary shares, convertible notes, equity reserves and accumulated losses.

The Group manages its capital to ensure that the Group will be able to continue as a going while also considering the dilutionary impact of capital initiatives to maximise the return to stakeholders. Capital comprises issued capital, convertible notes and retained losses as disclosed in Note 11 and Note 12.

The Group's board of directors review the capital structure on a regular basis to ensure that entities in the Group are able to continue as going concern (see Note 2). The Directors consider that funding growth in recurring subscription revenues, given the high margin of incremental revenues, is the appropriate strategy to reduce the Company's current cash burn run rate and to move to a cash generative position within an appropriate timeframe.

The Group is not subject to externally imposed capital requirements.

(b) Liquidity Risk Management

Liquidity risk is the risk that the Group will not have sufficient funds to meet commitments as they fall due.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities (Refer Note 2). The Group has also appointed North Ridge Partners Pty Limited as Company's strategic and financial advisor in relation to potential corporate actions including capital raising, equity and debt investments.

All liabilities have maturity within 12 months other than provision for long service leave, related party loans and lease liabilities.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

The table below analyses the Group's financial liabilities into maturity groupings based on the remaining period from the end of financial year to the contractual maturity date.

Financial Liabilities

	2020 $'000	2019 $'000
Less than 12 months	738	444
Later than 12 months	1,235	-
Total financial liabilities	**1,973**	**444**

Financial liabilities have increased significantly from 2019 resulting from:

- $1,003,000 – liability component of related party loan (convertible note agreement) treated as compound financial instrument;
- $334,000 – lease liability recorded in the statement of financial position as required under NZ IFRS 16: Leases.

(c) Interest Rate Risk

Interest rate risk is the risk that changes in interest rates negatively impact the Group's financial performance, its cash flows or the value of its financial instruments.

The Group's interest rate risk arises from its cash balances that are placed on deposit at variable rates. The Group does not enter into forward rate agreements.

Management regularly review its banking arrangements to ensure the best returns on funds.

Interest rates on cash and cash equivalents ranged from 0% to 2.30% (2019: 0% to 2.99%).

(d) Credit Risk

Credit risk refers to the risk that a counter-party will default on its contractual obligations resulting in financial loss to the Group. Financial instruments which potentially subject the Group to credit risk principally consist of cash at bank, director loans and accounts receivable. The Board monitors and manages the exposure to credit risk.

The maximum exposures to credit risk at balance date are:

	2020 $'000	2019 $'000
Cash and short term deposits	313	1,024
Trade receivable	51	327
Grants receivable	570	599
Sundry debtors	63	17
Other receivables - current	30	-
Other receivables – non-current	30	58
Total financial assets subject to credit risk	**1,057**	**2,025**

The Group's bank accounts are held with ASB Bank, BNZ Bank, National Australia Bank and Bank of America. At 30 June 2020, the credit risk associated with receivables is considered minor with a major grant receivable from ATO. The Group's bank accounts are held with reputable banks in New Zealand, Australia and America. The Group does not have any other concentrations of credit risk.

The Group does not require any collateral or security to support financial instruments.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

(e) Foreign Exchange Risk

The Group is exposed to foreign currency movements against the New Zealand Dollar. International sales are made in the Australian, USA and UK markets. The Company's Australian operations are funded directly from New Zealand.

As a result, the financial statements can be affected by movements in these foreign exchange rates.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

	ASSETS		LIABILITIES	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Currency of Australia	662	841	582	518
Currency of USA	7	34	8	6
Currency of UK	1	2	3	-

The following sensitivity analysis is based on the foreign currency risk exposures in existence at the reporting date. As at 30 June 2020, had the New Zealand Dollar moved, as illustrated in the table below, with all other variables held constant, post-tax profit and loss and equity would have been affected as follows:

	2020			
	AUD $'000	USD $'000	OTHER $'000	TOTAL $'000
Increase in the value of the NZD by 10%				
Impact on profit or (loss)	(366)	(1)	-	(367)
Impact on equity	(1,086)	(6)	-	(1,092)
Decrease in the value of the NZD by 10%				
Impact on profit or (loss)	366	1	-	367
Impact on equity	1,086	6	-	1,092

	2019			
	AUD $'000	USD $'000	OTHER $'000	TOTAL $'000
Increase in the value of the NZD by 10%				
Impact on profit or (loss)	(708)	(1)	-	(709)
Impact on equity	(806)	(5)	-	(811)
Decrease in the value of the NZD by 10%				
Impact on profit or (loss)	708	1	-	709
Impact on equity	806	5	-	811

For the year ended 30 June 2020

(f) Fair Value of Financial Instruments

There are no significant differences between the fair values and the carrying amounts of financial assets and liabilities in the Consolidated Statement of Financial Position as at balance date.

	FINANCIAL ASSETS AT AMORTISED COST $'000	FINANCIAL LIABILITIES AT AMORTISED COST $'000	TOTAL CARRYING VALUE $'000
30 June 2020			
Assets			
Cash and cash equivalents	313	-	313
Trade receivables	684	-	684
Other assets – current	30	-	30
Other assets – non-current	30		30
Total financial assets	**1,057**	**-**	**1,057**
Liabilities			
Accounts payable	-	636	636
Lease liabilities	-	334	334
Related party loans – debt instrument	-	1,003	1,003
Total financial liabilities	**-**	**1,973**	**1,973**
30 June 2019			
Cash and cash equivalents	1,024	-	1,024
Trade receivables	943	-	943
Other assets	58	-	58
Total financial assets	**2,025**	**-**	**2,025**
Liabilities			
Accounts payable	-	444	444
Total financial liabilities	**-**	**444**	**444**

20. SHARE BASED PAYMENTS

The share based payment reserve is used to record the accumulated value of unexercised share options and vested share rights which have been recognised in the statement of comprehensive income.

Equity settled share based payments to employees, directors and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in Note 12 and this note.

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

(a) Share Based Payments Reserve

	2020 $'000	2019 $'000
Opening balance	63	84
Share based payment expenses	196	101
Transfer to issued share capital	(113)	(122)
Closing balance	**146**	**63**

(b) Share Based Payments Expense

	2020 $'000	2019 $'000
CEO Sign on bonus	50	-
2019 Short term incentive	22	-
Directors' fees	94	101
Other payments	30	-
Total for the year	**196**	**101**

CEO Sign on bonus

During the year, the Company issued 500,000 shares at $0.10 per share to the CEO, Timothy Molloy as a sign on bonus pursuant to the CEO's employment contract.

2019 Short term incentive

During the year shares were accrued for the former Chief Financial Officer ($9,000) and former Chief Executive Officer ($13,000). These shares related to 2019 short term incentive payments.

Directors' fees

The Independent Directors of GEO are able to elect to receive up to two thirds of their fees in GEO ordinary shares. The fair value of the shares issued is determined having regard to the volume weighted average price over twenty business days following the six-month period to which the service was provided. Where shares are issued in lieu of cash the Company may elect to add an increment of up to 50% of the value of shares issued, to compensate for the risks of being remunerated in shares in lieu of cash.

During the year, director fees were accrued for Rod Snodgrass and Shailesh Manga for $94,000 in shares. (2019: $101,000)

Other payments

On 23 August 2019, the Company announced that Rod Snodgrass, Non-Executive Director, would assist the CEO with the acceleration of *Geo* licence growth for three months and be remunerated $15,000 per month, comprising $5,000 cash and $10,000 in GEO shares at $0.10 per share. On 30 June 2020, $30,000 worth of shares were accrued but not issued.

21. SIGNIFICANT EVENTS SUBSEQUENT TO REPORTING DATE

The following events occurred after 30 June 2020:

a) a further $106,000 of convertible loan was drawn down post reporting date.

b) 526,635 convertible notes were issued pursuant to the Convertible Note Agreement dated 23 August 2019 between North Ridge Partners Pty Limited and GEO.

There were no other significant events after the balance date.

BDO Wellington Audit Limited

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF GEO LIMITED

Opinion

We have audited the consolidated financial statements of Geo Limited ("the Group"), which comprise the consolidated statement of financial position as at 30 June 2020, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 30 June 2020, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ("ISAs (NZ)"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

Other than in our capacity as auditor we have no relationship with, or interests in, the Group.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the consolidated financial statements, which indicates that the Group has incurred a net loss from operations of $2,054,000 (2019: $5,495,000), net cash outflow from operating activities of $439,000 (2019: $1,218,000). As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

INDEPENDENT AUDITOR'S REPORT

Key audit matter	How the matter was addressed in our audit
Intangible assets – Internally developed application software The Group's internally developed application software for the year ending 30 June 2020 had a carrying value of $1,829,000 after additions of $919,000 were capitalised during the year. The Group's process for capitalising internally developed software involves judgment such as estimating time staff have spent developing the software and determining the value added to the software for that time spent. Given the material nature and high degree of judgment in determining these factors the capitalisation of internally developed software was a risk for our audit. See note 8 to the consolidated financial statements where the Group's capitalised costs and accounting policy for capitalising internally generated intangible assets are disclosed.	Our work focused on the Group's process for determining what should be capitalised and how much should be capitalised. Our procedures around this included the following: • assessing the nature of a sample of projects against the requirements of NZ IAS 38 to determine if they were capital in nature; • assessing the procedures applied by the Group to review the rates applied to capitalise payroll costs; • assessing capitalised costs with reference to actual payroll information for a sample of employees; and • assessing the adequacy of the disclosures related to the capitalised development costs in the consolidated financial statements.
Intangible assets – *Geo* cash generating unit (CGU) impairment assessment Intangible assets make up $1,994,000 of the Group's $3,484,000 total assets, the most significant of which is the capitalised application software. NZ IAS 36 requires that finite life intangible assets be tested for impairment whenever there is an indication that they may be impaired. The impairment assessment model used requires significant judgment such as forecasting revenue growth rates, discount rates, and a terminal growth rate. See note 8a to the consolidated financial statements where the Group's impairment assessment and policy is disclosed. The assessment as to whether there are any indicators of impairment requires judgment including consideration of both internal and external sources of information.	We assessed and challenged the factors that the Group considered in their impairment assessment. This included having regard to: • significant changes in the extent or manner in which the associated software is used; • assessing forecast cashflows associated to the capitalised development costs including comparing forecasted revenue growth rates to historic growth and industry benchmarks; • performing sensitivity testing over growth rates, discount rates, and margins forecasted; • amortisation periods applied by the Group to developed software relative to its experience of software lifecycle; and • assessing the adequacy of disclosures related to impairment considerations in the consolidated financial statements.

Other Matter

The consolidated financial statements of the Group for the prior period were audited by Deloitte. Deloitte at the time expressed an unmodified opinion in their report dated 25 September 2019.

INDEPENDENT AUDITOR'S REPORT

BDO Wellington Audit Limited

Other Information

The directors are responsible for the other information. The other information comprises the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

Directors' Responsibilities for the Consolidated Financial Statements

The directors are responsible on behalf of the Group for the preparation and fair presentation of the consolidated financial statements in accordance with NZ IFRS, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITOR'S REPORT

BDO Wellington Audit Limited

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

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

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

Who We Report To

This report is made solely to the Group's shareholders, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group and the Group's shareholders, as a body, for our audit work, for this report or for the opinions we have formed.

The engagement partner on the audit resulting in this independent auditor's report is Mark Bewley.

BDO Wellington Audit Limited

BDO Wellington Audit Limited
Wellington
New Zealand
15 September 2020

NON-GAAP FINANCIAL INFORMATION

For the year ended 30 June 2020

GEO's standard profit measure prepared under NZ GAAP is net profit after tax (NPAT). GEO has used a non-GAAP profit measure of earnings in this document (defined detailed and reconciled to GAAP measures below) and intends to do so in the future allowing investors to compare periods. The directors and management believe this measure provides useful information to readers to assist in understanding the Company's financial performance and position.

These measures are also used internally to evaluate performance of the business to establish operational goals and to allocate resources. Non-GAAP profit measures are not prepared in accordance with NZ GAAP (and therefore do not comply with International Financial Reporting Standards) and are not uniformly defined. Therefore, the non-GAAP profit measures reported in this document may not be comparable with those that other companies report and should be viewed in isolation.

YEAR ENDED 30 JUNE	2020 $'000	2019 $'000	VARIANCE $'000	VARIANCE %
Revenues				
Geo Subscription Revenue	3,317	3,550	(233)	-6.6%
Geo for Sales Subscription Revenue	664	1,357	(693)	-51.1%
Recurring Revenues (Subscriptions)	3,981	4,907	(926)	-18.9%
Training & Implementation Fees	28	68	(40)	-58.8%
Other Revenues (incl. grants)[1]	764	620	144	+23.2%
Total Revenues	4,773	5,595	(822)	-14.7%
Earnings				
Statutory Net (Loss) after Tax	(2,054)	(5,495)	3,441	-62.6%
EBITDA [2]	(1,198)	(1,368)	170	-12.4%
Operational Cash Flows				
Operating Cash Flows	(439)	(1,218)	779	-64.0%
Investing Cash Flows	(998)	(1,199)	201	-16.8%
Total Operating & Investing Cash Flows	(1,437)	(2,417)	980	-40.5%
Licenses				
Geo	14,807	16,347	(1,540)	-9.4%
Geo for Sales	231	905	(674)	-74.5%
Monthly ARPU				
Geo	$17.79	$17.09	$0.70	+4.1%
Geo for Sales	$82.59	$93.05	$(10.46)	-11.2%

1. Government grants of $684k were received (cash) in FY20 vs $659k in FY19
2. EBITDA is the statutory net loss from operations less interest, tax, depreciation, amortisation and write down of intangibles and does not have a standardised meaning prescribed by NZ GAAP

CORPORATE GOVERNANCE

For the year ended 30 June 2020

The objective of the Board of Geo Limited ("GEO") is to enhance shareholder value. The Board considers there is a strong link between good corporate governance and the achievement of this objective.

The Board considers that its corporate governance framework complies with the NZX Corporate Governance Code 2019 (NZX Code), except as stated within this report. In this regard, there are a few areas where GEO continues to make progress to ensure compliance with the NZX Code. The information in this report is current as at the date of release of the 2020 Annual Report and has been approved by the Board of GEO.

The key corporate governance documents referred to in this report are available on GEO's website at www.geoworkforcesolutions.com.

GEO is listed on the NZX's Main Board and is subject to regulatory control and monitoring by both the NZX and the Financial Markets Authority (FMA).

PRINCIPLE 1 – CODE OF ETHICAL BEHAVIOUR

Directors should set high standards of ethical behaviour, model this behaviour and hold management accountable for these standards being followed throughout the organisation.

GEO is committed to maintaining the highest ethical standards by Directors, staff and suppliers. GEO has a Code of Ethics to guide executives, management and employees in carrying out their duties and responsibilities. A copy of this is available on GEO's website.

The Code covers such matters as:

- expected conduct;
- confidentiality;
- use of assets;
- corporate social responsibility; and
- acceptance of gifts.

The Code requires Directors and employees to promptly report material breaches of the Code. In addition, GEO has adopted a Whistleblowing Policy that sets out the processes by which suspected serious wrongdoing can be reported, and the whistleblower is protected.

GEO has a process to enable training for all new and existing employees to ensure awareness and understanding of the Code.

GEO has a Securities Trading Policy to explain expectations and requirements for dealing in GEO securities and to protect from the risk of breaching insider trading laws. A copy of this is available on GEO's website.

Details of Directors' share dealings are on page 56 of the 2020 Annual Report.

PRINCIPLE 2 – BOARD COMPOSITION AND PERFORMANCE

To ensure an effective Board, there should be a balance of independence, skills, knowledge, experience and perspectives.

The business and affairs of GEO are managed directly by the Board of Directors. The Board:

- establishes long-term goals and strategic plans to achieve those goals;
- reviews and adopts the annual budgets for financial performance and monitors results monthly;
- ensures preparation of the annual and half-yearly financial statements;
- manages risk by ensuring that GEO has implemented adequate systems of internal controls together with appropriate monitoring of compliance activities; and
- works with management to create shareholder value.

CORPORATE GOVERNANCE

For the year ended 30 June 2020

GEO's Board operates under a written Board Charter which sets out the structure of the Board; the procedures for the nomination, resignation and removal of Directors; outlines the responsibilities and roles of the Chairman and Directors; and identifies procedures to ensure that the Board meets regularly, conducts its meetings in an efficient and effective manner and that each Director is fully empowered to perform his or her duties as a Director of the Company and to fully participate in meetings of the Board. A copy of the Charter is available on GEO's website.

Management of GEO is undertaken by the executive team under the leadership of the Chief Executive Officer (CEO), through a set of delegated authorities that are reviewed regularly.

Directors have direct access to and may rely upon GEO's senior management and external advisers. Directors have the right, with the approval of the Chairman, to seek independent legal or financial advice at the expense of GEO for the proper performance of their duties.

Board Composition and Appointment

The number of elected Directors and the procedure for their retirement and re-election at Annual Shareholders' Meetings are set out in the Constitution of the Company.

The Remuneration and Nomination Committee assists the Board in reviewing the criteria for selection of Directors and making recommendations to the Board to ensure the most appropriate balance of skills, qualifications, experience and background to effectively govern GEO.

All directors are required to retire (though may be re-elected) not later than the third annual meeting following the director's appointment, or after three years, whichever is longer. Any Directors appointed since the previous annual meeting must also retire and are eligible for election.

The Board currently comprises three Directors: non-executive Chairman Roger Sharp, and two independent non-executive Directors Roderick Snodgrass and Shailesh Manga. The CEO, Tim Molloy, is not currently a member of the Board. The biographies of the Directors and CEO are available on GEO's website.

In determining Director independence, the Board has applied the factors in establishing whether individual directors have "disqualifying relationships" as defined by the NZX Listing Rules. Having applied these factors, the Board has determined that:

- Messrs Snodgrass and Manga do not have disqualifying relationships and therefore meet the criteria to be classified as independent directors; and
- Mr Sharp has a disqualifying relationship and therefore does not meet the criteria to be classified as an independent director. His disqualifying relationship arises by virtue of the significant shareholding he and his associates hold in the Company.

The Board considers that the skills and experience provided by Mr Sharp and the alignment of interests with other shareholders outweigh any benefits of the recommendation that the Chairman be independent. The Board considers that because Mr Sharp is a non-executive Director, and both of the other directors are independent non-executive directors, there is sufficient openness and challenging of views to ensure a diversity of views are considered by the Board, and the Chairman's independent decision making is not compromised.

The Board supports the separation of the roles of Chairman and CEO on a permanent basis, although does allow for the appointment of an Executive Chairman on a non-permanent basis if circumstances warrant.

Directors' interests disclosed in FY20 are described on page 58 of the 2020 Annual Report.

In compliance with the NZX Code, GEO provides written agreements to new Directors.

The Company encourages all Directors to undertake appropriate training and education so that they may best perform their duties. This may include attending presentations on changes in governance, legal and regulatory frameworks; attending technical and professional development courses; site visits and briefings from key executives; and attending presentations from industry experts and key advisers. In addition, updates are provided to the Board on relevant industry and company issues.

At appropriate times the Board considers individual and collective performance, together with the skill sets, training and development and succession planning required to govern the business. Given that an evaluation of Board performance was undertaken relatively recently, and during this financial year, (August 2019), a further evaluation of Board performance will be undertaken later in the FY21 financial year.

CORPORATE GOVERNANCE

For the year ended 30 June 2020

Diversity

While GEO does not have a formal Diversity Policy, the Company recognises the value of diversity of thinking and skills. This can arise through several different characteristics including but not limited to the following; gender, ethnic background, religion, age, marital status, culture, disability, economic background, education, language and sexual orientation. Different backgrounds, communication styles, life-skills and interpersonal skills are also considered of value in building diverse teams.

As at 30 June 2020, 35% of the Company's employees were female. None of its officers (being the CEO and CFO and direct reports with key functional responsibility) were female. The Company currently has no female Directors.

	2020	2019
Directors		
Male	3	4
Female	-	-
Officers		
Male	2	-
Female	-	2

Board Meetings and Attendance

The Board meets as often as it deems appropriate, including sessions to review the performance of the business versus plans and to consider the strategic direction of GEO and its forward-looking business plans. Video and/or phone conferences are mostly used since COVID-19 travel restrictions are in place.

The table below sets out Director attendance at Board and committee meetings during FY20.

		2020 $'000	2019 $'000
Total number of meetings	13	5	1
Roger Sharp	13	5	1
Mark Rushworth (resigned 2 August 2019)	-	-	-
Rod Snodgrass	13	4	1
Shailesh Manga	13	5	1

PRINCIPLE 3 – COMMITTEES

The Board should use committees where this will enhance its effectiveness in key areas, while still retaining Board responsibility.

The Board has delegated a number of its responsibilities to committees to assist in the execution of the Board's responsibilities. These committees review and analyse policies and strategies that are within their terms of reference. They examine proposals and, where appropriate, make recommendations to the full Board. Committees do not take action or make decisions on behalf of the Board unless specifically mandated by prior Board authority to do so.

The committees meet as required and have charters which are approved and reviewed by the Board. Copies of committee charters can be found on the GEO website.

Minutes of each committee meeting are forwarded to all members of the Board, who are all entitled to attend any committee meeting. Each committee is empowered to seek any information it requires from employees in pursuing its duties and to obtain independent legal or other professional advice.

The membership and performance of each committee was evaluated as part of the August 2019 Board performance evaluation.

The current committees of the Board are the Audit and Risk Management Committee, and the Remuneration and Nomination Committee. From time to time, special purpose committees may be formed to review and monitor specific projects with senior management.

In the case of a takeover offer, GEO will form an Independent Takeover Committee to oversee disclosure and response and engage expert legal and financial advisors to provide advice on procedure. A formal Takeover Response Policy can be found on GEO's website.

Audit and Risk Management Committee

The Audit and Risk Management Committee provides a forum for the effective communication between the Board and external auditors, and to review and manage risk. The Committee reviews the annual and half-yearly financial statements prior to their approval by the Board, the effectiveness of internal control and management information systems, and the efficiency and effectiveness of the audit function.

The Committee must be comprised solely of Directors of GEO, have a minimum of three members, have a majority of independent Directors and have at least one Director with an accounting or financial background. The makeup of the current members of this committee complies with this recommendation.

Members as at 30 June 2020 were Rod Snodgrass (Chair), Roger Sharp and Shailesh Manga. The Committee Chair is not the Chair of the Board.

Management may attend meetings at the invitation of the Committee. The Committee routinely has committee-only time with the external auditors without management present.

Remuneration and Nomination Committee

The Remuneration and Nomination Committee is responsible for:

- remuneration: overseeing management succession planning, establishing employee incentive schemes, reviewing and approving the compensation arrangements for senior management, and recommending to the full Board the compensation of Directors; and
- nominations: ensuring the Board comprises Directors who collectively satisfy the Board's skill matrix (as updated from time-to-time), who contribute actively to the development of strategy, who ensure that key personnel are in place to successfully manage the business, who contribute to the Board's and its committees' reviews of their own performance, and ensure that effective induction and training programmes are in place for new and existing Directors.

Members as at 30 June 2020 were Shailesh Manga (Chair), Roger Sharp and Rod Snodgrass. A majority of members are independent Directors.

Management may attend meetings only at the invitation of the Committee.

PRINCIPLE 4 – REPORTING AND DISCLOSURE

The Board should demand integrity in financial and non-financial reporting, and in the timeliness and balance of corporate disclosures.

GEO's Directors are committed to keeping investors and the market informed of all material information about the Company and its performance, in a timely manner. GEO has adopted a Continuous Disclosure Policy to ensure that material information is identified, reported, assessed and, where required, disclosed to the market in a timely manner. A copy of the Policy is available on the GEO's website.

In addition to all information required by law, GEO also seeks to provide meaningful information to ensure stakeholders and investors are well informed, including financial and non-financial information.

Financial Information

Senior Management is responsible for implementing and maintaining appropriate accounting and financial reporting principles, policies, and internal controls designed to ensure compliance with accounting standards and applicable laws and regulations.

The Board's Audit and Risk Management Committee oversees the quality and integrity of external financial reporting, including the accuracy, completeness, balance and timeliness of financial statements. It reviews GEO's full and half year financial statements and makes recommendations to the Board concerning accounting policies, areas of judgement, compliance with accounting standards, stock exchange and legal requirements, and the results of the external audit.

For the financial year ended 30 June 2020, the Directors believe that proper accounting records have been kept that enable the determination of the Company's financial position with reasonable accuracy and facilitate compliance of the financial statements with the Financial Markets Conduct Act 2013. The CEO and Chief Financial Officer have confirmed in writing to the Board that GEO's external financial reports present a true and fair view in all material aspects.

GEO's full and half year financial statements are available on the Company's website.

Non-financial information

GEO sets out, reports against and discusses its strategic objectives in a variety of communications including the Chair and CEO's commentary in shareholder reports. The Company recognises that financial reporting should be balanced, clear and objective.

Further, it provides non-financial disclosure at least annually, including any consideration of material exposure to environmental, economic and social sustainability risks, as well as other key risks.

PRINCIPLE 5 – REMUNERATION

The remuneration of Directors and executives should be transparent, fair and reasonable.

Remuneration of Directors and senior executives is a key responsibility of the Remuneration and Nomination Committee. External advice is sought as required to ensure that remuneration is benchmarked to the market for senior management, Director and Board positions. GEO's guidelines in regard to remuneration are set out in a Remuneration Policy.

Director Remuneration

The total remuneration pool available for Directors has been fixed by shareholders at a current maximum of $250,000 per annum for all non-executive Directors. The Board determines the level of remuneration paid to Directors from that pool. Directors also receive reimbursement for reasonable travelling, accommodation and other expenses incurred in the course of performing their duties.

Any proposed increases in non-executive Director fees and remuneration will be put to shareholders for approval. If independent advice is sought by the Board, it will be disclosed to shareholders as part of the approval process.

GEO shareholders have approved the payment of up to two thirds of Directors' fees in GEO shares. Where such fees are paid in shares, a loading is applied. The fair value of shares issued during FY20 was calculated using the applicable 20-day volume weighted average price.

Board Role Approved Remuneration

The fees payable to a non-executive Chairman currently amount to $75,000 per annum, inclusive of all committee participation.

The fees payable to a non-executive Director currently amount to $45,000 per annum, plus an incremental $5,000 for chairing Board committees.

No additional Directors' fees are paid for membership (as opposed to chairing) of Board committees.

Details of individual Directors' remuneration are provided on pages 31-33 and 42 of the 2020 Annual Report.

Executive Remuneration

In general, executive remuneration comprises a fixed base salary and an at-risk short-term incentive payable annually. The CEO and selected executives also receive a long-term incentive in the form of a share plan. At-risk incentives are paid against targets agreed with executives at the commencement of the period and are based on financial measures including earnings targets and progress against objectives related to the strategic plan and other personal objectives.

Executives' remuneration and entitlements are detailed under Employees' Remuneration information on page 33 of the 2020 Annual Report and are consistent with GEO's Remuneration Policy.

CEO Remuneration

The review and approval of the CEO's remuneration is the responsibility of the Board.

The CEO's remuneration comprises a fixed base salary including superannuation, an at-risk short-term incentive payable annually and a long-term incentive plan. At-risk incentives are paid against targets agreed with the CEO and are based on financial measures including earnings targets and progress against objectives related to the strategic plan and other personal objectives.

Remuneration received by the current and former CEO of GEO was as follows:

	2020 $'000	2019 $'000
Timothy Molloy - appointed 10 February 2020		
Salary	110	-
Superannuation	9	-
Share-Based payment	50	-
	169	**-**
Kylie O'Reilly – former CEO resigned 10 February 2020		
Salary	322	325
Superannuation	26	27
Share-Based payment	13	-
Total	**361**	**352**

The CEO, Timothy Molloy, entered an employment contract with effect from 10 February 2020 with fixed remuneration (including superannuation) of A$330,000 plus incentives. The incentives comprise an annual short-term incentive (STI) and a long-term incentive plan (LTI).

The STI enables payment of up to 50% of salary, subject to meeting performance hurdles relating to profitability and meeting operational targets, and is payable (at the Board's discretion) in cash and/or shares.

PRINCIPLE 6 – RISK MANAGEMENT

Directors should have a sound understanding of the material risks faced by the issuer and how to manage them. The Board should regularly verify that the issuer has appropriate processes that identify and manage potential and material risks.

The Board has overall responsibility for the Company's system of risk management and internal control. The Board delegates day-to-day management of the risk to the CEO. In addition, the Audit and Risk Management Committee provides an additional and more specialised oversight of GEO's risks in addition to the oversight provided by the Board.

The Audit and Risk Management Committee's Charter details the specific responsibilities of the Committee in regard to risk assurance.

Risk Identification

The executive team is required to regularly identify the major risks affecting the business and develop structures, practices and processes to manage and monitor these risks. It reports to the Board through a series of Risk Grids which are reviewed at each Board meeting.

Induction and Training

The Company's executive team runs an onboarding process for new employees during which the code of ethics, expense and securities trading policies, inter alia, are provided and explained on the first day of employment.

Insurance

GEO maintains insurance policies that it considers adequate to meet its insurable risks.

CORPORATE GOVERNANCE

For the year ended 30 June 2020

Health and Safety

The Board recognises that effective management of health and safety is essential for the operation of a successful business, and its intent is to prevent harm and promote wellbeing for employees, contractors and customers. The Board is responsible for ensuring that the systems used to identify and manage health and safety risks are fit for purpose, being effectively implemented, regularly reviewed and continuously improved.

Health and safety procedures are in place which GEO believes are appropriate for the size and nature of its business.

GEO has successfully implemented a remote working program, with all employees currently operating to a normal work rhythm from their homes to address the changing work environment due to COVID-19 pandemic

No health and safety incidents have been reported during FY20.

The Board is satisfied that major risks are reviewed through its existing risk review framework, which it continually reviews and strengthens. More details of GEO's financial risk management are available on pages 38 to 41 of the 2020 Annual Report.

PRINCIPLE 7 – AUDITORS

The Board should ensure the quality and independence of the external audit process.

The Board is committed to ensuring audit independence, both in fact and appearance, so that GEO's external financial reporting is viewed as being highly objective and without bias.

The Audit and Risk Management Committee reviews the quality and cost of the audit undertaken by the Company's external auditors and provides a formal channel of communication between the Board, senior management and external auditors.

An External Auditor Independence Policy has been adopted and sets out the services that may or may not be performed by the external auditor.

The Audit and Risk Management Committee approves the auditor's terms of engagement, audit partner rotation (at least every five years) and audit fee, and reviews and provides feedback in respect of the annual audit plan. The Audit and Risk Management Committee periodically has time with the external auditor without management present. The Committee also assesses the auditor's independence on an annual basis.

During the year GEO conducted a Request for Proposal (RFP) process for its statutory audit services. As a result of the review, GEO accepted the resignation of Deloitte and appointed BDO Wellington Audit Limited as its statutory auditor effective from 18 May 2020. For the financial year ended 30 June 2020, BDO Wellington Audit Limited was the statutory auditor for Geo Limited.

All audit work at GEO is fully separated from non-audit services to ensure that appropriate independence is maintained. There were no other services provided by BDO in FY20. The amount of fees paid to BDO for audit and non-audit work to Deloitte are identified on Note 3(c) of the 2020 Annual Report.

BDO has provided the Committee with written confirmation that, in its view, it was able to operate independently during the year.

Deloitte attended the FY19 Annual Shareholders' Meeting, and was available to answer questions from shareholders at that meeting.

GEO has a number of internal controls which are overseen by the Audit and Risk Management Committee and/or the Board. These include controls for information systems, cyber risk and information security, business continuity management, insurance, health and safety, conflicts of interest, and prevention and identification of fraud. The Company does not have an internal audit function.

CORPORATE GOVERNANCE

For the year ended 30 June 2020

PRINCIPLE 8 – SHAREHOLDER RIGHTS AND RELATIONS

The Board should respect the rights of shareholders and foster constructive relationships with shareholders that encourage them to engage with the issuer.

The Board is committed to open and regular dialogue and engagement with shareholders. GEO seeks to ensure that investors understand its activities by communicating effectively with them and giving them access to clear and balanced information.

GEO has a calendar of communications and events for shareholders, including but not limited to:

- half and full Year Results Announcements and Annual Report;
- market announcements;
- Annual Shareholders' Meeting;
- scheduled and ad hoc investor presentations to institutional investors and retail brokers;
- easy access to information through the GEO website www.geoworkforcesolutions.com; and
- access to management and the Board via a dedicated email address.

Shareholders are actively encouraged to attend the Annual Shareholders' Meeting and may raise matters for discussion at this event, and may vote on major decisions that affect GEO. Voting is by poll, upholding the 'one share, one vote' philosophy.

In accordance with the Companies Act 1993, GEO's Constitution and the NZX Main Board Listing Rules, GEO refers major decisions that may change the nature of the Company to shareholders for approval.

All shareholders are given the option to elect to receive electronic communications from the Company.

In addition to shareholders, GEO has a wide range of stakeholders and maintains open channels of communication for all audiences, including brokers, the investing community, regulators, staff, customers and suppliers.

Exercise of disciplinary powers

On 21 January 2020, GEO signed an agreement acknowledging New Zealand Markets Disciplinary Tribunal's (NZMDT) public censure, resulting in a determination that in NZX's view GEO did not comply with NZ IFRS and breached NZX Listing Rules 10.3.2, 10.4.2 and 10.5.1. The determination relates to GEO's decision not to impair its *Geo for Sales* unit until it announced its 2018 full year results in August 2018. While GEO settled this matter with the NZDMT by agreeing to pay a financial penalty of $40,000 and NZX's costs of $30,000, GEO did not admit liability, and NZMDT has accepted this position.

SHAREHOLDER INFORMATION

For the year ended 30 June 2020

1. DIRECTORS' REMUNERATION

Remuneration received by Directors of GEO was as follows:

	REMUNERATION		DIRECTOR'S FEE	
	2020 $'000	2019 $'000	2020 $'000	2019 $'000
Mark Rushworth (resigned 2 August 2019)	-	-	3	67
Roger Sharp	-	-	70	75
Tim Ebbeck (resigned 13 November 2018)	-	-	-	21
Rod Snodgrass (appointed 15 October 2018)	-	-	62	50
Shailesh Manga (appointed 25 March 2019)	-	-	62	17
Total	-	-	**197**	**230**

Roger Sharp's Director's fee as Chairman is paid to North Ridge Partners Pty Ltd, a company of which Roger Sharp is a Director and shareholder.

During the year, consultancy fees of $50,000 were paid to North Ridge Partners Pty Ltd and $45,000 to Rod Snodgrass ($15,000 cash and $30,000 to be satisfied by the issue of GEO ordinary shares). No other additional remuneration or benefits were paid to the directors of the Company or its subsidiaries.

2. DIRECTORS' SHAREHOLDINGS

Details of director shareholdings as at 30 June 2020 are set out below:

	ORDINARY SHARES HELD BY DIRECTORS AND ASSOCIATED ENTITIES	
	2020	2019
Roger Sharp	24,298,261	25,606,114
Mark Rushworth (resigned 2 August 2019)	816,322	317,447
Tim Ebbeck (resigned 13 November 2018)		524,655
Rod Snodgrass (appointed 15 October 2018)	523,116	148,116
Shailesh Manga (appointed 25 March 2019)	119,897	-

3. DIRECTOR SHARE DEALING

During the year to 30 June 2020, the following persons who were or are Directors (or the relevant associated entity in which the Director has a relevant interest) acquired or disposed of equity securities in GEO:

DATE	DIRECTOR	ASSOCIATED ENTITY	CLASS OF SHARE	ACQUIRED / (SOLD)
05 Sept 2019	Roger Sharp	Wentworth Financial Pty Ltd	Ordinary	507,389
05 Sept 2019	Roger Sharp	VBS Investments Pty Ltd	Ordinary	6,013,051
16 Sept 2019	Mark Rushworth	Mark Jason Rushworth and Sally Rushworth as trustees of the Backbone Trust	Ordinary	291,667*
16 Sept 2019	Shailesh Manga	Shailesh Manga and Janine Manga as trustees of Manga Family Trust	Ordinary	119,897*
16 Sept 2019	Rod Snodgrass	N/A	Ordinary	250,000*
18 Sept 2019	Rod Snodgrass	FNZ Custodian Limited	Ordinary	(250,000)
27 March 2020	Rod Snodgrass	Jarden Securities Limited	Ordinary	125,000

*Shares issued in lieu of directors' fees

SHAREHOLDER INFORMATION

For the year ended 30 June 2020

4. INSURANCE AND INDEMNITIES

In accordance with Section 162 of the Companies Act 1993 and GEO's constitution, GEO indemnifies and insures directors and officers against liability to other parties that may arise from their position. Details are recorded in the interests register as required by the Companies Act 1993.

5. USE OF COMPANY INFORMATION

The Board received no notices during the year from directors requesting to use the Company or Group information received in their capacity as directors which would not have been otherwise available to them.

6. EMPLOYEE REMUNERATION

During the year to 30 June 2020, employees, excluding executive directors, within the Group received remuneration and benefits which exceeded $100,000 as follows:

	NUMBER OF EMPLOYEES	
	2020	2019
$100,000 – $110,000	1	4
$110,001 – $120,000	2	1
$120,001 – $130,000	-	2
$130,001 – $140,000	2	1
$140,001 – $150,000	2	2
$150,001 – $160,000	1	2
$160,001 – $170,000	1	1
$170,001 – $180,000	1	1
$180,001 – $190,000	1	-
$190,001 – $200,000	-	-
$200,001 – $210,000	-	-
$220,001 – $230,000	-	-
$350,001 – $360,000	-	1
$360,001 – $370,000	1	-
Total	12	15

7. DONATIONS

No donations were made by GEO during the year ended 30 June 2020 (2019: $Nil)

GEO facilitates an employee support scheme, GeoAssist, which collects donations periodically from employees for redistribution to employees' families in need.

8. SUBSIDIARIES

At 30 June 2020, GEO has the following wholly owned subsidiary companies with the following Directors:

ENTITY	DIRECTORS
Geo Workforce Solutions Pty Ltd (Formerly Geo.Tools Pty Ltd)	Timothy Molloy
GeoOp Trustee Limited	Roger Sharp
InterfaceIT Pty Ltd	Timothy Molloy
Geo for Sales Pty Ltd (Formerly InterfaceIT Operations Pty Ltd)	Timothy Molloy
InterfaceIT Inc	Timothy Molloy

SHAREHOLDER INFORMATION

For the year ended 30 June 2020

9. INTEREST REGISTER

Directors have given notices disclosing interests pursuant to section 140(1) of the Companies Act 1993. Changes to interests notified and recorded in GEO's Interests Register during the financial year ended 30 June 2020 are set out below:

DIRECTOR	DATE OF DISCLOSURE	NATURE OF DISCLOSURE
Roger Sharp	1 July 2020	Lotto NZ - Chair
Rod Snodgrass	23 October 2019	CHAPTER2 Bikes – Director – Resigned
	25 June 2020	No Issue Limited – Director
	25 June 2020	Williamswarn Limited - Director

10. SUBSTANTIAL PRODUCT HOLDER

According to disclosed substantial product holder notices, the substantial product holders in GEO as at 30 June 2020 were as follows:

SUBSTANTIAL PRODUCT HOLDER	DATE OF DISCLOSURE	NUMBER OF ORDINARY SHARES	PERCENTAGE OF ORDINARY SHARES ON ISSUE
Roger Sharp (through relevant interests in North Ridge Partners Pty Limited, Wentworth Financial Pty Ltd, Valuestream Investments and various investment management agreements)	10 February 2020	24,298,261	29.75%
Forsyth Barr Custodians (through Trustees of Lindsay Investment Trust)	24 October 2019	6,849,121	8.39%

The above table is required to describe the substantial product holders as at 30 June 2020 based on disclosures received by GEO and NZX as at that date, and reflects the percentage ownership at the time of those disclosures.

11. TWENTY LARGEST EQUITY SECURITY HOLDERS

The names of the 20 largest holders of ordinary issued shares as at 30 June 2020 are listed below.

	TOTAL UNITS	% OF ISSUED CAPITAL
Wentworth Financial Pty Ltd	9,206,977	11.27
Forsyth Barr Custodians	6,849,121	8.39
VBS Investments Pty Limited	6,013,051	7.36
JKM Family Investments Pty	4,068,714	4.98
New Zealand Depository Nominee	3,834,564	4.70
Carnethy Evergreen P/L	2,842,446	3.48
FNZ Custodians Limited	2,037,366	2.49
Allan Michael Nobilo	1,658,526	2.03
New Zealand Central Securities	1,507,238	1.85
North Ridge Partners Pty Ltd	1,452,581	1.78
Leveraged Equities Finance	1,344,675	1.65
Carnethy Investments Pty	1,331,250	1.63
Wairahi Holdings Limited	1,299,570	1.59
Realcal P/L	1,025,000	1.26
Dune Trustees Limited	873,117	1.07
Mark Jason Rushworth	816,322	1.00
Treeleaf Pty Limited	724,842	0.89
Custodial Services Limited	714,567	0.87
Hirvi Limited	666,667	0.82
Jacon Investments Limited	666,667	0.82
Total	48,933,261	59.92

SHAREHOLDER INFORMATION

For the year ended 30 June 2020

12. SPREAD OF SECURITY HOLDERS

The spread of security holders of ordinary issued shares as at 30 July 2020 are listed below.

	SHAREHOLDERS		ISSUED CAPITAL	
	NUMBERS	%	NUMBER	%
1 – 1,000	5	0.68	2,136	0.00
1,001 – 5,000	262	35.74	897,634	1.10
5,001 – 10,000	120	16.37	916,898	1.12
10,001 – 50,000	202	27.56	4,887,371	5.98
50,001 – 100,000	34	4.64	2,479,021	3.04
100,001 and above	110	15.01	72,488,035	88.76
Total	733	100.00	81,671,095	100.00

13. DIRECTOR RESIGNATIONS

The following independent directors resigned during FY20 and up to the date of this Annual Report:

- Mark Rushworth – resigned 2 August 2019

CORPORATE DIRECTORY

Geo Limited Registered Office

Bell Gully
Level 21, ANZ Centre 171 Featherston Street
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New Zealand
Website: www.geoworkforcesolutions.com

Directors

Roger Sharp (Chair)
Rod Snodgrass
Shailesh Manga

Registry

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