Gentrack

Gentrack Group Limited

Annual Report

For the year ended 30 September 2014

GENTRACK GROUP ANNUAL REPORT 2014_

www.gentrack.com


ELECTRICITY_


GAS_

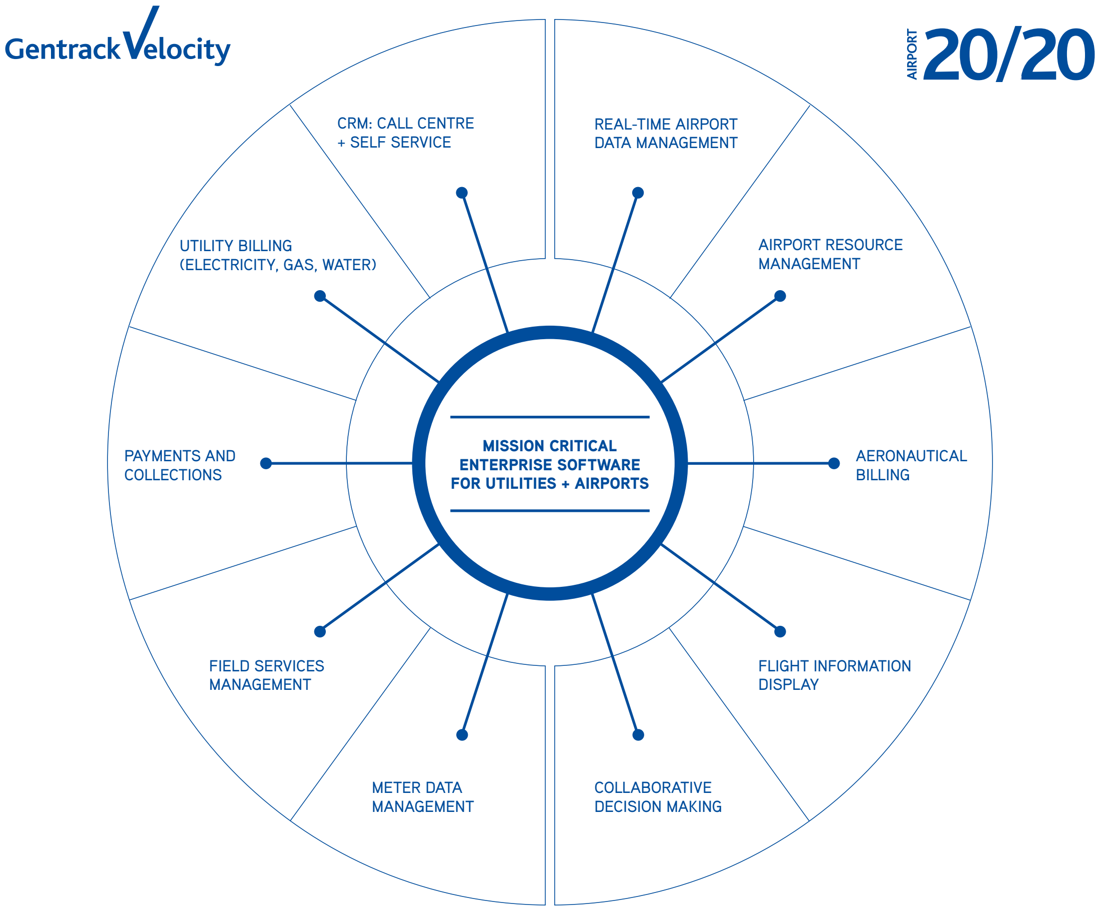

WATER_


AIRPORTS_

GENTRACK ANNUAL REPORT_

ABOUT GENTRACK_

Gentrack designs, develops, implements and supports specialist software solutions for electricity, gas and water utilities and airports. Gentrack's software is designed to support the core billing, customer care and collections processes for utilities in competitive and reforming markets, as well as the real-time information flows and resources of modern airports.



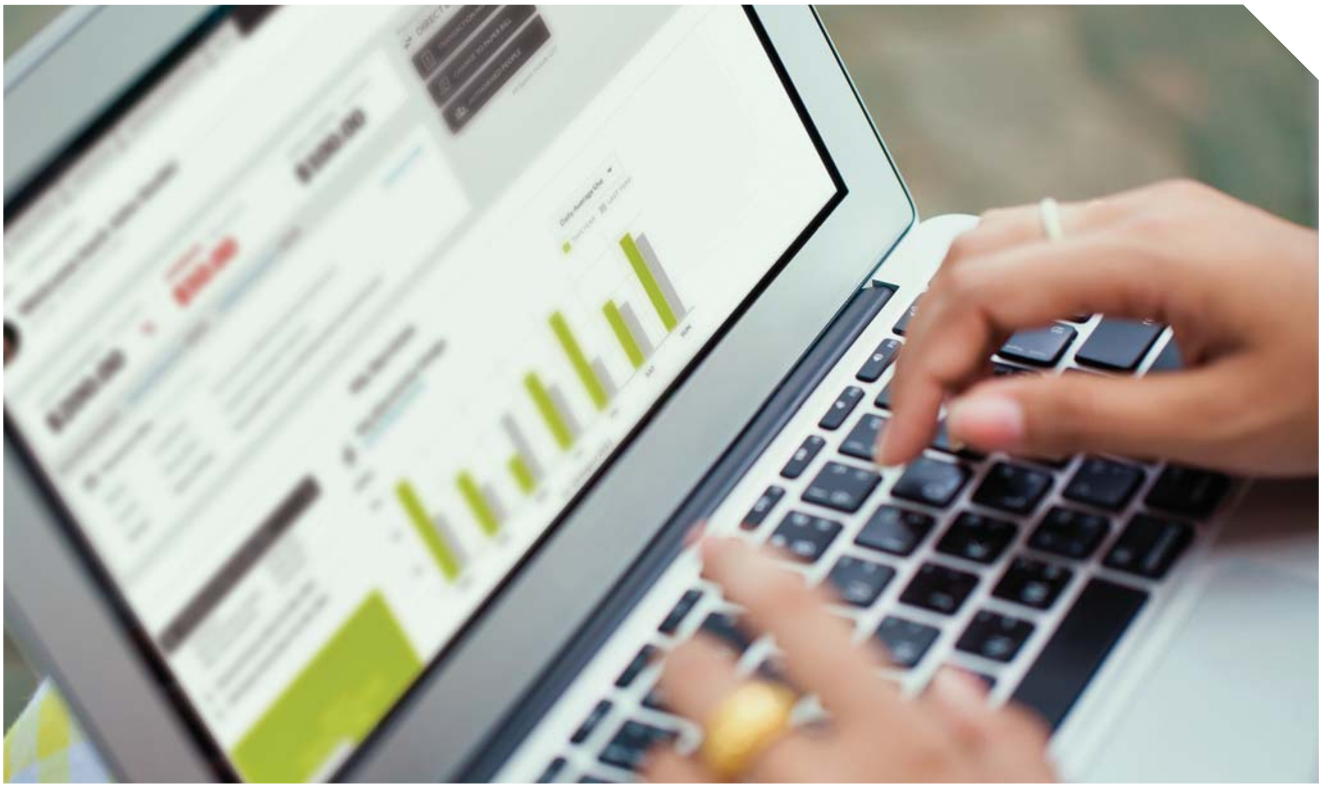
GENTRACK'S FLAGSHIP SOFTWARE SOLUTIONS INCLUDE:

FOR UTILITIES:

Gentrack Velocity is an intelligent customer relations, billing, process management and payment collections product used by electricity, gas and water utilities. Gentrack Velocity is designed to enable utilities to bill customers accurately, improve customer engagement and reduce the cost of servicing customers.

FOR AIRPORTS:

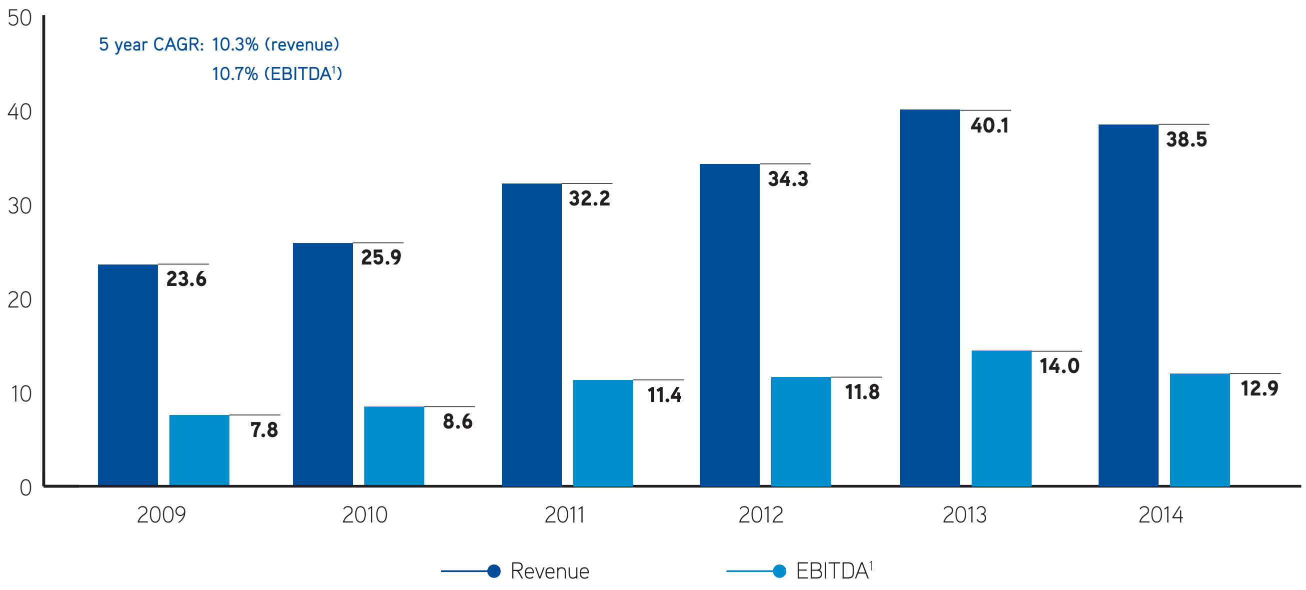
Airport 20/20 is a comprehensive airport operational system. This fully integrated system includes solutions for aeronautical billing, flight information display, resource management, airport operational database, interactive dashboards, message broking and *Collaborative Decision Making*. Airport 20/20 is designed to help airports improve their efficiency, reduce costs and grow revenues.



FINANCIAL SUMMARY 2014_

NZ$MILLION	2014	2013
Revenue	38.5	40.1
EBITDA[1]	12.9	14.0
NPAT	3.4[2]	6.6
Cash balance	5.2	-
Debt	-	28.7

REVENUE AND EBITDA[1] (NZ$M)



[1] EBITDA is underlying EBITDA (pro forma) as defined on page 57 of the annual report.

[2] Includes one off listing costs of $3.9m.


1349
549
79%
Passengers
Server Load
Stats
Feeds

FROM THE CHAIRMAN_

DEAR SHAREHOLDER

This is Gentrack's first annual report as a public company following the successful flotation on NZX and ASX on 25 June 2014. The IPO was well supported with the company raising NZ$36m to repay all bank debt and a NZ$63m secondary offering providing a liquid market for Gentrack shares. It was very pleasing to see 68 employees invest in the IPO, with directors and employees now holding 37% of the post IPO equity.

Gentrack's vision is to be a recognised leader in the provision of enterprise application software to electricity, gas and water utilities and airports around the world.

2014 RESULTS

Revenue of $38.5m was 5.1% ($2.1m) down on the Prospectus forecast, primarily as a result of a payment dispute and a delay in signing of a major contract as announced to the market on 1 August 2014.

As a result, pro-forma EBITDA was $12.9m, down 7.6% ($1.1m), with statutory NPAT of $3.4m; both marginally better than the 1 August guidance range.

It is obviously a great disappointment that Gentrack has not delivered in line with its Prospectus forecast in the year to 30 September 2014. The Management team has been working hard to resolve the problems that impacted FY14. The delayed contract was signed on 1 September and is underway for delivery in FY15 and FY16 and is our largest contract to date. Similarly we have now successfully delivered the project with the customer with whom we have the dispute and have the potential opportunity for substantial further revenues with this customer going forward.

In line with the Prospectus, a dividend of 3.6c per share (NZ$2.6m total) will be paid on 19 December, which will be fully imputed for New Zealand tax and 40% franked for Australian tax purposes.

HIGHLIGHTS

During FY2014 Gentrack made solid progress in building its utility and airport customer base, winning four new customers with two substantial upgrade projects with existing customers, as detailed in the Chief Executive's report.

Investment of $2.2m in Product Development was fully expensed and delivered new functionality including the streamlined delivery of Gentrack Velocity product on the Cloud, and an integrated customer portal for utility end-consumers. Development of the UK water billing product and Australian Network product positions us well for growth in those growth target markets.

The key strengths of Gentrack's business are:

- **A growing market driven by ongoing deregulation and increasing competition in the utility sector.**
- **Mission critical software with high barriers to entry.**
- **Stable revenue base from recurring fees and on-going services to existing long-standing customers.**
- **Capital-light business model with good profit margins and cash conversion.**

> **A growing market driven by industry reforms.**

> **Four new utility and airport customers plus two substantial software upgrades.**

OUTLOOK FOR FY15

Gentrack is well positioned to deliver on the Prospectus forecast for 2015 of 16% growth to $44.7m revenue, generating $15.5m EBITDA and $9.3m NPAT. 63% of revenue is expected to come from recurring annual fees and predicable support services to the existing customer base. Risk remains with the timing of projects, which can impact our results from year to year.

Longer term the board and management are confident that Gentrack has the product technology, market position and opportunity to continue to deliver solid growth in our core utility target markets in Australia, New Zealand and the United Kingdom and airports worldwide.

THANKS

Our 192 employees lead by Chief Executive, James Docking, are the heart of the business and I take this opportunity to thank them for their hard work, passion and commitment to Gentrack.

Despite the challenges of our first period as a listed entity, the Board and Management are excited about the future for Gentrack and we extend our thanks to shareholders for their continued support.

Yours sincerely,

John Clifford
Chairman

> **Gentrack's vision is to be a recognised leader in the provision of enterprise application software to electricity, gas and water utilities and airports around the world.**

CHIEF EXECUTIVE'S REPORT_

2014 was a very busy year for Gentrack with a number of notable tender wins, and many projects being deployed in several countries.

Gentrack goes into its 2015 financial year with a solid funnel of projects and prospects on which to deliver its prospectus projections.

VISION

2014 was an exciting year for the Gentrack Group with new investors joining the existing management and director shareholders on the register following a successful IPO in June on both the NZX and ASX stock exchanges.

I believe that becoming a public company is the best platform for the next phase of Gentrack's international growth. Over the almost 20 years that I have worked for Gentrack, we have been extremely successful under a variety of capital structures – in recent years utilising private equity investment and bank debt. While those structures worked for us at the time, becoming a transparent public company removes the question of our long-term ownership and balance sheet strength which is often raised when we bid for larger Utility or Airport contracts.

Our plans for Gentrack have always been to grow a significant global software company from our New Zealand and Australian base, and to do so profitably. With our Airport 20/20 software we have an excellent set of market leading products which regularly win bids in top airports around the world including Australia, USA, England, Finland, Hong Kong and many others. As well as providing a good financial return to Gentrack, Airport 20/20 provides the enterprise software reference sites useful as a beachhead for our larger Utility software as we also expand that business into new geographies.

Representing 86% of our business Gentrack Velocity is a sophisticated enterprise software solution that competes successfully with the large ERP solutions from SAP and Oracle. We have successfully taken Velocity from New Zealand to Australia and more recently to the UK, and have expanded it from electricity to gas, water and electricity-network utility management. We still have one of the few billing systems world-wide that can deliver true multi-utility billing from one system, a feature that was successfully utilised by Trustpower in 2014 in their "*Better Together*" campaign.

Because each new geography and utility that we supply requires significant investment in our people and product knowledge we are carefully managing the international expansion of Velocity. After entering a new market we build our local reputation, grow a substantial local support team, and establish a growth platform before moving on to the next market. In this respect New Zealand is now a mature

GENTRACK HIGHLIGHTS

$38.5m	$13.0m	$3.4m
Revenue	EBITDA (Statutory)[1]	NPAT

[1] EBITDA is underlying EBITDA (Statutory) as defined on page 57 of the annual report.

marketplace for us, Australia is expanding on a strong base, and the UK is in its early strong growth phase. In 2015 we will start looking at other new geographies for the next appropriate step in our expansion.

ACHIEVEMENTS

2014 was a very busy year for Gentrack with a number of notable tender wins, and many projects being deployed in several countries. A Gentrack Velocity implementation can take between 4 and 24 months depending on the size and complexity of the site – and utilise up to 30 technical staff. Larger projects included our first water site in the UK, our first electricity network site in Australia and Trustpower's *"Better Together"* multi-product offering in New Zealand. Smaller projects took place at LoCO2 (a UK energy retailer) and Alinta (an Australian energy retailer). We also kicked off a large commercial/industrial billing project upgrade in Australia and in the Pacific the Water Authority of Fiji selected Gentrack Velocity and commenced the implementation.

A feature of Gentrack's implementation is the promotion of Agile Project Methodologies. Agile projects endeavour to reduce the time and cost of scoping upfront requirements and instead focus on the 20% non-standard needs anticipated and deliver a working prototype encompassing industry best practice processes early in the project. An iterative process can then be used to optimise the solution to the customers requirements in a practical manner. Using these methodologies, Gentrack can significantly reduce the high project costs normally incurred with large enterprise ERP projects and instead deliver in a timely manner. Not all customers are accepting of this approach but if utilised can deliver excellent value outcomes for customers.

On the Airports side, Gentrack was very successful in 2014 winning a number of contracts early in the financial year to add to a strong existing implementation list. Airport projects worked on in 2014 included Auckland Airport in New Zealand, Birmingham and Bristol Airports in the UK, plus Sydney, Cairns and Mackay Airports in Australia. Airport 20/20 is now used by most of the major Airports in Australasia.

A feature of the Gentrack business is these large complex enterprise projects which represent up to 40% of the revenue. They can often be difficult software projects to deliver but the Gentrack staff is well experienced and successful in doing so. The nature of these projects makes it challenging to forecast their securement, commencement and Go-Live dates. This became a feature of Gentrack post IPO life when we had to reduce our profit forecast when a couple of projects did not proceed as anticipated. However the true value in the Gentrack business does not derive from one-off project profitability but rather from Gentrack's ability to secure new business internationally, deliver it, and then reap the rewards over the twenty or more years that follow a successful implementation.

PRODUCT

With a global vision, complex enterprise solutions, and tough competitors, Gentrack must maintain a focused development program to be successful and deliver profitability. In 2014 Gentrack's R&D teams delivered a broad mix of architectural enhancements, new functionality and regional industry requirements that were well accepted by both existing customers and new prospects. Some highlights from the 2014 program included:

- A low cost integrated web self-service consumer portal for utilities
- Business performance dashboards for both utilities and airports
- "Airport 20/20 SkyTower" which provides an aerial view of airside operations at an airport
- A *Collaborative Decision Making* solution to help improve overall airport efficiency
- Product catalogues allowing utilities to bundle their pricing offers to consumer
- Market localisation functionality for Australian Network Companies and English Water Companies
- Cost optimisation of Airport 20/20's development environment.

In October 2014 Gentrack also announced the latest release of its utility product, Gentrack Velocity in particular noting its strong CRM functionality and its suitability for deployment on the Cloud. Gentrack now has three customers running Gentrack Velocity on the Cloud and we expect a gradual increase in this deployment option as more utility and airport companies get comfortable with their data security and uptime reliability needs being met over the internet.

$5.2m	3.6¢	10.3%
Cash Balance	Final Dividend (cps)	5 year CAGR (revenue)

THE FUTURE

Gentrack goes into its 2015 financial year with a solid funnel of projects and prospects on which to deliver on the prospective financial information contained in the prospectus. We expect to see good growth in Australia and strong growth in the UK while maintaining our valued customer base in New Zealand. We also expect to win some additional Airport projects further afield.

The opportunity for accelerated growth as we expand into larger economies is significant. OVO Energy was a small English electricity retailer that we won in 2010. Over the last 5 years they have grown to more than 500,000 consumers by enabling a lower cost power bill than the big six UK energy retailers. Within three years they expect to have more than 1,000,000 consumers. Gentrack is part of their competitive edge.

GEOGRAPHIC EXPANSION

Looking forward, on the utility side we continue to see Gentrack's growth being driven by:

- Energy market regulation
- Water market commercialisation and competition
- Smart Meter rollout and the ancillary system requirements
- New levels of customer engagement and innovation in Utilities.

These fundamental drivers are then supported by the retirement of older legacy solutions, new customer relations (CRM) information needs, a gradual move to cloud based architecture, and a growing executive understanding of the true cost of the traditional ERP systems. Gentrack is well placed to thrive in the market conditions presented.

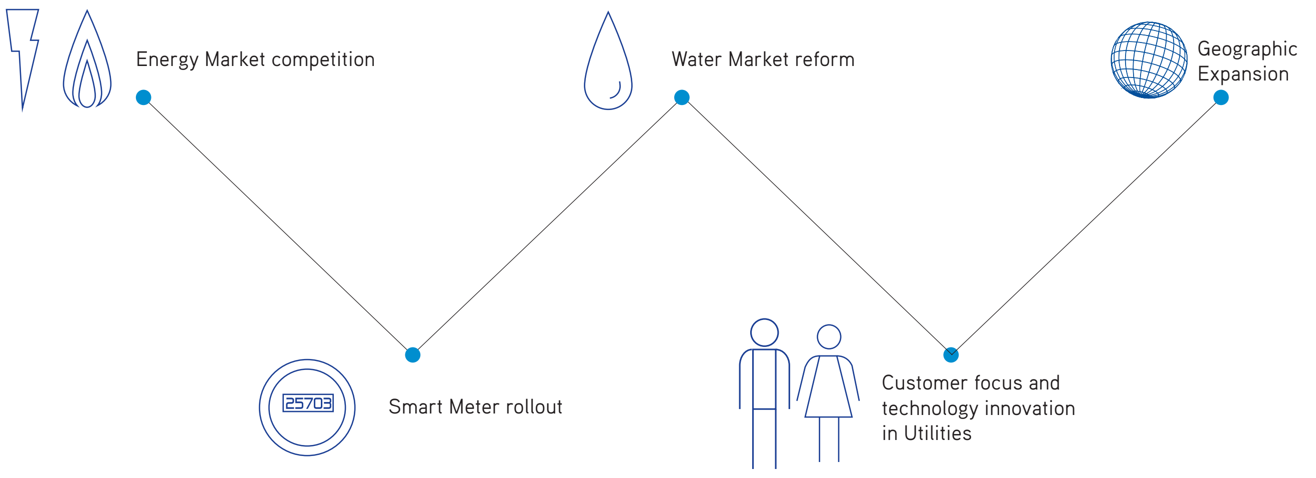
IN CONCLUSION

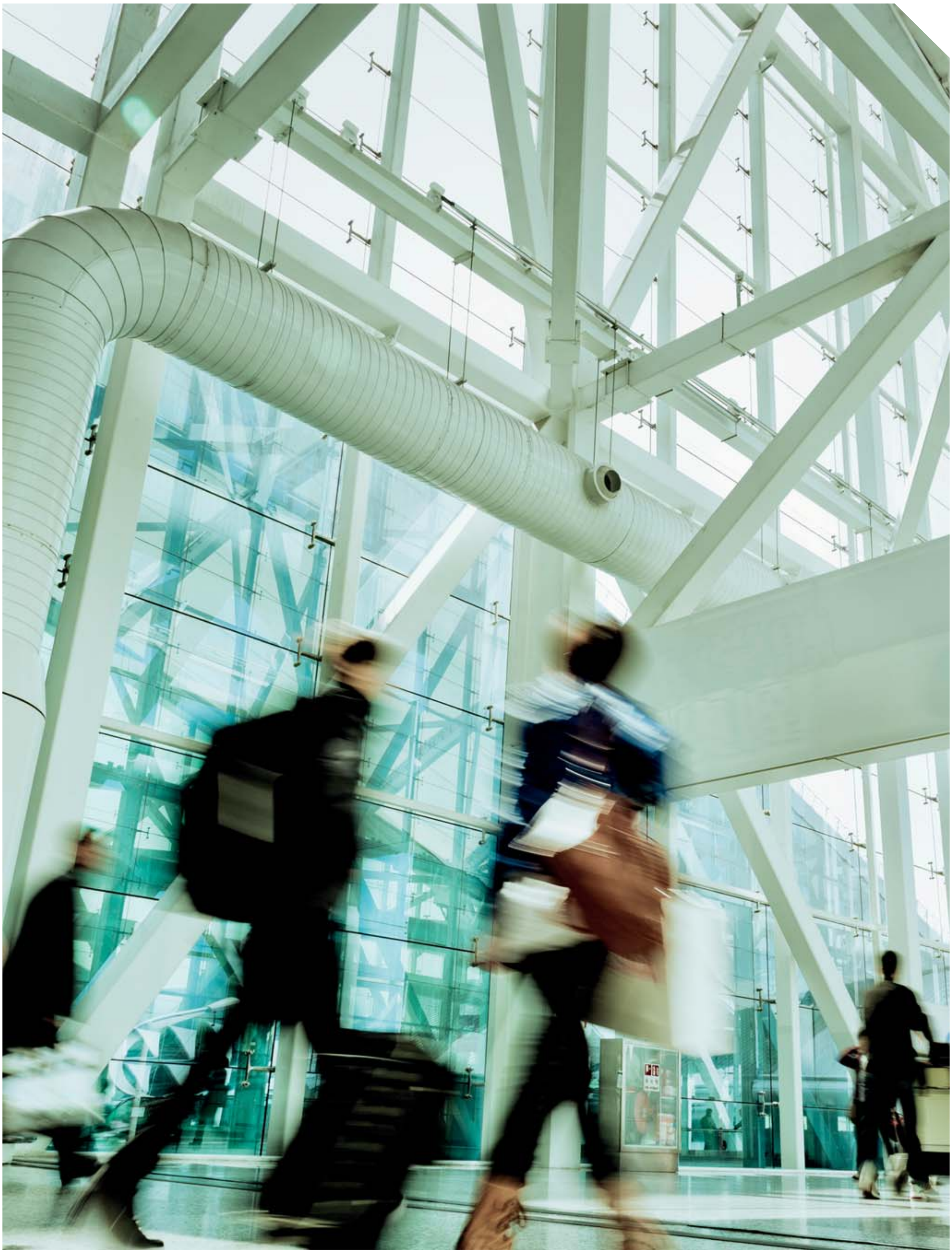
While the financial results for 2014 fell short of expectation, we won the contracts and delivered the projects that set our business up well for 2015 and beyond. We are fortunate to operate in the utility and airport markets which are exciting, dynamic and subject to the change and innovation that ultimately benefits an agile software company like Gentrack.

I am very privileged to have a business filled with highly motivated, skilled staff who are committed to our vision of building Gentrack into a sizeable international software company, and I am thankful to our customers who continue to push us to deliver better products and services to their innovative businesses and by doing so help make Gentrack a more successful company.

James Docking
Chief Executive Officer

GENTRACK GROWTH DRIVERS





MANAGEMENT COMMENTARY_

Gentrack's total revenue in FY14 was $38.5m compared with $40.1m for the same period in the previous year. While this presents a single year decline of 4%, the 5 year cumulative annual growth rate (CAGR) is 10.3%.

A significant impact on the FY14 result was the appreciation of the New Zealand Dollar which reduced the reported revenue by $2.3M and EBITDA by $1.6M. In August 2014, two project issues were announced to the market which also deteriorated Gentrack's end of year position, however we are pleased to note that one of these projects has since had a successful Go-Live, while the other contract has been duly signed and the project is well underway.

In FY14 the revenue from utilities declined by $3m to $33m with EBITDA down $1.7m to $11.8m largely due to the currency and project issues discussed. Conversely Airports had a strong year with revenues up by 34% in FY14 thanks to several new customers being signed in the first quarter. Airports EBITDA also improved to $1.1m despite making a provision for an aged debt which we endeavour to recover in 2015.

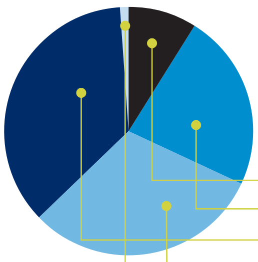
Regionally New Zealand revenues were down by $2.7m to $10.3m demonstrating the maturity of the market, with no major local customers requiring an upgrade in FY14. Australian revenues were relatively flat in FY14 at $21.1m as they were fully impacted by the currency and aforementioned project issues. The United Kingdom however grew revenues by a healthy 40% to $5.0m and continued to be profitable.

Initial licence fees were relatively flat in FY14 at $3.4m while annual licence fees grew by 7.9% to $11.8m. Project service fees were also flat at $8.9m however this income stream suffered from the project issues mentioned. Support services were down by $1.9m to $14m as greater technical resource was applied to project work which is a flexibility inherent in Gentrack's resourcing model.

Once the impact of the project issues on revenue was better understood Gentrack worked to minimise the flow on impact on the profits by delaying some recruitment and effectively managing other operating costs. This along with reduced staff bonuses and commissions saw a cost reduction of 1.5% over the prior year to $25.5m. In FY14 Gentrack continued to invest in R&D at 14% of its software revenue which resulted in $2.2m being fully expensed. Gentrack does not capitalise its R&D expenditure.

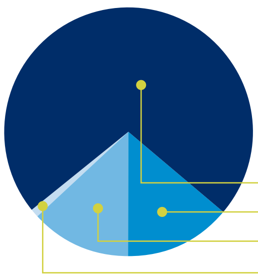
After expensing one off IPO costs of $3.9m the reported net profit in FY14 was a satisfactory $3.4m against $6.6m in the prior year. Gentrack ended the year with a positive $5.2m net cash balance accumulated since the IPO only three months earlier. From these earnings Gentrack will pay a final dividend for FY14 of $2.6m or 3.6cps which will be fully Imputed in New Zealand and 40% Franked to Australian shareholders.

FY14 was an eventful year for Gentrack and a commendable financial outcome after taking into account the strong New Zealand dollar, the deferred project revenue, and the diversion and costs of the IPO.



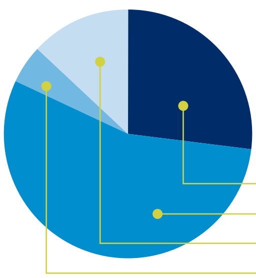
2014 REVENUE BY CATEGORY

LICENCE FEES	9%
PROJECT SERVICES	23%
SUPPORT SERVICES	36%
ANNUAL CONTRACTED REVENUE	31%
OTHER	1%



2014 REVENUE BY CUSTOMER TYPE

ELECTRICITY AND GAS	69%
WATER	16%
AIRPORTS	14%
OTHER	1%



2014 REVENUE BY REGION

NEW ZEALAND	27%
AUSTRALIA	55%
UNITED KINGDOM	13%
REST OF THE WORLD	5%

RESEARCH AND DEVELOPMENT

Gentrack continues to demonstrate its commitment to a program of continuous R&D investment to support the growth of the business into utilities and airports around the world. With a strong R&D hub in its Auckland headquarters, Gentrack has continued to innovate its Velocity and Airport 20/20 products throughout FY2014 to meet the requirements of existing customers as well as prospective business looking for proven and modern software solutions.

Gentrack has a strong track-record of investing in product development to drive innovation and meet customer needs, industry changes and technological advances. In 2014 Gentrack invested NZ$2.2m into research and development which was fully expensed. This represents 14% of Gentrack's software revenue.

GENTRACK IN THE CLOUD

In 2014 Gentrack expanded its base of customers deploying billing systems in the cloud. Our R&D focus is on delivering flexibility and cost efficiencies to our customers whether that is found in the cloud on through their own infrastructure.

SPECIALIST CRM

Gentrack's R&D programme is closely aligned with the needs of modern utilities differentiating themselves through multi-product and service offerings, online self-service and proactive customer engagement around energy and water sustainability. Gentrack is committed to continued R&D investment in its specialist suite of CRM tools, delivering to utilities a single view of its customers and the tools to enhance key engagement channels to deliver value to customers and a utility's bottom line.

> **Our focus remains on delivering flexibility through new technologies for Cloud or on-premise deployment.**
>
> James Docking, CEO

2014 DEVELOPMENTS INCLUDES

Gentrack Velocity®

- Executive Dashboards
- CRM: Product Catalogue
- Market Localisation:
  - Network Billing (Australia)
  - Water Billing
- Integrated Self Service Web Portal

AIRPORT 20/20®

- Architecture upgrade to reduce delivery costs
- 20/20 Skytower – aerial view of airport resources
- *Collaborative Decision Making*
- Airport Operational Database

GENTRACK R&D INVESTMENT

$2.2m

Fully expensed R&D

14%

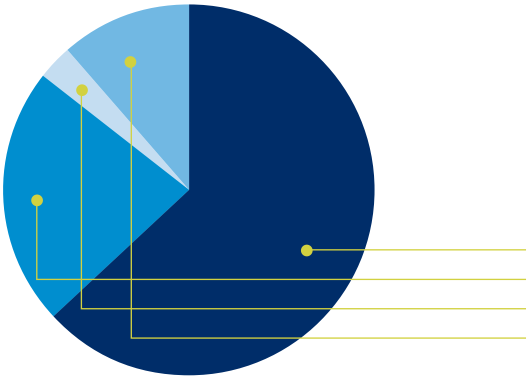
of Gentrack Software Revenue

RECRUITMENT

The heart of Gentrack is its people who provide the systems and market expertise to support our utilities and airports customers around the world. Gentrack has demonstrated a commitment to building its business around people with the ability, agility and attitude to make a difference as we compete with some of the largest software vendors. Our people have proven time and time again that they have what it takes to deliver what can often be very complex billing and customer management systems projects.

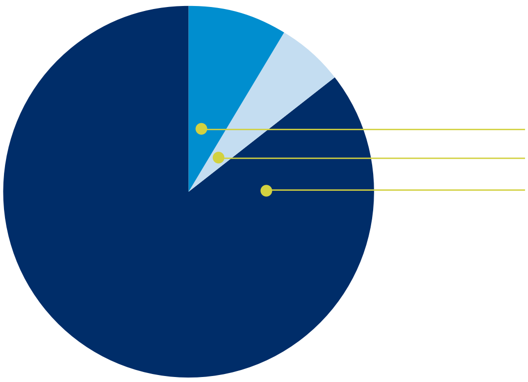
In the FY 2014, Gentrack has increased its September headcount by 6.1% to 192, including 20 graduate Software Engineers to develop, implement and support its Velocity and Airport 20/20 software.

GENTRACK EMPLOYEE GLOBAL PRESENCE



2014 EMPLOYEES PER OFFICE

NEW ZEALAND	122
MELBOURNE	42
BRISBANE	6
LONDON	22



2014 EMPLOYEES BY DEPARTMENT

ADMINISTRATION	17
SALES AND MARKETING	11
TECHNICAL	164

20

New Graduates in 2014

6.1%

Headcount growth

192

Gentrack employees

BOARD OF DIRECTORS_

Gentrack's ongoing success reflects the knowledge and expertise of its people. Gentrack's people are product and industry experts who give customers the confidence to purchase Gentrack's software and stay with Gentrack long-term.

GENTRACK'S BOARD OF DIRECTORS

Gentrack has an experienced and balanced Board with diverse skills drawn from industry leaders. The Board comprises a non-executive Chairman, three independent directors, and one executive director.

01 **JOHN CLIFFORD**

Chairman Australia

John was appointed Chairman of Gentrack in 2007. He brings a wealth of experience in private equity investing in the UK, South East Asia and Australia with 3i Group and N.M. Rothschild & Sons. Since 2003 John has been an investing Chairman or Director of nine private equity controlled businesses. This includes a role as an Executive Director of Bayard Capital, which acquired multiple electricity metering businesses world-wide to form Landis+Gyr Group, a leader in smart metering. Currently John is Chairman of three businesses involved in utility smart metering including Gentrack. John is also currently a director of McPherson's Ltd, an ASX listed consumer goods business. John has a Masters degree in Engineering.

John is not considered an independent director due to his interest in shares.

02 LEIGH WARREN

Independent/Non-Executive Director Australia

Leigh has over 25 years' experience in the Information Technology sector and has held several executive positions with large multinational software companies, including that of Managing Director for Oracle in South Africa and Australia-New Zealand, Chief Operating Officer for SAP in North Asia, President of Ventyx Europe, Middle East, India and Africa, and Vice President Asia Pacific for BlueCoat systems. Leigh is also a Non-Executive Director for ASX listed Objective Software and Hong Kong based Solution Access.

03 ANDY COUPE

Independent/Non-Executive Director New Zealand

Andy is a former investment banker with more than 30 years' experience, and is a member of the Institute of Directors. Andy currently chairs the Board of Farmright Limited, and serves on the boards of Solid Energy New Zealand Limited (where he chairs the Audit and Risk Committee) and three NZX listed investment companies, Kingfish Limited, Barramundi Limited and Marlin Global Limited. Andy has a Bachelors degree in Law.

04 GRAHAM SHAW

Independent/Non-Executive Director New Zealand

Graham is a chartered accountant with 30 years' business experience. Graham spent ten years at KPMG before moving into senior corporate positions, including CEO of Works Infrastructure and CEO of Kensington Swan. Graham currently serves on a number of boards including the Board of Xero Limited, where he chairs the Audit and Risk Management Committee.

Graham has a Bachelors degree in Commerce. He is a Member of the New Zealand Institute of Chartered Accountants and the Institute of Directors in New Zealand, a Fellow of the New Zealand Institute of Management, and a Companion of the Institution of Professional Engineers of New Zealand.

05 JAMES DOCKING

Executive Director New Zealand

James is Gentrack's Chief Executive Officer. James has been with Gentrack for almost 20 years, having joined Gentrack in 1995 with the New Zealand energy sector in the midst of its market reforms.
As an engineer with a background in the energy industry he was able to successfully guide Gentrack through these reforms and establish the platform from which Gentrack could launch itself internationally.
James has an industrial background encompassing information technologies, electronics and power engineering. Before joining Gentrack he held various roles within the energy sector including at ECNZ and two metering technology companies. James has been an executive director of the business for nearly ten years and is a Member of the Institute of Directors. James has a Bachelors degree in Engineering with Honours and a Diploma in Business Studies.

FINANCIAL STATEMENTS_

Independent auditor’s report

To the shareholders of Gentrack Group Limited

Report on the company and group financial statements

We have audited the accompanying financial statements of Gentrack Group Limited (“the company’’) and the group, comprising the company and its subsidiaries, on pages 25 to 56. The financial statements comprise the statements of financial position as at 30 September 2014, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, for both the company and the group.

Directors’ responsibility for the company and group financial statements

The directors are responsible for the preparation of company and group financial statements in accordance with generally accepted accounting practice in New Zealand and International Financial Reporting Standards that give a true and fair view of the matters to which they relate, and for such internal control as the directors determine is necessary to enable the preparation of company and group financial statements that are free from material misstatement whether due to fraud or error.

Auditor’s responsibility

Our responsibility is to express an opinion on these company and group financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the company and group financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the company and group financial statements. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company and group’s preparation of the financial statements that give a true and fair view of the matters to which they relate 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 company and group’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the presentation of the financial statements.

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

Our firm has also provided other services to the company and group in relation to taxation and audit and advisory work in connection with the Initial Public Offering. Subject to certain restrictions, partners and employees of our firm may also deal with the company and group on normal terms within the ordinary course of trading activities of the business of the company and group. These matters have not impaired our independence as auditor of the company and group. The firm has no other relationship with, or interest in, the company and group.

Opinion

In our opinion the financial statements on pages 25 to 56:

- comply with generally accepted accounting practice in New Zealand;
- give a true and fair view of the financial position of the company and the group as at 30 September 2014 and of the financial performance and cash flows of the company and the group for the year then ended.

Report on other legal and regulatory requirements

In accordance with the requirements of sections 16(1)(d) and 16(1)(e) of the Financial Reporting Act 1993, we report that:

- we have obtained all the information and explanations that we have required; and
- in our opinion, proper accounting records have been kept by Gentrack Group Limited as far as appears from our examination of those records.

KPMG

26 November 2014
Auckland

DIRECTORS' RESPONSIBILITY STATEMENT_

FOR THE YEAR ENDED 30 SEPTEMBER 2014

In the opinion of the directors of Gentrack Group the financial statements and notes, on pages 25 to 56, comply with the New Zealand Generally Accepted Accounting Practice and give a true and fair view of the financial position of the Group and Company as at 30 September 2014 and the results of operations and cash flows for the year ended on that date. They have been prepared using the appropriate accounting policies, which have been consistently applied and supported by reasonable judgements and estimates.

The directors believe that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of the company and facilitate compliance of the financial statements with the Financial Reporting Act 1993.

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

The directors are pleased to present the financial statements of Gentrack Group Limited for the year ended 30 September 2014.

For and on behalf of the Board of Directors:

James Docking

Chief Executive Officer
Date: 26 November 2014

John Clifford

Chairman
Date: 26 November 2014

STATEMENT OF COMPREHENSIVE INCOME_

FOR THE YEAR ENDED 30 SEPTEMBER 2014

($000)	NOTES	**GROUP** 2014	2013	**PARENT** 2014	2013
Revenue	3	38,531	40,126	-	-
Expenditure	4	(25,489)	(25,878)	(277)	(177)
Profit before depreciation, amortisation, non-operating costs, financing and tax		**13,042**	**14,248**	**(277)**	**(177)**
Depreciation and amortisation	5	(2,251)	(2,207)	-	-
Non-operating costs	6	(3,865)	(170)	(3,865)	(87)
Profit before financing and tax		**6,926**	**11,871**	**(4,142)**	**(264)**
Finance income		555	94	6,331	34,682
Finance expense		(1,465)	(2,644)	(1,512)	(1,893)
Net finance (expense)/income	7	**(910)**	**(2,550)**	**4,819**	**32,789**
Profit before tax		**6,016**	**9,321**	**677**	**32,525**
Income tax (expense)/benefit	8	(2,633)	(2,685)	432	541
Profit attributable to the shareholders of the company		**3,383**	**6,636**	**1,109**	**33,066**
OTHER COMPREHENSIVE INCOME					
Exchange differences on translation of foreign operations	12	(347)	229	-	-
Total comprehensive income for the year		**3,036**	**6,865**	**1,109**	**33,066**
EARNINGS PER SHARE FROM PROFIT ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (EXPRESSED IN DOLLARS PER SHARE)					
Basic and diluted earnings per share – restated for 3:1 share split	10	$0.05	$0.12		

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION_

AS AT 30 SEPTEMBER 2014

($000)		GROUP		PARENT	
	NOTES	2014	2013	2014	2013
CURRENT ASSETS					
Cash and cash equivalents	14	5,249	143	10	-
Trade and other receivables	15	10,231	11,196	72	292
Amount owing from subsidiary	24	-	-	201	402
Total current assets		**15,480**	**11,339**	**283**	**694**
NON-CURRENT ASSETS					
Property, plant and equipment	16	565	700	-	-
Goodwill	17	40,277	40,277	-	-
Intangibles	18	20,233	22,275	-	-
Loan to related parties	24	-	-	6,389	288
Deferred tax asset	9	562	627	-	-
Investment	19	-	-	86,000	86,000
Total non-current assets		**61,637**	**63,879**	**92,389**	**86,288**
Total assets		**77,117**	**75,218**	**92,672**	**86,982**
CURRENT LIABILITIES					
Trade payables and accruals	20	1,426	1,972	141	217
Amount owing to subsidiary	24	-	-	153	318
Deferred revenues		3,957	2,944	-	-
GST payable		339	351	-	-
Employee entitlements	21	1,324	1,164	-	-
Income tax payable		719	1,923	-	-
Derivative financial liabilities		-	111	-	-
Borrowings	22	6	4,585	-	4,552
Total current liabilities		**7,771**	**13,050**	**294**	**5,087**
NON-CURRENT LIABILITIES					
Employee entitlements	21	279	242	-	-
Borrowings	22	-	24,030	-	24,030
Loan from related parties	24	-	-	4,597	36
Deferred tax liabilities	9	3,371	4,079	-	-
Total non-current liabilities		**3,650**	**28,351**	**4,597**	**24,066**
Total liabilities		**11,421**	**41,401**	**4,891**	**29,153**
Net assets		**65,696**	**33,817**	**87,781**	**57,829**
EQUITY					
Share capital	11	60,396	25,398	60,396	25,398
Retained earnings	13	5,179	7,951	27,385	32,431
Reserves	12	121	468	-	-
Total shareholders' equity		**65,696**	**33,817**	**87,781**	**57,829**

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY_

FOR THE YEAR ENDED 30 SEPTEMBER 2014

GROUP ($000)	NOTES	SHARE CAPITAL	RETAINED EARNINGS	TRANSLATION RESERVE	TOTAL EQUITY
Balance as at 1 October 2012		**25,398**	**1,315**	**239**	**26,952**
Profit attributable to the shareholders of the company		-	6,636	-	6,636
Other comprehensive income	12	-	-	229	229
Total comprehensive income for the year, net of tax		-	**6,636**	**229**	**6,865**
Balance as at 30 September 2013		**25,398**	**7,951**	**468**	**33,817**
Balance as at 1 October 2013		**25,398**	**7,951**	**468**	**33,817**
Profit attributable to the shareholders of the company		-	3,383	-	3,383
Other comprehensive income	12	-	-	(347)	(347)
Total comprehensive income/(loss) for the year, net of tax		-	**3,383**	**(347)**	**3,036**
Transactions with owners: Issue of capital	11	34,998	-	-	34,998
Dividend paid (prior to Initial Public Offering)		-	(6,155)	-	(6,155)
Balance at 30 September 2014		**60,396**	**5,179**	**121**	**65,696**

PARENT $000	NOTES	SHARE CAPITAL	RETAINED EARNINGS	TRANSLATION RESERVE	TOTAL
Balance as at 1 October 2012		**25,398**	**(635)**	-	**24,763**
Profit attributable to the shareholders of the company		-	33,066	-	33,066
Total comprehensive income for the year, net of tax		-	**33,066**	-	**33,066**
Balance as at 30 September 2013		**25,398**	**32,431**	-	**57,829**
Balance at 1 October 2013		**25,398**	**32,431**	-	**57,829**
Profit attributable to the shareholders of the company		-	1,109	-	1,109
Total comprehensive income for the year, net of tax		-	**1,109**	-	**1,109**
Transactions with owners: Issue of capital	11	34,998	-	-	34,998
Dividend paid (prior to Initial Public Offering)		-	(6,155)	-	(6,155)
Balance at 30 September 2014		**60,396**	**27,385**	-	**87,781**

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS_

FOR THE YEAR ENDED 30 SEPTEMBER 2014

($000)		**GROUP**		**PARENT**	
	NOTES	2014	2013	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers		39,989	40,101	-	-
Payments to suppliers and employees		(29,230)	(26,119)	(4,054)	(388)
Income tax paid		(4,467)	(2,404)	-	-
Net cash inflow/(outflow) from operating activities	29(a)	**6,292**	**11,578**	**(4,054)**	**(388)**
CASH FLOWS FROM INVESTING ACTIVITIES					
Property, plant and equipment		(110)	(460)	-	-
Net cash outflow from investing activities		**(110)**	**(460)**	-	-
CASH FLOWS FROM FINANCING ACTIVITIES					
Gross proceeds from issue of share capital	11	36,000	-	36,000	-
Costs in relation to issue of share capital		(915)	-	(915)	-
Drawdown of borrowings		6,155	-	6,155	-
Repayment of borrowings		(34,765)	(9,080)	(34,737)	(9,063)
Dividends paid prior to Initial Public Offering		(6,155)	-	(6,155)	-
Net interest paid		(1,396)	(2,287)	(1,303)	(1,972)
Transfers with subsidiaries		-	-	5,019	11,423
Net cash (outflow)/inflow from financing activities		**(1,076)**	**(11,367)**	**4,064**	**388**
Net increase/(decrease) in cash held		**5,106**	**(249)**	**10**	-
Cash at beginning of the financial year		**143**	**392**	-	-
Closing cash and cash equivalents		**5,249**	**143**	**10**	-

The accompanying notes form part of these financial statements.

FOR THE YEAR ENDED 30 SEPTEMBER 2014

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Gentrack Group Limited is a limited liability company, domiciled and incorporated in New Zealand and registered under the New Zealand Companies Act 1993. The registered office of the Company is 25 College Hill, Auckland 1011, New Zealand.

The financial statements presented are for Gentrack Group Limited (the 'Parent'/'Company') and its subsidiaries (together 'the Group') for the year ended 30 September 2014. Last year comparatives are for the year ended 30 September 2013.

Gentrack Group Limited is an issuer for the purposes of the Financial Reporting Act 1993 and is listed on the New Zealand Stock Exchange (NZX) and the Australian Securities Exchange (ASX).

The consolidated financial statements of the Group for the year ended 30 September 2014 were authorised for issue in accordance with a resolution of the directors on 26 November 2014.

The Group's principal activity is the development, integration, and support of enterprise billing and customer management software solutions for the utility (energy and water) and airport industries.

(a) CHANGES IN ACCOUNTING POLICY

The accounting policies adopted are consistent with those of the previous year.

(b) BASIS OF PREPARATION

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ('NZ GAAP'). They comply with the New Zealand Equivalents to International Financial Reporting Standards ('NZ IFRS') and other applicable Financial Reporting Standards as appropriate to profit-oriented entities. The financial statements comply with International Financial Reporting Standards ('IFRS').

The financial statements have been prepared in accordance with the requirements of the Financial Reporting Act 1993 and the Companies Act 1993.

The Company and Group are profit-oriented entities for financial reporting purposes.

The financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: foreign exchange contracts and derivative financial instruments.

From 1 April 2014, the new Financial Reporting Act 2013 ('FRA 2013') has come into force replacing the Financial Reporting Act 1993, this is effective for all for-profit entities with reporting periods beginning on or after 1 April 2014. This will be effective for the Group's 30 September 2015 year end. It is expected that the change in legislation will have no material impact on the Company's obligation to prepare general purpose financial statements.

In addition to the change in legislation the External Reporting Board of New Zealand ('XRB') has released a new accounting standards framework which establishes the financial standards to be applied to entities with statutory financial reporting obligations. The Group is currently reporting under NZ IFRS. Under the new XRB framework management expects that the Group is expected to continue to apply NZ IRFS as applicable for Tier 1 for profit entities. Management expects that this will have no material impact on the preparation and disclosures included in the financial statements.

Presentation currency

The financial statements are presented in New Zealand dollars unless otherwise stated and all values are rounded to the nearest $1,000 (where rounding is applicable). The functional currency is New Zealand dollars ('NZD').

Use of estimate and judgements

In preparing the financial statements, management has to make certain judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. The actual outcome may differ from these judgements, estimates and assumptions. Judgements, estimates and assumptions are reviewed on an ongoing basis and are based on historical experience and various other factors, including expectations about future events, which are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

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

(i) Impairment of goodwill and other assets
The Company tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in note 1(l). The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions. Refer to note 17 for details of these assumptions and the potential impact of changes to the assumptions. All other assets are reviewed for indicators or object evidence of impairment. If indicators or objective evidence exists, the recoverable amount is reviewed.

(ii) Long service leave
A liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at balance date. In determining the present value of the liability, attrition rates and pay increases through inflation have been taken into account.

(iii) Revenue recognition
Revenue recognition involves certain revenue streams being recognised based on the stage of completion. This is discussed in more detail in note 1(d).

(iv) Doubtful debts
In providing for doubtful debts, management have used assumptions and estimates. The actual outcome may differ from the reported position.

(c) BASIS OF CONSOLIDATION

Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the exposure or right to variable

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued...

returns from involvement with the entity and the ability to affect those returns through power over the entity.

The Group recognises the fair value of all identifiable assets, liabilities and contingent liabilities of the acquired business. Goodwill is measured as the excess cost of the acquisition over the recognised assets and liabilities. When the excess is negative (negative goodwill), the amount is recognised immediately in the Statement of Comprehensive Income.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, potential voting rights that currently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

Investments in subsidiaries are carried at their cost of acquisition in the Company's financial statements.

Transactions eliminated on consolidation

Intra-group balances and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

(d) REVENUE

Revenues are recognised at the fair value of the consideration received or receivable.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on the historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised for the major business activities as follows:

(i) Software Licence Fee Revenue

Revenue from licence fees due to software sales is recognised on the transferring of significant risks and rewards of control of the licensed software under agreement between the Company and the customer.

(ii) Implementation and consulting services revenue for licensed software

Revenue from implementation and consulting services attributable to licensed software is recognised based on the stage of completion, typically in accordance with the achievement of contract milestones and/or hours expended, and forecast.

(iii) Post sales customer support revenue for licensed software

Post sales customer support ('PSCS') revenue for licensed software comprises fees for ongoing upgrades, minor software revisions and helpline support. PSCS revenue is allocated between annual fees for helpline support and fees for rights of access to ongoing upgrades and minor software patches. At each reporting date, the unearned portion of the revenue is assessed and deferred to be recognised over the period of service.

(iv) Project services revenue

Revenue from project services agreements is based on the stage of completion, typically in accordance with the achievement of contract milestones and/or hours expended, and forecast.

(v) Deferred revenues

Consideration received prior to the goods or service being rendered is recognised in the Statement of Financial Position as deferred revenues.

(vi) Accrued income

Revenue for which goods or services have been rendered but invoices have not been issued is recognised within the Statement of Financial Position as accrued income and included within trade and other receivables.

(vii) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. When a grant relates to an expense item, it is recognised as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

(e) NET FINANCE COST

Finance income comprises interest income, dividend income, gains on the disposal of available-for-sale financial assets, changes in the fair value of financial assets at fair value through profit and loss, foreign currency gains, and gains on hedging instruments that are recognised in profit and loss. Interest income is recognised as it accrues, using the effective interest method. Dividend income is recognised on the date that the Company's right to receive payments is established, which in the case of quoted securities is the ex-dividend date.

Finance expenses comprise interest expense on borrowings, unwinding of the discount on provisions, foreign currency losses, changes in the fair value of the financial assets at fair value through profit and loss, impairment losses recognised on the financial assets (except for trade receivables), losses on the disposal of available-for-sale financial assets and losses on hedging instruments that are recognised in profit and loss. All borrowing costs are recognised in profit and loss using the effective interest method.

(f) INCOME TAX

In the Statement of Comprehensive Income the income tax expense comprises current and deferred tax.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax payable also includes any tax liability arising from the declaration of dividends.

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

FOR THE YEAR ENDED 30 SEPTEMBER 2014

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued...

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related benefits will be realised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except for deferred income tax liabilities where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority on either the same taxable entity or different entities where there is an intention to settle the balance on a net basis.

Additional income tax expenses that arise from the distribution of cash dividends are recognised at the same time that the liability to pay the related dividend is recognised. The Group does not distribute non-cash assets as dividends to its shareholders.

(g) SALES TAX

The Statement of Comprehensive Income and the Statements of Cash Flows have been prepared so that all components are stated exclusive of sales tax, except where sales tax is not recoverable. All items in the Statements of Financial Position are stated net of sales tax with the exception of receivables and payables, which include sales tax invoiced.

Commitments and contingencies are disclosed net of the amount of sales tax recoverable from, or payable to, the taxation authority.

Sales tax includes Goods and Services Tax (GST) and Value Added Tax (VAT) where applicable.

(h) FOREIGN CURRENCY TRANSLATIONS

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in New Zealand dollars ($) (the 'presentation currency'), which is the Company's functional currency. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income. Foreign exchange gains and losses are presented in the Statement of Comprehensive Income within net finance costs.

The Group translates the results of its foreign operations from their functional currencies to the presentation currency of the Group using the closing exchange rate at balance date for assets and liabilities and the average monthly exchange rates for income and expenses. The difference arising from the translation of the Statements of Financial Position at the closing rates and the Statement of Comprehensive Income at the average rates is recorded within the foreign currency translation reserve.

(i) RESEARCH AND DEVELOPMENT COSTS

Research and development expenses include payroll, employee benefits and other employee-related costs associated with product development. Technological feasibility for software products is reached shortly before products are released for commercial sale to customers. Costs incurred after technological feasibility is established are not material, and accordingly, all research and development costs are expensed when incurred.

(j) PROPERTY, PLANT AND EQUIPMENT

In the Statement of Financial Position property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation on assets is calculated using the straight-line method to allocate the difference between their original costs and their residual values over their estimated useful lives, as follows:

- Office equipment, fixtures and fittings — 7 years
- Computer equipment — 3 to 7 years
- Leasehold improvements — Terms of lease

The assets' residual values and useful lives are reviewed and adjusted if appropriate at each balance date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts and are recognised in the Statement of Comprehensive Income.

(k) INTANGIBLE ASSETS

Goodwill

Goodwill represents the difference between the cost of acquisition and the fair value of the net identifiable assets acquired. Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is not amortised but is tested annually for impairment.

Brands

Brands are considered to have an indefinite useful life and are held at cost and are not amortised, but are subject to an annual impairment test.

Other intangible asset

Other intangible assets consist of internal use software, acquired source code, and customer relationships. They have finite useful lives and are measured at cost less accumulated amortisation and accumulated impairment losses.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued...

Amortisation

Except for goodwill and brands, intangible assets are amortised on a straight-line basis in the Statement of Comprehensive Income over their estimated useful lives, from the date that they are available for use.

The estimated useful lives for the current and comparative periods are as follows:

• Acquired source code	10 years
• Customer relationships	10 years
• Internal use software	3 years

Amortisation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

(l) IMPAIRMENT

At each reporting date, the Group accesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Group makes a formal estimate of the recoverable amount. Where the carrying value of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell or the asset's value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

(m) LOANS AND RECEIVABLES

The Group classifies its financial assets as loans and receivables. Management determines the classifications of its financial assets at initial recognition. The Group's loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date. These are classified as non-current assets. The Group's loans and receivables comprise 'trade and other receivables' and cash and cash equivalents in the Statement of Financial Position. Loans and receivables are carried at amortised cost using the effective interest method. The Group assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. Impairment testing of trade receivables is described in Note 1(o).

(n) CASH AND CASH EQUIVALENTS

Comprise cash in hand, deposits held at call with banks, other short-term and highly liquid investments with original maturities of six months or less.

(o) TRADE AND OTHER RECEIVABLES

The Group recognises trade and other receivables initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The carrying amount of an asset is reduced through the use of a provision account, and the amount of the loss is recognised in the Statement of Comprehensive Income. When a receivable is uncollectible, it is written off against the provision account for receivables. Subsequent recoveries of amounts previously written off are credited against the Statement of Comprehensive Income.

(p) TRADE AND OTHER PAYABLES

The Group recognises trade and other payables initially at fair value and subsequently measured at amortised cost using the effective interest method. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid. The amounts are unsecured, non-interest bearing and are usually paid within 45 days of recognition.

(q) PROVISIONS

The Group recognises a provision when it has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense in the Statement of Comprehensive Income.

(r) EMPLOYEE BENEFITS

Liabilities for wages and salaries, including non-monetary benefits, long service leave and annual leave are recognised in employee benefits in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Cost for non-accumulating sick leave is recognised when the leave is taken and measured at the rates paid or payable.

(s) EARNINGS PER SHARE

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 ordinary shares on issue for the effects of all dilutive potential ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS_

FOR THE YEAR ENDED 30 SEPTEMBER 2014

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued...

(t) SHARE CAPITAL

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects. Where any Group company purchases the Company's equity share capital (treasury shares), the consideration paid is deducted from equity attributable to the Company's equity holders until the shares are cancelled or transferred outside the Group.

Preference share capital is classified as equity if it is non-redeemable and dividends are discretionary, or it is redeemable but only at the Company's option. Dividends on preference share capital classified as equity are recognised as distributions within equity.

(u) SEGMENT REPORTING

An operating segment is a component of an entity that engages in business activities from which it may earn revenue and incur expenses, whose operating results are regularly reviewed by the entity's Chief Operating Decision Maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. Operating segments, are aggregated for disclosure purposes where they have similar products and services, production processes, customers, distribution methods and regulatory environments.

(v) STANDARDS OR INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE AND RELEVANT TO THE GROUP

The following are the new or revised standards, amendments and interpretations applicable to the Group which are in issue that are not yet required to be adopted by the Group in preparing its financial statements for the year ended 30 September 2014:

STANDARD/INTERPRETATION	EFFECTIVE FOR ANNUAL REPORTING PERIODS BEGINNING ON OR AFTER	EXPECTED TO BE INITIALLY APPLIED IN THE FINANCIAL YEAR ENDING
NZ IFRS 9 'Financial Instruments' Addresses measurement and recognition of financial assets and liabilities.	1 January 2017	30 September 2018
NZ IFRS 15 'Revenue from Contracts with Customers' Establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenues and cashflows from contracts with customers.	1 January 2018	30 September 2019

The financial statement impact of adoption of these standards, amendments and interpretations are not quantified by the management.

Adoption of new and revised standards, amendments and interpretations

The standards, amendments and interpretations listed below applicable to the Group became mandatory in the current year:

- NZ IFRS 10 – Consolidated Financial Statements
- NZ IFRS 11 – Joint Arrangements
- NZ IFRS 12 – Disclosure of Interests in other Entities
- NZ IFRS 13 – Fair Value Measurement
- Revised NZ IAS 27 – Separate Financial Statements

The adoption of these new and revised standards, amendments and interpretations did not have a material impact on the results or position reported by the Group.

FOR THE YEAR ENDED 30 SEPTEMBER 2014

2 OPERATING SEGMENTS

The Group currently operates in two business segments, utility billing software and airport management software, as at 30 September 2014. These segments have been determined based on the reports reviewed by the Board (Chief Operating Decision Maker) to make strategic decisions.

The assets and liabilities of the Group are reported to and reviewed by the Chief Operating Decision Maker in total and are not allocated by business segment. Therefore, operating segment assets and liabilities are not disclosed.

($000)	UTILITY	AIRPORT	TOTAL
GROUP – FOR THE YEAR ENDED 30 SEPTEMBER 2014			
External revenue	32,959	5,572	38,531
Total external expenditure	(21,035)	(4,454)	(25,489)
Segment contribution before depreciation, amortisation, non-operating costs, financing and tax	**11,924**	**1,118**	**13,042**
Depreciation and amortisation	-	-	(2,251)
Non-operating costs	-	-	(3,865)
Finance income	-	-	555
Finance expense	-	-	(1,465)
Income tax expense	-	-	(2,633)
Profit attributable to the shareholders of the company	**-**	**-**	**3,383**
GROUP – FOR THE YEAR ENDED 30 SEPTEMBER 2013			
External revenue	36,005	4,121	40,126
Total external expenditure	(22,430)	(3,448)	(25,878)
Segment contribution before depreciation, amortisation, non-operating costs, financing and tax	**13,575**	**673**	**14,248**
Depreciation and amortisation	-	-	(2,207)
Non-operating costs	-	-	(170)
Finance income	-	-	94
Finance expense	-	-	(2,644)
Income tax expense	-	-	(2,685)
Profit attributable to the shareholders of the company	**-**	**-**	**6,636**

($000)	2014	2013
REVENUE BY DOMICILE OF ENTITY		
Australia	18,859	20,643
New Zealand	19,672	19,483
	38,531	**40,126**
REVENUE BY DOMICILE OF CUSTOMER		
Australia	21,088	21,274
New Zealand	10,324	12,987
United Kingdom	4,963	2,946
Rest of World	2,156	2,919
	38,531	**40,126**

Revenues of approximately $6,155,000 (2013: $4,681,000) are derived from single customers and their subsidiaries from which revenue is 10% or more of the Group's revenue. These revenues are attributable to the utilities business segment.

FOR THE YEAR ENDED 30 SEPTEMBER 2014

3 REVENUE

($000)	GROUP		PARENT	
	2014	2013	2014	2013
OPERATING REVENUE:				
Recurring	11,798	11,062	-	-
Non-recurring	3,405	3,790	-	-
Professional services	22,948	24,834	-	-
	38,151	**39,686**	**-**	**-**
OTHER INCOME:				
Government grants	380	440	-	-
Total revenue	**38,531**	**40,126**	**-**	**-**

Government grants revenue relates to a 3 year agreement for 'Technology Development Grant Funding' with Callaghan Innovations. Gentrack was awarded a new grant in the current financial year, which is effective from 1 January 2014 to 31 December 2016.

4 EXPENDITURE

($000)	GROUP		PARENT	
	2014	2013	2014	2013
Profit before income tax includes the following specific expenses:				
EMPLOYEE COSTS				
Wages and salaries	16,591	16,088	-	-
Defined contribution plan contributions	570	512	-	-
AUDITORS' REMUNERATION (1)	229	488	72	104
OTHER EXPENSES				
Rental and operating lease costs	1,480	1,279	-	-
Loss on disposal of fixed assets	-	2	-	-
Doubtful debts	448	(98)	-	-
Advertising and marketing	585	563	-	-
Communication costs	391	169	-	-
Consultancy	145	261	-	-
Contractors	814	1,326	-	-
Directors' fees	213	130	119	-
Staff recruitment	200	291	-	-
Travel related	894	1,319	-	-
Other operating expenses	2,929	3,548	86	73
Total expenditure	**25,489**	**25,878**	**277**	**177**
RESEARCH AND DEVELOPMENT EXPENSES				
Total expenditure on research and development	2,221	2,528	-	-

Research and development expense includes a portion of employee costs shown above, directly attributable to research and development activities.

FOR THE YEAR ENDED 30 SEPTEMBER 2014

4 EXPENDITURE (CONTINUED)

($000)	GROUP 2014	GROUP 2013	PARENT 2014	PARENT 2013
(1) AUDITORS' REMUNERATION				
KPMG – audit fees	120	115	52	36
KPMG – taxation	103	122	20	-
KPMG – other services	6	251	-	68
Auditors' remuneration within expenditure	**229**	**488**	**72**	**104**
KPMG – costs relating to Initial Public Offering	312	-	312	-
Total fees paid to auditors	**541**	**488**	**384**	**104**

In 2014, other services of $6,000 included work undertaken in relation to employment matters. In 2013 these related to costs relating to the regulatory and tax services associated with internal restructuring of the Group.

In 2014, KPMG charged $312,000 in relation to the Initial Public Offering process. These costs are included within 'Costs relating to Initial Public Offering' in Note 6: Non-operating costs.

5 DEPRECIATION AND AMORTISATION

($000)	GROUP 2014	GROUP 2013	PARENT 2014	PARENT 2013
Depreciation	237	209	-	-
Amortisation	2,014	1,998	-	-
	2,251	**2,207**	-	-

6 NON-OPERATING COSTS

($000)	GROUP 2014	GROUP 2013	PARENT 2014	PARENT 2013
Costs relating to Initial Public Offering	3,853	-	3,853	-
Subsidiary ownership charge costs	12	170	12	87
	3,865	**170**	**3,865**	**87**

In 2014 $3,853,000 of costs composing legal and institutional expenses were incurred in the Initial Public Offering effective 24 June 2014 that did not relate to the issue of new shares.

In 2014 $12,000 (2013: $170,000) of costs composing tax and legal expenses were incurred in the transfer of ownership of the subsidiary company Talgentra New Zealand Holdings Limited from its Australian parent to Gentrack Group Limited.

FOR THE YEAR ENDED 30 SEPTEMBER 2014

7 NET FINANCE COST

($000)	GROUP 2014	GROUP 2013	PARENT 2014	PARENT 2013
FINANCE INCOME				
Interest income	23	94	-	-
Interest income – intercompany	-	-	200	83
Dividend received from subsidiary	-	-	6,044	59,779
Impairment of investment in subsidiary	-	-	-	(25,236)
Foreign exchange gains	532	-	87	56
	555	**94**	**6,331**	**34,682**
FINANCE EXPENSES				
Interest expense	(1,394)	(1,922)	(1,360)	(1,893)
Interest expense – intercompany	-	-	(152)	-
Foreign exchange losses	(71)	(722)	-	-
	(1,465)	**(2,644)**	**(1,512)**	**(1,893)**
Net finance cost	**(910)**	**(2,550)**	**4,819**	**32,789**

The dividend of $6,044,000 (2013: $59,779,000) shown under Finance income was received by the Company from its Australian subsidiary, Gentrack Group Australia Pty Limited.

8 INCOME TAX EXPENSES

($000)	GROUP 2014	GROUP 2013	PARENT 2014	PARENT 2013
(a) RECONCILIATION OF EFFECTIVE TAX RATE				
Profit after tax for the year	6,016	9,321	677	32,525
Income tax using the Company's domestic tax rate of 28%	1,684	2,610	190	9,107
Non-deductible expense/(non-assessable income) (1)	1,096	112	(622)	(9,648)
Difference in tax rates of overseas subsidiaries	48	68	-	-
Over provided in prior periods	(195)	(105)	-	-
Income tax expense/(benefit)	**2,633**	**2,685**	**(432)**	**(541)**

(1) In 2014, included in non-deductible expenses are costs of $3,808,000 which relate to the Initial Public Offering process.

($000)	GROUP 2014	GROUP 2013	PARENT 2014	PARENT 2013
(b) CURRENT TAX CHARGE IS REPRESENTED AS FOLLOWS:				
Tax payable in respect of current year	3,471	3,981	(432)	(541)
Deferred tax benefit	(643)	(1,191)	-	-
Over provided in prior periods	(195)	(105)	-	-
	2,633	**2,685**	**(432)**	**(541)**

NOTES TO THE FINANCIAL STATEMENTS_

FOR THE YEAR ENDED 30 SEPTEMBER 2014

9 DEFERRED TAX ASSET/(LIABILITY)

($000)	GROUP		PARENT	
	2014	2013	2014	2013
RECOGNISED DEFERRED TAX ASSETS				
Deferred tax assets are attributable to the following:				
Trade and other receivables	(245)	(241)	-	-
Intangible assets	-	53	-	-
Deferred income	266	267	-	-
Provisions including employee entitlements and doubtful trade debtors	613	520	-	-
Other	(72)	28	-	-
Total deferred tax asset	**562**	**627**	-	-
RECOGNISED DEFERRED TAX LIABILITIES				
Deferred tax liabilities are attributable to the following:				
Trade and other receivables	(87)	-	-	-
Intangible assets	(3,284)	(4,123)	-	-
Deferred income	-	-	-	-
Provisions including employee entitlements and doubtful trade debtors	-	59	-	-
Other	-	(15)	-	-
Total deferred tax liabilities	**(3,371)**	**(4,079)**	-	-

The movement in temporary differences has been recognised in profit or loss. Deferred tax has been recognised at a rate at which they are expected to be realised; 28% for New Zealand entities and 30% for Australian entities.

Movement in temporary timing differences during the year:

GROUP ($000)	**BALANCE** 1 OCT 2012	**TEMPORARY MOVEMENTS RECOGNISED**	**BALANCE** 30 SEPT 2013	**TEMPORARY MOVEMENTS RECOGNISED**	**BALANCE** 30 SEPT 2014
Trade and other receivables	(352)	343	(9)	(323)	(332)
Intangible assets	(4,931)	861	(4,070)	786	(3,284)
Deferred income	98	169	267	(1)	266
Provisions including employee entitlements and doubtful trade debtors	527	(180)	347	266	613
Other	15	(2)	13	(85)	(72)
Total	**(4,643)**	**1,191**	**(3,452)**	**643**	**(2,809)**

9 DEFERRED TAX ASSET/(LIABILITY) (CONTINUED)

IMPUTATION CREDITS

($000)	GROUP		PARENT	
	2014	2013	2014	2013
NZ Imputation credits available for use in subsequent reporting periods	850	3,523	-	-
Australian franking credits available for use in subsequent reporting periods (AU$151,969; 2013: AU$1,468,704)	169	1,674	-	-

The New Zealand Imputation credits of $3,265,000 that were held prior to 24 June 2014 were lost as part of Initial Public Offering process.

10 EARNINGS PER SHARE

Basic and diluted earnings per share is calculated by dividing the profit attributable to equity holders of the Group by the weighted average number of shares on issue during the year. The Group has no shares or other equity instruments that would have a potential dilutive impact on the number of ordinary shares on issue.

		GROUP	
		2014	2013
Profit attributable to the shareholders of the company	($000)	3,383	6,636
Issued ordinary shares at 1 October (restated for 3:1 share split May 2014)	(000)	57,699	57,699
Effect of shares issued June 2014	(000)	4,028	-
Basic weighted average number of ordinary shares issued	**(000)**	**61,727**	**57,699**
Basic and diluted earnings per share (dollars)		**0.05**	**0.12**

11 CAPITAL

PARENT (000)	SHARES ISSUED		SHARE CAPITAL	
	2014	2013	2014	2013
Ordinary shares	19,233	14,893	25,398	18,617
Effect of share split prior to Initial Public Offering	38,466	-	-	-
Issue of new ordinary shares	15,000	-	36,000	-
Transaction costs for issue of new shares	-	-	(1,002)	-
Preference shares	-	4,340	-	6,781
	72,699	**19,233**	**60,396**	**25,398**

Ordinary shares are fully paid and have no par value. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company, and rank equally with regard to the Company's residual assets.

On 21 May 2014, the 4,340,000 preference shares were converted into 4,340,000 ordinary shares for no additional consideration. The Company then resolved to split shares in a ratio of 3:1, resulting in 19,233,170 ordinary shares on issue in the Company being split into 57,699,510 ordinary shares for no additional consideration.

On 24 June 2014, Gentrack Group Limited received gross proceeds of $36 million from the allotment of 15 million new ordinary shares at an issue price of $2.40 per share, offered under the Investment Statement and Prospectus dated 26 May 2014 (as amended on 4 June 2014) for the Initial Public Offering of ordinary shares in Gentrack Group Limited.

Transaction costs directly related to the issue of new shares of $1,002,000 being primarily brokerage fees, were incurred in this transaction and reduce the share proceeds received.

FOR THE YEAR ENDED 30 SEPTEMBER 2014

12 RESERVES

($000)	GROUP 2014	GROUP 2013	PARENT 2014	PARENT 2013
FOREIGN CURRENCY TRANSLATION RESERVE:				
Opening balance	468	239	-	-
Exchange differences on translation of foreign operations	(347)	229	-	-
Balance at 30 September	**121**	**468**	-	-

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations into New Zealand dollars.

13 RETAINED EARNINGS

($000)	GROUP 2014	GROUP 2013	PARENT 2014	PARENT 2013
Opening balance	7,951	1,315	32,431	(635)
Profit for the year	3,383	6,636	1,109	33,066
Dividend paid (prior to Initial Public Offering)	(6,155)	-	(6,155)	-
Balance at 30 September	**5,179**	**7,951**	**27,385**	**32,431**

14 CASH AND CASH EQUIVALENTS

($000)	GROUP 2014	GROUP 2013	PARENT 2014	PARENT 2013
Bank balances	5,244	133	10	-
Cash on hand	5	10	-	-
	5,249	**143**	**10**	-

15 TRADE AND OTHER RECEIVABLES

($000)	GROUP 2014	GROUP 2013	PARENT 2014	PARENT 2013
Trade debtors	8,881	7,323	-	-
Provision for doubtful debts	(448)	-	-	-
Provision for warranty claims	(15)	(29)	-	-
Work in progress/accrued debtors	1,052	2,761	-	-
Sundry receivables and prepayments	761	1,141	72	292
	10,231	**11,196**	**72**	**292**

FOR THE YEAR ENDED 30 SEPTEMBER 2014

15 TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) CREDIT RISK

The aging of the Group's trade debtors at the reporting data was as follows:

($000)	GROSS		ALLOWANCE FOR DOUBTFUL DEBTS	
	2014	2013	2014	2013
Not past due	6,576	3,658	-	-
Past due 1-30 days	457	2,316	-	-
Past due 31-60 days	644	839	-	-
Past due 61-90 days	127	205	-	-
Past due over 90 days	1,077	305	448	-
	8,881	**7,323**	**448**	-

The movement in the provision for doubtful debts during the year was as follows:

GROUP ($000)	2014	2013
Opening balance	-	(98)
Increase in provision	448	98
Bad debt written off	-	-
Balance at 30 September	**448**	-

16 PROPERTY, PLANT AND EQUIPMENT

GROUP ($000)	FURNITURE & EQUIPMENT	COMPUTER EQUIPMENT	LEASEHOLD IMPROVEMENTS	2014 TOTAL
YEAR ENDED 30 SEPTEMBER 2014				
Opening balance	230	184	286	700
Additions	3	101	7	111
Disposals	(1)	-	-	(1)
Depreciation charge	(50)	(125)	(62)	(237)
Effect of movement in foreign exchange	(3)	(2)	(3)	(8)
Closing net book amount	**179**	**158**	**228**	**565**
Cost	667	1,097	444	2,208
Accumulated depreciation	(488)	(939)	(216)	(1,643)
Closing net book amount	**179**	**158**	**228**	**565**

FOR THE YEAR ENDED 30 SEPTEMBER 2014

16 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

GROUP ($000)	FURNITURE & EQUIPMENT	COMPUTER EQUIPMENT	LEASEHOLD IMPROVEMENTS	2013 TOTAL
YEAR ENDED 30 SEPTEMBER 2013				
Opening balance	178	161	200	539
Additions	138	143	141	422
Disposals	(31)	(1)	-	(32)
Depreciation charge	(48)	(112)	(49)	(209)
Effect of movement in foreign exchange	(7)	(7)	(6)	(20)
Closing net book amount	**230**	**184**	**286**	**700**
Cost	665	996	437	2,098
Accumulated depreciation	(435)	(812)	(151)	(1,398)
Closing net book amount	**230**	**184**	**286**	**700**

The parent company did not hold any property, plant and equipment in the current or prior year.

17 GOODWILL

($000)	GROUP 2014	GROUP 2013
Opening balance	40,277	40,253
Net book amount arising on acquisition	-	24
Closing net book amount	**40,277**	**40,277**
Goodwill allocated to Utility	37,377	37,377
Goodwill allocated to Airport	2,900	2,900
Net book amount	**40,277**	**40,277**

The goodwill arising out of the acquisition in 2012 has been allocated to the two cash generating units (CGUs) identified within the Group, namely the Utility and Airport operating units.

The tests conducted for impairment on these CGUs have been based on value-in-use calculations using projections derived from the Group's five year forecast. The forecast has been based on management's consideration of past performance and its assessment of future expectations.

In performing the value-in-use calculations for the CGUs the Group has applied a post-tax discount rate of 13.7%. The discount rate used reflects specific risks associated with business conducted within the CGU, including those risks associated with the countries in which the Group operates. The growth rate used to extrapolate cash flows beyond the 5 year forecast is 2.5% (2013: 2.5%). This growth rate is consistent with forecast conducted in similar industry reports.

The value-in-use tests are sensitive to discount rates and the assumed growth in cash flows. The Group has performed detailed sensitivity analysis as part of the impairment testing to ensure that the results of its testing are reasonable and prudent. The sensitivity analysis showed that the value-in-use of the two Group's CGUs equals their carrying value as follows:

- An increase in the post-tax discount rate: Utilities to 38.2% (an increase of 179%); Airports to 25.0% (an increase of 82%)
- A reduction in the growth rate of future cash flows: Utilities by 43%; Airports by 27%.

Consequently management believes that there is no impairment of either CGU.

FOR THE YEAR ENDED 30 SEPTEMBER 2014

18 INTANGIBLE ASSETS

($000)	SOFTWARE	CUSTOMER RELATIONSHIPS	BRAND NAMES	2014 TOTAL
YEAR ENDED 30 SEPTEMBER 2014				
Opening balance	10,376	6,855	5,044	22,275
Additions	-	-	-	-
Amortisation charge	(1,214)	(826)	(2)	(2,042)
Closing net book amount	**9,162**	**6,029**	**5,042**	**20,233**
Cost	12,075	7,987	5,045	25,107
Accumulated amortisation	(2,913)	(1,958)	(3)	(4,874)
Net book amount	**9,162**	**6,029**	**5,042**	**20,233**

($000)	SOFTWARE	CUSTOMER RELATIONSHIPS	BRAND NAMES	2013 TOTAL
YEAR ENDED 30 SEPTEMBER 2013				
Opening balance	11,508	7,653	5,024	24,185
Additions	66	-	21	87
Amortisation charge	(1,198)	(798)	(1)	(1,997)
Closing net book amount	**10,376**	**6,855**	**5,044**	**22,275**
Cost	12,075	7,986	5,045	25,106
Accumulated amortisation	(1,699)	(1,131)	(1)	(2,831)
Net book amount	**10,376**	**6,855**	**5,044**	**22,275**

19 INVESTMENTS

($000)	PARENT	
	2014	2013
INVESTMENT IN GENTRACK GROUP AUSTRALIA PTY LIMITED		
Consideration	57,236	57,236
Impairment	(25,236)	(25,236)
Carrying amount	**32,000**	**32,000**
INVESTMENT IN TALGENTRA NZ HOLDINGS LIMITED		
Consideration	54,000	54,000
Carrying amount	**54,000**	**54,000**
Total investments	**86,000**	**86,000**

FOR THE YEAR ENDED 30 SEPTEMBER 2014

20 TRADE PAYABLES AND ACCRUALS

($000)	GROUP 2014	2013	PARENT 2014	2013
Trade creditors	646	328	-	-
Sundry accruals	780	1,644	141	217
	1,426	**1,972**	**141**	**217**

21 EMPLOYEE ENTITLEMENTS

($000)	GROUP 2014	2013	PARENT 2014	2013
CURRENT				
Liability for long service leave	284	316	-	-
Liability for annual leave	1,040	848	-	-
	1,324	**1,164**	**-**	**-**
NON-CURRENT				
Liability for long service leave	279	242	-	-
	279	**242**	-	-

22 INTEREST BEARING LOANS AND BORROWINGS

($000)	GROUP 2014	2013	PARENT 2014	2013
CURRENT BORROWINGS				
Secured bank loan	-	4,552	-	4,552
Obligations under finance leases	6	33	-	-
	6	**4,585**	**-**	**4,552**
NON-CURRENT BORROWINGS				
Secured bank loan	-	24,030	-	24,030
Obligations under finance lease	-	-	-	-
	-	**24,030**	-	**24,030**

TERMS AND DEBT REPAYMENT SCHEDULE

$000	NOMINAL INTEREST	YEAR OF MATURITY	2014 FACE VALUE	2014 CARRYING AMOUNT	2013 CARRYING AMOUNT
Secured bank loan (a)	5.43%	2015	-	-	28,582

22 INTEREST BEARING LOANS AND BORROWINGS (CONTINUED)

The bank facility has a 3 year term which was fully drawn down on 15 May 2012. It is secured over all the assets of the Group. The Group is required to meet normal quarterly covenants based on interest, debt servicing and leverage ratios. At 30 September 2013 and up to 24 June 2014 the Group was operating comfortably within the mandated ratios. The loan was repaid in full on 24 June 2014.

FUNDING ACTIVITIES

The recent listing on the New Zealand Stock Exchange and Australian Securities Exchange and the associated raising of equity has facilitated the extinguishment of all borrowings for the Group. The Group currently maintains a revolving facility with ANZ, on the terms outlined in note 22(b) below.

(a) Secured Bank Loan

The prior year borrowings represent a secured bank loan from ANZ Bank.

During the year a further amount was drawn down of $6.155 million from ANZ Bank.

On 24 June 2014 a total of $36 million was raised through the issue of 15 million shares at $2.40 per share. These funds were used to repay the secured bank loan.

(b) Revolving facility

The Group has two revolving facilities with ANZ Bank, one in New Zealand and one in Australia, both of which are subject to annual review. The purpose of the facility is to provide funding for general working capital management. Interest is payable at a rate calculated as a base rate plus a pre-determined margin.

The Group has provided a General Security Deed over all the present and after-acquired property of all entities in the consolidated Group.

At 30 September 2014 there were nil balances drawn down.

FINANCE LEASE LIABILITIES

($000)	COMPUTER EQUIPMENT	GROUP	
		2014	2013
Less than one year	6	6	8
Between one and five years	-	-	25
More than five years	-	-	-
	6	**6**	**33**

23 FINANCIAL RISK MANAGEMENT

The Group's principal financial instruments include trade receivables and payables, cash and short term deposits, borrowings and loans and receivables from group companies.

As a result of the Group's operations and sources of finance, it is exposed to credit risk, liquidity risk and market risks which include foreign currency risk, commodity price risk and interest risk. These risks are described below.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the financial risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

Details of the significant accounting policies and methods adopted, included the criteria for recognition, the basis for measurement and the basis upon which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in the Statement of Accounting Policies to the financial statements.

23 FINANCIAL RISK MANAGEMENT (CONTINUED)

The Group holds the following financial instruments:

GROUP ($000)	2014			2013		
	HELD FOR TRADING	LOANS AND RECEIVABLES	OTHER AMORTISED COST	HELD FOR TRADING	LOANS AND RECEIVABLES	OTHER AMORTISED COST
FINANCIAL ASSETS						
Cash and cash equivalents	-	5,249	-	-	143	-
Trade and other receivables	-	10,231	-	-	11,196	-
	-	**15,480**	-	-	**11,339**	-
FINANCIAL LIABILITIES						
Borrowings	-	-	6	-	-	28,615
Derivative liabilities	-	-	-	111	-	-
Trade and other payables	-	-	646	-	-	328
	-	-	**652**	**111**	-	**28,943**

PARENT ($000)	2014			2013		
	HELD FOR TRADING	LOANS AND RECEIVABLES	OTHER AMORTISED COST	HELD FOR TRADING	LOANS AND RECEIVABLES	OTHER AMORTISED COST
FINANCIAL ASSETS						
Cash and cash equivalents	-	10	-	-	-	-
Amount owing from subsidiary	-	6,590	-	-	690	-
Trade and other receivables	-	72	-	-	292	-
	-	**6,672**	-	-	**982**	-
FINANCIAL LIABILITIES						
Borrowings	-	-	-	-	-	28,582
	-	-	-	-	-	**28,582**

(a) CREDIT RISK

Credit risk is the risk of financial loss to the Group if a customer or counter party to a financial instrument fails to meet its contractual obligations, and it arises principally from the Group's trade receivables from customers in the normal course of business.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The creditworthiness of a customer or counter party is determined by a number of qualitative and quantitative factors. Qualitative factors include external credit ratings (where available), payment history and strategic importance of customer or counter party. Quantitative factors include transaction size, net assets of customer or counter party, and ratio analysis on liquidity, cash flow and profitability.

In relation to trade receivables, it is the Group's policy that all customers who wish to trade on terms are subject to credit verification on an ongoing basis with the intention of minimising bad debts. The nature of the Group's trade receivables is represented by regular turnover of product and billing of customers based on the Group's contractual payment terms.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables.

The carrying amount of the Group's financial assets represents the maximum credit exposure as summarised above.

Refer to Note 15 for an aging profile for the Group's trade receivables at reporting date.

(b) LIQUIDITY RISK

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as and when they become due and payable. The Group's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when they become due and payable, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group has sufficient cash to meet its requirements in the foreseeable future. The Group has no debt.

Working capital is supported by a NZD$3.0m New Zealand and a AUD$0.6m Australian working capital facility both of which were unused as at 30 September 2014 (2013: $nil). Included in working capital is deferred revenues of $3,957,000 (2013: $2,944,000) which are not repayable in cash.

Maturities of financial liabilities

The following table details the Group's contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements, as at the reporting date:

FOR THE YEAR ENDED 30 SEPTEMBER 2014

23 FINANCIAL RISK MANAGEMENT (CONTINUED)

GROUP 2014 ($000)	1 YEAR OR LESS	OVER 1 TO 5 YEARS	OVER 5 YEARS	TOTAL CONTRACTUAL CASH FLOWS	CARRYING AMOUNT LIABILITIES
NON-DERIVATIVE FINANCIAL LIABILITIES					
Trade and other payables	646	-	-	646	646
	646	-	-	**646**	**646**

PARENT 2014 ($000)	1 YEAR OR LESS	OVER 1 TO 5 YEARS	OVER 5 YEARS	TOTAL CONTRACTUAL CASH FLOWS	CARRYING AMOUNT LIABILITIES
NON-DERIVATIVE FINANCIAL LIABILITIES					
Trade and other payables	141	-	-	141	141
	141	-	-	**141**	**141**

GROUP 2013 ($000)	1 YEAR OR LESS	OVER 1 TO 5 YEARS	OVER 5 YEARS	TOTAL CONTRACTUAL CASH FLOWS	CARRYING AMOUNT LIABILITIES
NON-DERIVATIVE FINANCIAL LIABILITIES					
Borrowings	6,045	24,805	-	30,850	28,615
Trade and other payables	328	-	-	328	328
DERIVATIVE FINANCIAL LIABILITIES					
Interest rate swap contracts	111	-	-	111	111
	6,484	**24,805**	-	**31,289**	**29,054**

PARENT 2013 ($000)	1 YEAR OR LESS	OVER 1 TO 5 YEARS	OVER 5 YEARS	TOTAL CONTRACTUAL CASH FLOWS	CARRYING AMOUNT LIABILITIES
NON-DERIVATIVE FINANCIAL LIABILITIES					
Borrowings	6,011	24,805	-	30,816	28,582
Trade and other payables	217	-	-	217	217
Amount owing to subsidiary	318	36	-	354	354
	6,546	**24,841**	-	**31,387**	**29,153**

(c) MARKET RISK

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Foreign currency risk

The Group is exposed to currency risk on sales transactions that are denominated in a currency other than the respective functional currencies of Group entities, primarily the Australian Dollar (AUD), Hong Kong Dollar (HKD), Pound Sterling (GBP), EURO (EUR) and US Dollar (USD).

FOR THE YEAR ENDED 30 SEPTEMBER 2014

23 FINANCIAL RISK MANAGEMENT (CONTINUED)

Foreign exchange rates applied against the New Zealand Dollar, at 30 September are as follows:

	2014	2013
AUD	0.9001	0.8776
CAD	0.8979	0.8230
FJD	1.5462	1.5240
HKD	6.3291	6.2993
GBP	0.5004	0.5129
EUR	0.6324	0.6087
USD	0.8164	0.8123

The Group's exposure to foreign currency risk at the reporting date was as follows (all amounts are denominated in New Zealand Dollars):

2014 ($000)	AUD	CAD	FJD	GBP	EUR	USD
Cash and cash equivalents	102	-	-	239	-	33
Trade and other receivables	5,257	69	38	1,590	125	315
Trade and other payables	(159)	-	-	(153)	-	(4)
	5,200	**69**	**38**	**1,676**	**125**	**344**

2013 ($000)	AUD	CAD	FJD	GBP	EUR	USD
Cash and cash equivalents	69	-	-	37	-	1
Trade and other receivables	4,062	50	46	1,102	210	185
Trade and other payables	(549)	-	-	(111)	-	(6)
	3,582	**50**	**46**	**1,028**	**210**	**180**

FOR THE YEAR ENDED 30 SEPTEMBER 2014

23 FINANCIAL RISK MANAGEMENT (CONTINUED)

Summarised sensitivity analysis

The following table summarises the sensitivity of the Group's financial assets and financial liabilities to foreign currency risk and interest rate risk.

GROUP 2014 ($000)	FOREIGN CURRENCY RISK [1]				INTEREST RATE RISK [2]			
	-10%		+10%		-100bps		+100bps	
	PROFIT	EQUITY	PROFIT	EQUITY	PROFIT	EQUITY	PROFIT	EQUITY
Cash and cash equivalents	42	42	(34)	(34)	-	-	-	-
Trade and other receivables	822	822	(672)	(672)	-	-	-	-
Trade and other payables	(35)	(35)	29	29	-	-	-	-
Total increase/(decrease)	**829**	**829**	**(677)**	**(677)**	-	-	-	-

PARENT 2014 ($000)	FOREIGN CURRENCY RISK [1]				INTEREST RATE RISK [2]			
	-10%		+10%		-100bps		+100bps	
	PROFIT	EQUITY	PROFIT	EQUITY	PROFIT	EQUITY	PROFIT	EQUITY
Amount owing from subsidiary	-	-	-	-	-	-	-	-
Derivative financial instruments	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-
Total increase/(decrease)	-	-	-	-	-	-	-	-

GROUP 2013 ($000)	FOREIGN CURRENCY RISK [1]				INTEREST RATE RISK [2]			
	-10%		+10%		-100bps		+100bps	
	PROFIT	EQUITY	PROFIT	EQUITY	PROFIT	EQUITY	PROFIT	EQUITY
Cash and cash equivalents	12	12	(10)	(10)	-	-	-	-
Trade and other receivables	628	628	(514)	(514)	-	-	-	-
Trade and other payables	(74)	(74)	61	61	-	-	-	-
Derivative financial instruments	-	-	-	-	(189)	(189)	189	189
Borrowings	-	-	-	-	286	286	(286)	(286)
Total increase/(decrease)	**566**	**566**	**(463)**	**(463)**	**97**	**97**	**(97)**	**(97)**

PARENT 2013 ($000)	FOREIGN CURRENCY RISK [1]				INTEREST RATE RISK [2]			
	-10%		+10%		-100bps		+100bps	
	PROFIT	EQUITY	PROFIT	EQUITY	PROFIT	EQUITY	PROFIT	EQUITY
Derivative financial instruments	-	-	-	-	(189)	(189)	189	189
Borrowings	-	-	-	-	286	286	(286)	(286)
Total increase/(decrease)	-	-	-	-	**97**	**97**	**(97)**	**(97)**

[1] The foreign currency sensitivity above represents a 10% decrease and increase in spot foreign exchange rates.

[2] The interest rate sensitivity above represents a 100 basis point decrease and increase in variable interest rates.

23 FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) CAPITAL MANAGEMENT

The capital structure of the Group consists of equity raised by the issue of ordinary shares in the parent company.

The Group manages its capital to ensure that companies in the Group are able to continue as going concerns. The Group is not subject to any externally imposed capital requirements.

(e) FAIR VALUE MEASUREMENT

The carrying amounts of the Group's financial assets and liabilities approximate their fair value due to their short maturity periods or fixed rate nature.

24 RELATED PARTIES

IDENTITY OF RELATED PARTIES

The Group has related party relationships with its subsidiaries. The related party transactions primarily consist of the purchase and sale of software products, provision of technical support, loan advances and repayments, consultancy services and management charges on commercial terms. Related parties to the Group are as follows:

Entity	*Principal Activity*
Gentrack Group Australia Pty Limited	Australian holding company
Talgentra Pacific Group Pty Limited	Australian holding company
Gentrack Pty Limited	Australian operating company – software development, sales and support
Talgentra NZ Holdings Limited	New Zealand holding company
Gentrack Limited	New Zealand operating company – software development, sales and support

RELATED PARTY RECEIVABLES

Loans and receivables between Gentrack Group Limited, the parent, and related parties for the year ended 30 September 2014 amounted to $6,389,000 (2013: $288,000) and are presented in non-current assets in the Statement of Financial Position. It is not expected that these loans will be received in the following 12 months. These loans bear an annual interest rate of 6%.

Trade receivables from related parties are non-interest bearing and repayable on demand and are accordingly disclosed as current assets in the Statement of Financial Position.

PARENT ($000)	2014	2013
Gentrack Group Australia Pty Limited – Long term loan	6,389	-
Gentrack Group Australia Pty Limited – Interest receivable	201	402
Gentrack Limited – Long term loan	-	288

RELATED PARTY PAYABLES

Loans and payables between Gentrack Group Limited, the parent, and related parties for the year ended 30 September 2014 amounted to $4,597,000 (2013: $36,000) and are presented in non-current assets in the Statement of Financial Position. It is not expected that these loans will be received in the following 12 months. These loans bear an annual interest rate of 6%.

Trade payables from related parties are non-interest bearing and repayable on demand and are accordingly disclosed as current liabilities in the Statement of Financial Position.

PARENT ($000)	2014	2013
Gentrack Limited – Long term loan	(4,597)	-
Gentrack Limited – Interest payable	(153)	(318)
Gentrack Group Australia Pty Limited – Long term loan	-	(36)

FOR THE YEAR ENDED 30 SEPTEMBER 2014

24 RELATED PARTIES (CONTINUED)

INTEREST RECEIVED/PAID

PARENT ($000)	2014	2013
Net interest received	(201)	(402)
Net interest paid	153	318

Management fees of $815,000 (2013: $646,000) were charged by Gentrack Limited, the New Zealand operating company, to related parties during the year to cover management type activities.

25 OPERATING LEASE COMMITMENTS

($000)	GROUP		PARENT	
	2014	2013	2014	2013
NON-CANCELLABLE OPERATING LEASE COMMITMENTS DUE:				
Not later than one year	1,396	1,022	-	-
Later than one year, not later than five years	2,871	3,440	-	-
Later than five years	-	-	-	-
	4,267	**4,462**	-	-

The Group leases premises, plant and equipment. Operating leases held over properties give the Group the right to renew the lease subject to redetermination of the lease rental by the lessor. There are no renewal options or options to purchase in respect of plant and equipment held under operating leases.

26 KEY MANAGEMENT PERSONNEL

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity.

Short-term benefits represent employee entitlements, including benefits in kind.

GROUP ($000)	2014	2013
Short-term benefits to key management personnel	816	662
Post employment benefits	23	15
Directors' fees	213	130

OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

There were no other transactions with key management personnel during the year.

27 CAPITAL COMMITMENTS

The capital expenditure commitments as at 30 September 2014 are $nil (2013: $nil).

FOR THE YEAR ENDED 30 SEPTEMBER 2014

28 CONTINGENCIES

ANZ New Zealand has provided the following guarantees on behalf of the Gentrack Group:

NZD$276,596 (AUD$245,700) to Australia and New Zealand Banking Group. This guarantee expires on 27 December 2014.

NZD$75,000 to NZX Limited. This guarantee expires on 21 May 2015.

NZD$900,597 (AUD$800,000) to ANZ Trade Service Delivery. This guarantee is due to expire on 15 January 2015.

A subsidiary is negotiating a claim for liquidated damages brought by a customer. Although liability is not admitted, if the defence against the action is unsuccessful, then fines and legal costs could amount to $300,000 of which $275,000 would be reimbursable under an insurance policy. Management believes that the claim will not be successful.

29 CASH FLOW INFORMATION

($000)	GROUP		PARENT	
	2014	2013	2014	2013
(a) RECONCILIATION OF OPERATING CASH FLOWS WITH REPORTING PROFIT AFTER TAX:				
Profit after tax	3,383	6,636	1,109	33,066
Add/(less) non-cash items				
Deferred tax	(648)	(1,191)	-	-
Other non-cash expenses/(income)	174	237	(432)	24,617
Depreciation and amortisation	2,251	2,207	-	-
	5,160	**7,889**	**677**	**57,683**
Add/(less) movements in other working capital items:				
Decrease in trade and other receivables	359	284	163	83
Increase/(decrease) in tax payable	(1,186)	1,472	-	-
(Decrease)/increase in GST payable	(10)	7	-	-
Increase/(decrease) in deferred revenue	1,042	(310)	-	-
Increase in employee entitlements	207	190	-	-
(Decrease) in trade payables and accruals	(534)	(243)	(75)	(208)
	5,038	**9,289**	**765**	**57,558**
Items classified as financing activity				
Net finance expense/(income)	1,254	2,287	(4,819)	(57,946)
Loss on disposal of property, plant and equipment	-	2	-	-
Net cash inflow/(outflow) from operating activities	**6,292**	**11,578**	**(4,054)**	**(388)**
(b) BANK FACILITIES:				
Bank facility	3,667	3,684	-	-
Amount utilised	-	-	-	-
Unused bank facility	**3,667**	**3,684**	-	-

NOTES TO THE FINANCIAL STATEMENTS_

FOR THE YEAR ENDED 30 SEPTEMBER 2014

30 EVENTS SUBSEQUENT TO BALANCE DATE

A dividend of $2,617,182 ($0.036 per share) was declared on 26 November 2014 for the year ended 30 September 2014, and will be paid on 19 December 2014.

31 COMPARISON TO PROSPECTIVE FINANCIAL INFORMATION

The Group's Investment Statement and Prospectus dated 26 May 2014 (as amended on 4 June 2014) included prospective financial statements from 1 October 2013 to 30 September 2014. Below is the actual year's trading result covering the period 1 October 2013 to 30 September 2014, which has been compared to the prospective financial statements.

PROSPECTIVE CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the year ended 30 September 2014

($000)	NOTES	**ACTUAL GROUP** 2014	**PROSPECTIVE GROUP** 2014
Revenue	a	38,531	40,582
Expenditure	b	(25,489)	(26,479)
Profit before depreciation, amortisation, non-operating costs, financing and tax		**13,042**	**14,103**
Depreciation and amortisation		(2,251)	(2,264)
Non-operating costs		(3,865)	(3,866)
Profit before financing and tax		**6,926**	**7,973**
Net finance cost	c	(910)	(1,200)
Profit before tax		**6,016**	**6,773**
Income tax expense		(2,633)	(3,030)
Profit attributable to the shareholders of the company		**3,383**	**3,743**
OTHER COMPREHENSIVE INCOME			
Exchange differences on translation of foreign operations		(347)	(380)
Total comprehensive income for the year		**3,036**	**3,363**
REVENUE BY TYPE			
Recurring	a	11,748	11,567
Non-recurring	a	3,405	3,522
Professional services	a	22,948	25,117
Government grants	a	430	376
Total revenue		**38,531**	**40,582**

FOR THE YEAR ENDED 30 SEPTEMBER 2014

31 COMPARISON TO PROSPECTIVE FINANCIAL INFORMATION (CONTINUED)

PROSPECTIVE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

For the year ended 30 September 2014

($000)	NOTES	ACTUAL GROUP 2014	PROSPECTIVE GROUP 2014
CURRENT ASSETS			
Cash and cash equivalents		5,249	5,331
Trade and other receivables	d	10,231	10,962
Total current assets		**15,480**	**16,293**
NON-CURRENT ASSETS			
Property, plant and equipment		565	699
Goodwill		40,277	40,277
Intangibles		20,233	20,278
Deferred tax asset	e	562	1,657
Total non-current assets		**61,637**	**62,911**
Total assets		**77,117**	**79,204**
CURRENT LIABILITIES			
Trade payables and accruals		1,426	1,444
Deferred revenues		3,957	3,953
GST payable		339	396
Employee entitlements		1,324	1,539
Income tax payable		719	1,003
Borrowings		6	30
Total current liabilities		**7,771**	**8,365**
NON-CURRENT LIABILITIES			
Employee entitlements		279	287
Borrowings		-	79
Deferred tax liabilities	e	3,371	4,245
Total non-current liabilities		**3,650**	**4,611**
Total liabilities		**11,421**	**12,976**
Net assets		**65,696**	**66,228**
EQUITY			
Share capital		60,396	60,601
Retained earnings		5,179	5,539
Reserves		121	88
Total shareholders' equity		**65,696**	**66,228**

NOTES TO THE FINANCIAL STATEMENTS_

FOR THE YEAR ENDED 30 SEPTEMBER 2014

31 COMPARISON TO PROSPECTIVE FINANCIAL INFORMATION (CONTINUED)

PROSPECTIVE CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the year ended 30 September 2014

($000)	NOTES	ACTUAL GROUP 2014	PROSPECTIVE GROUP 2014
TOTAL EQUITY			
Balance at 1 October 2013		33,817	33,817
Transactions with owners: issue of capital (net of fees), dividends		28,843	29,048
Total comprehensive income for the year, net of tax		3,036	3,363
Balance at 30 September 2014		**65,696**	**66,228**

PROSPECTIVE CONSOLIDATED STATEMENTS OF CASH FLOWS

For the year ended 30 September 2014

($000)	NOTES	ACTUAL GROUP 2014	PROSPECTIVE GROUP 2014
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	a	39,989	41,165
Payments to suppliers and employees	b	(29,230)	(30,205)
Income tax paid		(4,467)	(4,659)
Net cash inflow from operating activites		**6,292**	**6,301**
CASH FLOWS FROM INVESTING ACTIVITIES			
Property, plant and equipment		(110)	(168)
Increase in other intangibles		-	(53)
Net cash outflow from investing activities		**(110)**	**(221)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital		35,085	35,203
Drawdown of borrowings		6,155	4,542
Repayment of borrowings		(34,765)	(33,100)
Dividends paid		(6,155)	(6,155)
Net interest paid		(1,396)	(1,382)
Net cash outflow from financing activities		**(1,076)**	**(892)**
Net increase in cash held		5,106	5,188
Cash at beginning of the financial year		143	143
Closing cash and cash equivalents (net of overdrafts)		**5,249**	**5,331**

FOR THE YEAR ENDED 30 SEPTEMBER 2014

31 COMPARISON TO PROSPECTIVE FINANCIAL INFORMATION (CONTINUED)

EXPLANATION OF VARIANCES:

(a) Revenue from professional services was lower than forecast principally due to the issues raised in Gentrack's market announcement of 1 August 2014. These were non-payment for services rendered in the delayed Go-Live of one project, and the reduced service revenue resulting from the delayed commencement of another project. This reduced revenue is also reflected in receipts from customers being lower than forecast.

(b) Expenditure was down on forecast. This decrease was due to personnel, travel, and sales and marketing costs being lower than anticipated, mostly as a result of lower revenues noted in (a) above; somewhat offset by an increase in the provision for doubtful debts. Payments to suppliers were lower than anticipated as a result of the reduced expenditure.

(c) Finance costs were lower than forecast due to a gain on foreign exchange.

(d) Trade and other receivables are lower than forecast due to an increase in the provision for doubtful debt and lower than expected trading results.

(e) Both deferred tax assets and deferred tax liabilities are lower due to a deferred tax asset of a subsidiary being offset with a deferred tax liability of the Group.

GAAP RECONCILIATION_

NON-GAAP PROFIT REPORTING MEASURES

Gentrack's standard profit measure prepared under New Zealand GAAP is net profit. Gentrack has used non-GAAP profit measures when discussing financial performance in this document. The directors and management believe that these measures provide useful information as they are used internally to evaluate performance of business units, to establish operational goals and to allocate resources.

Non-GAAP profit measures are not prepared in accordance with NZ IFRS (New Zealand 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 not be viewed in isolation or considered as a substitute for measures reported by Gentrack in accordance with NZ IFRS.

	FY14 ACTUAL $000	FY14 PROSPECTIVE $000	FY13 ACTUAL $000
EBITDA AND UNDERLYING EBITDA			
Reported net profit for the period (GAAP)	**3,383**	**3,743**	**6,636**
Add back: net finance expense[1]	910	1,200	2,550
Add back: income tax expense[1]	2,633	3,030	2,685
Add back: depreciation and amortisation[1]	2,251	2,264	2,207
EBITDA	**9,177**	**10,237**	**14,078**
Adjusted for:			
Non-operating costs[1]	3,865	3,866	170
Underlying EBITDA (Statutory)	**13,042**	**14,103**	**14,248**
Ongoing listing costs adjustment[2]	(132)	(132)	(245)
Underlying EBITDA (Pro-forma)	**12,910**	**13,971**	**14,003**

[1] Extracted from audited financial statements.

[2] Extracted from Prospectus dated 26 May 2014.

CORPORATE GOVERNANCE_

The Board recognises the importance of good corporate governance, particularly its role in delivering improved corporate performance and protecting the interests of all stakeholders.

The Board is responsible for establishing and implementing the Company's corporate governance frameworks, and is committed to fulfilling this role in accordance with best practice while observing applicable laws, the NZX Corporate Governance Best Practice Code (NZX Code), and the Corporate Governance Principles and Recommendations (2nd Edition) issued by the ASX Corporate Governance Council (ASX recommendations).

This section sets out the Company's commitment to good corporate governance and addresses the Company's compliance with the eight fundamental principles of the ASX recommendations. In doing so, the Company's compliance with the NZX Code is also addressed.

This corporate governance statement is current as at 21 November 2014, and has been approved by the Board.

PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

Companies should establish and disclose the respective roles and responsibilities of the Board and management.

The Board is the overall and final body responsible for all decision making within the Company, with the core objective of representing and promoting the interests of shareholders by adding long-term value to the Company.

The Board Charter describes the Board's role and responsibilities and regulates internal Board procedures; a copy of this document is available in the Investor Centre section on the Company's website.

The Board directs and supervises the management of the business and affairs of the Company including, in particular:

- ensuring that the Company's goals are clearly established and that strategies are in place for achieving them;
- ensuring that there is an ongoing review of performance against the Company's strategic objectives;
- approving transactions relating to acquisitions and divestments and capital expenditure above delegated authority limits;
- ensuring that there is an ongoing assessment of business risks and that there are appropriate control and accountability systems in place to manage them;
- monitoring the performance of management;
- appointing the Chief Executive, setting the terms of their employment and, where necessary, terminating their employment and;
- approving and monitoring the Company's financial and other reporting and ensuring the Company's financial statements represent a true and fair view.

DELEGATION

To enhance efficiency, the Board has delegated some of its powers to Board Committee and other powers to the Chief Executive. The terms of the delegation by the Board to the Chief Executive are documented in the Board Charter and more clearly set out in the Company's Delegated Authority Framework. This framework also establishes the authority levels for decision-making within the Company's management team.

PERFORMANCE MANAGEMENT

The Nominations and Remuneration Committee evaluates the performance of the Chief Executive.

Formal procedures are in place to facilitate performance evaluations of the senior management team. These are facilitated by Human Resources in liaison with the Chief Executive.

Evaluations of both the Chief Executive and the senior management team are based on set criteria, including the performance of the business, the accomplishment of long-term strategic objectives, and other non-quantitative objectives agreed at the beginning of each year.

PRINCIPLE 2 – STRUCTURE OF THE BOARD TO ADD VALUE

Companies should have a Board of an effective composition, size and commitment to adequately discharge its responsibilities and duties.

COMPOSITION OF THE BOARD

At 30 September 2014 the Board comprised five Directors, as follows:

- John Clifford (Non-executive Chair)
- James Docking (Executive Director)
- Andy Coupe (Non-executive Director)
- Graham Shaw (Non-executive Director)
- Leigh Warren (Non-executive Director)

The Board has a broad range of IT, financial, sales, business and other skills and expertise necessary to meet its objectives.

On 26 March 2014, Graham Shaw was appointed as non-executive Director. On 23 April 2014, Andy Coupe was appointed as an additional non-executive Director. John Clifford, James Docking and Leigh Warren were appointed as Directors on 1 May 2012 following the incorporation of the Company on 4 April 2012. Roy Grant (Executive Director) retired from the Board on 23 April 2014 (appointed 4 April 2012).

SELECTION AND ROLE OF CHAIRMAN

The Chairman of the Board is elected by the non-executive Directors. The Board supports the separation of the role of Chairman and Chief Executive Officer. The Chairman's role is to manage the Board effectively, to provide leadership to the Board, and to facilitate the Board's interface with the Chief Executive Officer.

John Clifford has held the role of Chairman throughout the financial year. The Board has determined that John Clifford is not an Independent Director because he is a substantial shareholder in the Company. However, given the nature of the Company, John Clifford is considered the most appropriate Director to act as Chairman given his wealth of experience in the utilities sector, having served as Chairman of two other businesses involved in utility smart metering.

DIRECTOR INDEPENDENCE

The Board Charter requires that a majority of Directors be 'independent'.

The Board takes into account the guidance provided under the NZX Listing Rules, the ASX Listing Rules and the ASX Recommendations, in determining the independence of Directors.

The Board will review any determination it makes as to a Director's independence on becoming aware of any information that may have an impact on the independence of the Director. For this purpose, Directors are required to ensure that they immediately advise the Board of any relevant new or changed relationships to enable the Board to consider and determine the materiality of the relationships.

The Board considers that Leigh Warren, Graham Shaw and Andy Coupe are Independent Directors. The Board has determined that James Docking is not an Independent Director because of his executive responsibilities and substantial shareholding, and that John Clifford is not an Independent Director because he is a substantial shareholder of the Company (as noted above).

CONFLICTS OF INTEREST

The Board Charter outlines the Board's policy on conflicts of interest. Where conflicts of interest do exist, Directors excuse themselves from discussions and do not exercise their right to vote in respect of such matters.

NOMINATION AND APPOINTMENT

The procedures for the appointment and removal of Directors are ultimately governed by the Company's Constitution. The Board has established a Nominations and Remuneration Committee whose role is to identify and recommend to the Board individuals for nomination as members of the Board and its Committees, taking into account such factors as it deems appropriate, including experience, qualifications, judgement and the ability to work with other Directors.

BOARD COMMITTEES

The Board established two Committees during the year: the Audit and Risk Committee, and the Nominations and Remuneration Committee. The Charters of each Committee are in the Investor Centre section on the Company's website.

The membership of each Committee at 30 September 2014 was:

1. Audit and Risk Committee – Graham Shaw (Chair), Andy Coupe, John Clifford
2. Nominations and Remuneration Committee – John Clifford (Chair), Leigh Warren and Graham Shaw

RETIREMENT AND RE-ELECTION

The Board acknowledges and observes the relevant Director rotation/retirement rules under the NZX Listing Rules and the ASX Listing Rules.

DIRECTOR REMUNERATION

Total Directors' fees are currently set at a maximum of $350,000 per annum for the non-executive Directors. The actual amount of fees paid in the past year was $213,117.

BOARD ACCESS TO INFORMATION AND ADVICE

The Company Secretary is responsible for supporting the effectiveness of the Board by ensuring that policies and procedures are followed and co-ordinating the completion and dispatch of the Board agendas and papers.

All Directors have access to the senior management team to discuss issues or obtain information on specific areas in relation to items to be considered at Board meetings or other areas as they consider appropriate. Further, Directors have unrestricted access to Group records and information.

The Board, the Board Committees and each Director have the right, subject to the approval of the Chairman, to seek independent professional advice at the Company's expense to assist them to carry out their responsibilities. Further, the Board and Board Committees have the authority to secure the attendance at meetings of outsiders with relevant experience and expertise.

DIRECTOR EDUCATION

All Directors are responsible for ensuring they remain current in understanding their duties as Directors.

DIRECTORS' SHARE OWNERSHIP

All Directors and employees are required to comply with the Company's Share Trading Policy in undertaking any trading in the Company's shares. A copy of this Policy can be found in the Investor Centre section on the Company's website. The table of Directors' shareholdings is included in the Disclosures section of this Annual Report.

INDEMNITIES AND INSURANCE

Deeds of Indemnity have been granted by the Company in favour of the Directors in relation to potential liabilities and costs they may incur for acts or omissions in their capacity as Directors.

The Directors' and Officers' Liability insurance covers risks normally covered by such policies arising out of acts or omissions of Directors and employees in their capacity as such.

BOARD MEETINGS

The Board met formally ten times in the year ended 30 September 2014 and there were also separate meetings of the Board Committees. At each meeting the Board considers key financial and operational information as well as matters of strategic importance.

Executives regularly attend Board meetings and are also available to be contacted by Directors between meetings.

Directors who are not members of the Committees may attend the Committee meetings.

The Board has a formal review of its performance on an annual basis. This process incorporates gaining feedback via a third party to enhance the robustness of the process.

Feedback on relevant Board performance factors is provided by executive members to enhance the working relationship between the Board and management.

DIRECTOR	STATUS	BOARD[1]		AUDIT & RISK COMMITTEE[2]		NOMINATIONS & REMUNERATION COMMITTEE[2]	
		NUMBER OF MEETINGS	NUMBER ATTENDED	NUMBER OF MEETINGS	NUMBER ATTENDED	NUMBER OF MEETINGS	NUMBER ATTENDED
John Clifford	Non-executive Chairman	10	10	1	1	1	1
James Docking	Executive Director	10	10	-	-	-	-
Andy Coupe	Non-executive Director	10	6[3]	1	1	-	-
Roy Grant	Executive Director	10	4[4]	-	-	-	-
Graham Shaw	Non-executive Director	10	7[5]	1	1	1	1
Leigh Warren	Non-executive Director	10	10	-	-	-	-

[1] There were ten regular Board meetings during the financial year. In addition, the Board established a Due Diligence Committee that met on 11 occasions as part of the initial public offer (IPO) process.

[2] The Audit and Risk Committee and Nominations and Remunerations Committee were established in May 2014.

[3] Andy Coupe was appointed to the Board on 23 April 2014.

[4] Roy Grant retired from the Board on 23 April 2014.

[5] Graham Shaw was appointed to the Board on 26 March 2014.

PRINCIPLE 3 – PROMOTE ETHICAL AND RESPONSIBLE DECISION MAKING

Companies should actively promote ethical and responsible decision making.

The Board maintains high standards of ethical conduct and the Chief Executive is responsible for ensuring that high standards of conduct are maintained by all staff. The Board adopted a "Code of Ethics" during the year, a copy of which is available in the Investor Centre section of the Company's website.

The Board has approved a Diversity Policy, a copy of which is available in the Investor Centre section on the Company's website.

At 30 September 2014, the proportion of females employed by the Company (and its wholly owned subsidiaries) was as follows: 22.8% in all positions; 9% in senior executive positions; and 0% on the Board; the respective figures for the year ended 31 March 2013 were 23.2%; 9%; and 0%. These figures include permanent full-time, permanent part-time and fixed-term employees, but not independent contractors.

The Company recognises the importance of diversity in the workplace and its positive impact on the work environment and culture. The Board is currently establishing a process to approve and implement measurable objectives for achieving diversity in the workplace.

PRINCIPLE 4 – SAFEGUARD INTEGRITY IN FINANCIAL REPORTING

Companies should have a structure to independently verify and safeguard the integrity of their financial reporting.

The Board is committed to a transparent system for auditing and reporting of the Company's financial performance. The Board established an Audit and Risk Committee, which performs a central role in achieving this goal.

The Audit and Risk Committee's principal functions are:

- to assist the Board in fulfilling its responsibilities for Gentrack's financial statements and external financial reporting;
- assist the Board in ensuring that the ability and independence of the external auditors to carry out their statutory audit role is not impaired, or could reasonably be perceived to be impaired;
- to assist the Board in ensuring appropriate accounting policies and internal controls are established and maintained; and
- to assist the Board in ensuring the efficient and effective management of all business risks.

One of the main purposes of the Audit and Risk Committee is to ensure the quality and independence of the audit process. The Chairman of the Audit and Risk Committee and Chief Financial Officer work with the external auditors to plan the audit approach. All aspects of the audit are reported back to the Audit and Risk Committee and the auditors are given the opportunity at Audit and Risk Committee meetings to meet with the Board.

The Audit and Risk Committee has adopted a formal Charter, a copy of which is available in the Investor Centre section on the Company's website.

PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE

Companies should promote timely and balanced disclosure of all material matters concerning the company.

The Board has adopted a Market Disclosure Policy and a Shareholder Communications Policy, copies of which are available in the Investor Centre section on the Company's website. The Policies have been communicated internally to ensure that they are strictly adhered to by the Board and the Company's employees. The Company has been listed on the NZX Main Board and the ASX since 25 June 2014 and has at all times complied with its continuous disclosure obligations under the NZX Listing Rules, the Securities Markets Act 1988 (NZ), and the ASX Listing Rules.

PRINCIPLE 6 – RESPECT THE RIGHTS OF SHAREHOLDERS

Companies should respect the rights of shareholders and facilitate the effective exercise of those rights.

The company's Shareholder Communications Policy and Market Disclosure Policy (as referred to under Principle 5) are designed to ensure that communications with shareholders and all other stakeholders are managed efficiently. The Chairman, Chief Executive Officer and Chief Financial Officer are appointed as the points of contact for shareholders and analysts.

The company currently keeps shareholders informed through:

- the annual report;
- the interim report;
- the annual meeting of shareholders;
- disclosure to the NZX and ASX in accordance with the Company's Shareholder Communications Policy and Market Disclosure Policy; and
- the Investor Centre section on the Company's website.

The Board considers the annual report to be an essential opportunity for communicating with shareholders. The company publishes its annual and interim results and reports electronically on the Company website. Investors may also request a hard copy of the annual report by contacting the company's share registrar, Link Market Services Limited. Contact details for the registrar appear at the end of this report.

The Company considers the annual meeting to be a valuable element of its communications programme. The Chairman will provide an opportunity for shareholders to raise questions for their Board. The Chairman may ask the Chief Executive Officer and any relevant manager of the Company to assist in answering questions if required. The Company's external auditors will also attend the annual meeting, and are available to answer questions relating to the conduct of the external audit and the preparation and content of the auditor's report.

PRINCIPLE 7 – RECOGNISE AND MANAGE RISK

Companies should establish a sound system of risk oversight and management and internal control.

The Board has an Audit and Risk Committee that reports to the Board– please see "Principle 4" above for further detail in relation to the Audit and Risk Committee.

The Company's senior management maintain a Risk Register, which is reviewed by the Audit and Risk Committee and forms a key part of the risk management framework.

Gentrack does not have an internal audit function, but through the steps outlined above the Board ensures the company is reviewing, evaluating and continually improving the effectiveness of its risk management and internal control processes.

As a New Zealand company, section 295A of the Australian Corporations Act is not applicable to the Company. However, the Company's Chief Executive Officer and Chief Financial Officer provide equivalent assurances to the Board as part of the annual external audit process.

The Company considers that it does not have any material exposure to economic, environmental and social sustainability risks.

PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY

Companies should ensure that the level and composition of remuneration is sufficient and reasonable and that its relationship to performance is clear.

The Board has a Nominations and Remuneration Committee. One of that Committee's principal functions is to oversee the remuneration strategies and policies of the Company.

The Company distinguishes the structure of non-executive Directors' remuneration from that of executive Directors.

The Nominations and Remuneration Committee is governed by a formal charter, a copy of which is available in the Investor Centre section on the Company's website.

DISCLOSURES_

USE OF CASH AND CASH EQUIVALENTS

In accordance with ASX Listing Rule 4.10.19, the Board has determined that the Group has used the cash and cash equivalents that it had at 1 October 2013 in a way consistent with its business objectives for the year ended 30 September 2014.

ENTRIES RECORDED IN THE INTERESTS REGISTER

The Company maintains an Interest Register in accordance with the Companies Act 1993 and the Securities Markets Act 1988. The following are particulars of entries made in the Interests Register for the period 1 October 2013 to 30 September 2014.

DIRECTORS' INTERESTS

Directors disclosed interest, or cessation of interest, in the following entities pursuant to section 140 of the Companies Act 1993 during the year ended 30 September 2014.

DIRECTOR/ENTITY	RELATIONSHIP
John Clifford	
JCVC Pty Limited	Director
Uplands Group Pty Limited in its capacity as trustee of the Uplands Group Trust	Director
James Docking	
Jametti Limited	Director
Roy Grant (retired 23 April 2014)	
Fiducia Trust	Trustee
Leigh Warren	
Warren Family Business Pty Limited in its capacity as trustee of the Warren Family Business Superannuation Fund	Director

SHARE DEALINGS OF DIRECTORS

Directors disclosed, pursuant to section 148 of the Companies Act 1993, the following acquisitions and disposals of relevant interest in Gentrack Group Limited shares during the year ended 30 September 2014.

SHARES	DATE OF ACQUISITION/DISPOSAL	CONSIDERATION PER SHARE	NUMBER OF SHARES ACQUIRED/(DISPOSED)
John Clifford	24 June 2014	$2.40	(5,025,192)
Andy Coupe	24 June 2014	$2.40	20,833
James Docking	24 June 2014	$2.40	(4,905,465)
Roy Grant[1]	24 June 2014	$2.40	(4,680,000)
David Ingram[2]	24 June 2014	$2.40	50,000
Graham Shaw	24 June 2014	$2.40	41,666
Leigh Warren	24 June 2014	$2.40	(527,403)

[1] Roy Grant retired on 23 April 2014.

[2] David Ingram is a Director of the following subsidiary companies: Gentrack Pty Limited, Gentrack Group Australia Pty Limited, Gentrack UK Limited.

SHAREHOLDINGS OF DIRECTORS AT 30 SEPTEMBER 2014

	2014 NUMBER OF SHARES	**2013** NUMBER OF SHARES
John Clifford	9,151,374	4,725,522
Andy Coupe	20,833	-
James Docking	7,358,196	4,087,887
David Ingram[1]	50,000	-
Graham Shaw	41,666	-
Leigh Warren	629,184	385,529

[1] David Ingram is a Director of the following subsidiary companies: Gentrack Pty Limited, Gentrack Group Australia Pty Limited, Gentrack UK Limited.

DISCLOSURES_

REMUNERATION OF DIRECTORS

Details of the total remuneration of, and the value of other benefits received by, each Director of Gentrack Group Limited during the financial year ended 30 September 2014 are as follows:

($000)	2014 FEES	2014 REMUNERATION	2013 FEES	2013 REMUNERATION
John Clifford	98,691	-	90,000	-
Andy Coupe[1]	30,000	-	-	-
James Docking[2]	-	428,139	-	354,183
Roy Grant[3]	-	99,891	-	256,317
Graham Shaw[4]	32,500	-	-	-
Leigh Warren	51,926	-	40,000	-
	213,117	**528,030**	**130,000**	**610,500**

[1] Andy Coupe was appointed as Director on 23 April 2014.

[2] James Docking is an Executive Director and receives remuneration from Gentrack in the form of a salary and short-term incentives.

[3] Roy Grant was an Executive Director and received remuneration from Gentrack in the form of a salary and short-term benefits. Roy Grant retired on 23 April 2014.

[4] Graham Shaw was appointed as Director on 26 March 2014.

EMPLOYEE REMUNERATION

The number of current employees of the parent and subsidiaries receiving remuneration and benefits above $100,000 in the year ended 30 September 2014 are set out in the table below

CURRENT EMPLOYEES	PARENT	SUBSIDIARIES
$100,001 – $110,000	-	14
$110,001 – $120,000	-	6
$120,001 – $130,000	-	8
$130,001 – $140,000	-	4
$140,001 – $150,000	-	4
$150,001 – $160,000	-	3
$160,001 – $170,000	-	3
$170,001 – $180,000	-	2
$180,001 – $190,000	-	1
$190,001 – $200,000	-	2
$200,001 – $210,000	-	1
$230,001 – $240,000	-	3
$240,001 – $250,000	-	1
$260,001 – $270,000	-	3
$270,001 – $280,000	-	1
$380,001 – $390,000	-	1
$420,001 – $430,000	-	1
Total	-	**58**

The analysis above includes the remuneration and benefits paid to employees, in the relevant bandings, where their annual remuneration and benefits exceed $100,000.

DISCLOSURES_

ANALYSIS OF SHAREHOLDING AT 31 OCTOBER 2014

SIZE OF HOLDING	NUMBER OF HOLDERS	FULLY PAID ORDINARY SHARES NUMBER OF SHARES[1]	% OF ISSUED CAPITAL
1 – 1,000	422	258,269	0.4
1,001 – 5,000	624	1,664,267	2.3
5,001 – 10,000	117	951,045	1.3
10,0001 – 100,000	108	2,713,485	3.7
100,001 and over	46	67,112,444	92.3
TOTAL	**1,317**	**72,699,510**	**100.0**

[1] The total number of shares on issue as at 30 September 2014 and at 31 October 2014 was 72,699,510.

TWENTY LARGEST SHAREHOLDERS AT 31 OCTOBER 2014

The twenty largest shareholders of fully paid ordinary shares as at 31 October 2014 were:

NAME	NUMBER OF ORDINARY SHARES HELD	% OF ISSUED SHARE CAPITAL
Jametti Limited as trustees of the Fraxinus Aurea Trust	7,358,196	10.1
Uplands Group Pty Limited as trustees of Uplands Group Trust	7,231,374	9.9
Nigel Peter Farley and Richard John Burrell as trustees of the Nigel Farley Family Trust	4,712,661	6.5
UBS Nominees Pty Limited	4,398,545	6.1
National Nominees Limited	3,213,179	4.4
Terence de Montalt Maude and Wendy Fay Wood as trustees of the T&W Investment Trust	3,193,395	4.4
Roy Desmond Grant, Nina Catherine Maria Grant and Adrienne Alexandra Wigmore as trustees of the Fiducia Trust	3,120,000	4.3
HSBC Custody Nominees	2,848,421	3.9
RBC Investor Services	2,769,132	3.8
Tea Custodians Limited[1]	2,403,300	3.3
BNP Paribas Nominees Pty Limited	2,296,059	3.2
Custodial Services Limited	2,059,743	2.8
JCVC Pty Limited as trustees of JCVC Superannuation Fund	1,920,000	2.6
New Zealand Superannuation[1]	1,836,848	2.5
Cogent Nominees Limited[1]	1,631,093	2.2
JP Morgan Chase Bank[1]	1,395,257	1.9
Citicorp Nominees Pty Limited	1,271,878	1.7
HSBC Nominees (New Zealand)[1]	1,251,731	1.7
Citibank Nominees (NZ) Limited[1]	1,250,337	1.7
Accident Compensation[1]	1,244,347	1.7

[1] These shareholdings are held through New Zealand Central Securities Depository Limited (NZCSD) which allows electronic trading of securities to members.

The percentage shareholding of the 20 largest shareholders of Gentrack Group Limited fully paid ordinary shares was 79%.

DISCLOSURES_

SUBSTANTIAL SHAREHOLDERS AS AT 31 OCTOBER 2014

According to notices given under the Securities Markets Act 1988, the following persons were Substantial Shareholders in Gentrack Group Limited at 31 October 2014 in respect of the number of voting securities set opposite their names.

NAME	NUMBER OF ORDINARY SHARES HELD	% OF ISSUED SHARE CAPITAL
UBS AG and its related bodies corporate	4,678,248	6.4
Devon Funds Management Limited	4,500,000	6.2
Watermark Funds Management Pty Limited	3,820,000	5.3
Harbour Asset Management Limited	3,733,200	5.1
Uplands Group Pty Limited as trustees of Uplands Group Trust, JCVC Pty Limited as trustees of JCVC Superannuation Fund, John Clifford and Valerie Clifford	9,151,374	12.6
Jametti Limited as trustees of the Fraxinus Aurea Trust	7,358,196	10.1
Nigel Peter Farley and Richard John Burrell as trustees of the Nigel Farley Family Trust	4,712,661	6.5

Eley Griffiths Group Pty Limited ceased to be a substantial shareholder and submitted a revised notice to ASX on 20 August 2014.

The total number of issued voting shares of Gentrack Group Limited at 31 October 2014 was 72,699,510. Where voting at a meeting of the shareholders is by voice or show of hands, every shareholder present in person or by representative has one vote, and on a poll, every shareholder present in person, or by representative has one vote for each fully paid ordinary share in the Company.

At 31 October 2014, these were 19 shareholders holding marketable parcels of less than $500.

RESTRICTED SECURITIES

28,214,810 are restricted securities or securities subject to voluntary escrow under ASX Listing Rule 4.10.14. These shares are escrowed until the date on which the 30 September 2015 annual results are announced to the market.

SUBSIDIARY COMPANY DIRECTORS

The following people held office as Directors of subsidiary companies at 30 September 2014:

Gentrack Limited	John Clifford, James Docking
Talgentra New Zealand Holdings Limited	John Clifford, James Docking
Gentrack Pty Limited	John Clifford, James Docking, David Ingram[1]
Gentrack Group Australia Pty Limited	John Clifford, James Docking, David Ingram[1]
Talgentra Pacific Group Pty Limited	John Clifford, James Docking, Leigh Warren
Gentrack UK Limited	James Docking, David Ingram[2]

Directors of the company's subsidiaries do not receive any remuneration or other benefits in respect of their appointments.

[1] David Ingram was appointed Director on 23 April 2014. Roy Grant retired on 23 April 2014.

[2] David Ingram was appointed Director on 5 May 2014. Roy Grant retired on 5 May 2014.

DONATIONS

The Company made donations of $11,428 during the year ended 30 September 2014.

CREDIT RATING

The Company has no credit rating.

WAIVERS

Gentrack Group Limited had no NZX waivers granted or published by NZX within or relied upon in the 12 months ending 30 September 2014. Gentrack Group Limited has been granted waivers from the ASX which are standard for a New Zealand company listed on the ASX including confirmation that ASX will accept financial statements denominated in New Zealand dollars and prepared and audited in accordance with New Zealand Generally Accepted Accounting Principles and Auditing Standards.

ANNUAL MEETING

Gentrack Group Limited's Annual Meeting of Shareholders will be held in Auckland on 26 February 2015 at 4:00pm. A notice of Annual Meeting and Proxy Form will be circulated to shareholders in January 2015.

CORPORATE DIRECTORY_

REGISTERED OFFICE

Gentrack Group Limited
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New Zealand

NEW ZEALAND INCORPORATION NUMBER

3768390

AUSTRALIAN REGISTERED BODY NUMBER (ARBN)

169 195 751

DIRECTORS

John Clifford, Chairman
Andy Coupe
James Docking
Graham Shaw
Leigh Warren

COMPANY SECRETARY

Jon Kershaw

AUDITOR

KPMG

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LEGAL ADVISERS

BELL GULLY

KENSINGTON SWAN

BANKERS

ANZ LIMITED

BARCLAYS PLC

SHARE REGISTRAR

NEW ZEALAND

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