REFFIND LIMITED

Full year audited results – 30 June 2020

31 October 2020

Reffind Limited released the final audited results for the year ended 30 June 2020, today.

The prior announcement and Appendix 4E released on 31 August 2020, included unaudited financial statements.

The events involving Loyyal were unresolved at the time of lodging the preliminary results, including the status of the US Bankruptcy of Loyyal (filed on 28 July 2020) and the opportunity for Reffind as part of a consortium to bid on the assets of Loyyal.

The preliminary view adopted in August was to not adjust the carrying value of the Loyyal assets held by Reffind on the basis the Bankruptcy process and bidding process was not concluded and at that time there was a reasonably justified view that the bid process would be completed by the time of filing the Annual Report.

Due to various factors outside the control of Reffind, the Bankruptcy and bidding process has extended and the outcome remains uncertain as at today.

While the directors have confidence the consortium bid for the Loyyal assets from the Bankruptcy Trustee will be successful and generate a return on investment for the Shareholders, the decision to write down the Loyyal Assets is made to comply with the requirements of the Accounting Standards.

Consequently, the final loss for the period attributable to the owners of Reffind Limited was $(4,738,618) arrived at as follows;

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Loss for the period attributable to the owners of Reffind Limited (Appendix 4E)	(1,421,516)
Interest revenue adjustment	(4,797)
Fair value adjustment on Loyyal Investment	(3,194,931)
Write off receivable (interest on convertible note)	(37,434)
Other director & legal fees accrued	(79,940)
Final loss for the period attributable to the owners of Reffind Limited	(4,738,618)

REFFIND Ltd

ABN 64 600 717 539

Annual Report - 30 June 2020

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'group') consisting of REFFIND Ltd (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2020.

Directors
The following persons were directors of REFFIND Ltd during the whole of the financial year and up to the date of this report, unless otherwise stated:

Rumi Guzder - Executive Chairman (appointed on 5 September 2019)
Declan Jarrett - Non-Executive Director
Joshua Quinn - Non-Executive Director (appointed on 30 December 2019)
David Jackson - Executive Chairman (resigned on 5 September 2019)
Eugene Loy - Non-Executive Director (resigned on 30 December 2019)

Principal activities
During the financial year the principal continuing activities of the group consisted of:
- delivering on our growing pipeline of commercial opportunities for Wooboard and expanding its focus to cater to the growing demand for mobile and remote work solutions; and
- identifying new market opportunities for our investment, Loyyal, to recapitalise the business and deliver significant value for shareholders.

Dividends
There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations
The loss for the group after providing for income tax amounted to $4,738,618 (30 June 2019: $993,582).

The last 12 months has seen an accelerating shift towards digital and remote work operations that have significantly shaped the operational environment for the group's target sectors, accelerated by the COVID-19 global pandemic and a challenging macroeconomic environment.

During the full year ended 30 June 2020, the group has overseen a significant period of activity across its core offering and investments that has allowed it to adapt and capitalise on the growing trend that has seen a wholesale transition towards mobile and remote working environments.

Update on Wooboard
The group's flagship peer recognition and employee experience technology platform, Wooboard, was expanded to focus on value-accretive commercial opportunities emerging as a result of the COVID-19 pandemic. Following the completion of the Wooboard Strategic Review in the March quarter 2020, the Company focused on delivering platform enhancements that helped position Wooboard as the ideal application in a post COVID-19 environment, allowing employees to collaborate seamlessly and securely while working remotely or from the home environment.

The group sees great potential for Wooboard in converting commercial opportunities among domestic and international small, medium and large businesses due to the significant uptick in employees working remotely across multiple sectors and industries. Executing on its vision for Wooboard, the group has progressed with a firm framework of platform enhancements including raising headcount in the technical development team, increasing its customer support and sales team and hiring a new marketing and social media manager to help brand development and increase Wooboard's market share.

The group remains resolutely focussed on increasing both the overall Wooboard subscriber base and paid user conversions, building out both customer retention and loyalty among a growing pool of engaged users. The Board will continue to monitor Wooboard's performance in light of these enhancements post-Strategic Review and will keep the market informed of its progress.

Update on Loyyal
At the beginning of the period, the company was pleased to announce to the market the success of Loyyal's longstanding working relationship with Emirates Skywards with a production integration with Emirates Skyward's new partner infrastructure that was based on the Loyyal Product Suite and the Loyyal Network. The successful live pilot that was carried out enabled Emirates Skywards to increase efficiency in onboarding new earn and redemption partners and cater for their 25 million members across the world.

This forms a key part of the group's strategy to recapitalise Loyyal, and as part of a consortium take control of its operations if the consortium's proposed bid is successful, and at the appropriate time, help put Loyyal on a path to IPO. The group believes this strategy, if executed, has the potential to create significant value for shareholders.

On 30 April 2020 the company announced that it had decided not to convert the promissory note in Loyyal and was seeking repayment of USD $845,315 which is principal and interest as at 30 April 2020. Following unsuccessful negotiations on 24 June 2020 the company filed a claim in the United States District Court (Northern District of California) in the amount of USD$883,969.

Subsequent to balance date on 28 July 2020, Loyyal Corporation entered Chapter 7 bankruptcy protection in the United States. The company via US bankruptcy attorneys has engaged in discussions and negotiations with the bankruptcy trustee of Loyyal to purchase Loyyal's assets as part of a consortium.

On 29 October 2020, the company executed a sale agreement with Loyyal Holdings Pty Ltd for the sale of the company's convertible note in Loyyal Corporation. Total consideration was $250,000 and the proceeds were received by the company on 29 October 2020.

Partnerships and Integrations
- On May 19, the company announced that it was exploring a licencing agreement with leading biometric security and software solutions company InterBio. Both companies were unable to come to a contractual agreement and resolved to discontinue the proposed licencing agreement.
- the company continues to review Wooboard's operations and opportunities for platform integration that can deliver commercial value to its shareholders and will only execute on those opportunities that fit our criteria.

Executive Changes
During the year, the group oversaw several changes to its board and management team to reposition the group and help it maximise value from its existing assets. On 30 December 2019, changes to the company's board of directors saw the departure of Mr. Eugene Loy who was replaced with former BDO tax director Joshua Quinn, as non-executive director. Mr Quinn adds significant experience in cross-border transactions, including mergers and acquisitions in the technology space. Mr. Loy made a valuable contribution to the group in capital raisings and progressing potential benefits from the group's investment in Loyyal and the group thanked him for his contribution.

The group was also pleased to announce the appointment of Declan Jarrett as company secretary, replacing the departing Mr. Sonu Cheema. Both Declan and Joshua's additions have bolstered the board and ensure the group is now very well placed to proceed with its go-to-market strategy in delivering value to shareholders.

Outlook
Despite the challenges arising from the COVID-19 operational environment, the group has remained on track with a firm commercialisation strategy aimed at expanding its Wooboard platform and recapitalising its investment in Loyyal. Social cloud-based platforms have continued to emerge as a fast-growing commercial opportunity with vast application to many organisations across the country that have undergone a digital transformation in response to the global pandemic. With this in mind, the group believes its Wooboard platform is well-positioned in the current COVID-19 environment to deliver on commercial opportunities, enabling both remote collaboration and significant productivity outcomes for enterprises as the platform continues to grow.

Significant changes in the state of affairs
During the year ended 30 June 2020, the fair value of the group's investments in the A-3 preferred shares and convertible notes of Loyyal Corporation ('Loyyal') were reduced to $250,000 due to the company's decision to sell its rights to recovery of the A-3 preferred shares and the convertible note of Loyyal to Loyyal Holdings Pty Ltd ('the Consortium') at a price determined to be reasonable by an independent expert valuer engaged by the company.

There were no other significant changes in the state of affairs of the group during the financial year.

Matters subsequent to the end of the financial year

COVID-19

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Capital raising

On 22 July 2020, the company completed a capital raise of $880,000 at $0.002 per share. The capital raise was conducted in two tranches. The first tranche for $440,000 (220,000,000 shares) was conducted using the company's existing placement capacity. The remaining $440,000 was raised by way of convertible note, subject to shareholder approval, at a conversion price of $0.002 redeemable within 12 months with a capitalised interest rate of 6% per annum paid on maturity. The funds raised will be applied to working capital, accelerate sales growth, to fund product development and costs of the offer.

Investment in Loyyal

Major market opportunities for Loyyal are airlines, hotels and financial services. Since March 2020, as a result of the impacts of COVID-19 and global travel restrictions, the company decided from a risk mitigation standpoint to seek repayment of its convertible note held with Loyyal, rather than convert to equity. Formal request for payment was made on 30 April 2020 seeking repayment of USD$845,315 (principal and interest as at 30 April 2020).

The unique circumstances of COVID-19 have meant that Loyyal's clients such as Emirates were significantly impacted and placed Loyyal in a difficult financial position to repay the convertible note to the company.

Following unsuccessful negotiations the company filed a claim in the United States District Court (Northern District of California) on 24 June 2020 for recovery of the monies owing in the amount of USD$883,969, to protect its investments.

Loyyal filed for Chapter 7 bankruptcy protection on 28 July 2020.

Subsequent to that date, the company via US bankruptcy attorneys engaged in discussions and negotiations with the bankruptcy trustee of Loyyal with a view to purchasing the assets of Loyyal as part of a consortium of sophisticated investors ('the Consortium').

On 29 October 2020, after months of deliberation and the engagement of an expert independent valuer to determine the present market value of the rights to recovery from the Chapter 7 process of the convertible note and the A-3 preferred shares, the company executed a sale agreement with Loyyal Holdings Pty Ltd (the Consortium) for the sale of the company's convertible note and A-3 preferred shares in Loyyal Corporation. Total consideration was $250,000 and the proceeds were received by the company on 29 October 2020. By giving finality to the recovery process in relation to the convertible note and the preferred shares, the company has improved its immediate cash position. This gives the company increased flexibility to participate in the consortium and continue to fund its other operations. The company was facing a significant timing difference between when it would need to fund its share of the consortium versus receiving a creditors' distribution from the bankruptcy trustee. By selling the convertible note at a valuation supported by an independent expert valuer, the company is in a better financial position for the road ahead.

No other matter or circumstance has arisen since 30 June 2020 that has significantly affected, or may significantly affect the group's operations, the results of those operations, or the group's state of affairs in future financial years.

Likely developments and expected results of operations

The Board and Management team remain confident and passionate in the growth prospects of the group and its unique market position. The group is forecasting an increase in business development activities in the next financial year.

Environmental regulation

The group is not subject to any significant environmental regulation under Australian Commonwealth or State law.

REFFIND

Information on directors

Name:	Rumi Guzder
Title:	Executive Chairman
Experience and expertise:	Rumi is a mathematician and electrical engineer who specialises in control systems theory, distributed computing and IT infrastructure more broadly. Rumi started his career in academia pursuing Master's level study in control systems theory. During Rumi's time in academia, he worked in several research programmes associated with Hydro Quebec and Aeronautics companies. Rumi was head hunted from academia to work on numerous cutting edge technological projects in his home of Canada and also in North America. Rumi's experience is wide ranging, it includes: Leading the IT functions for an airfreight company which was eventually sold to Dachser GMBH. During Rumi's time here he was instrumental in modernising and deploying IT infrastructure and EDI systems for freight forwarding. The IT transformations which Rumi implemented proved to be significant motivation for Dachser GMBH acquiring the company; and Founding one of the world's first full-screen, self-service mobile advertising platforms. Rumi built the back-end data systems and infrastructure deployment. The company grew to more than 2 million impressions per day with annual revenues of more than $CAD 5 million. As an expert in his field, Rumi's other consulting projects have been varied. His experience also includes work in payment processing and supply chain management. As part of his consultancy, Rumi has been involved in successful RTOs on the CSE (Canadian Stock Exchange).
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	None
Interests in options:	None

Name:	Declan Jarrett
Title:	Non-Executive Director
Qualifications:	B.Com/Law, LLM, CPA
Experience and expertise:	Declan is a Barrister at Law at Edmund Barton Chambers. Declan has over 25 years in taxation and commercial law working in large practices and large public companies until his admission as a barrister. He was admitted as a barrister to The Supreme Court of New South Wales in 2004 and practices predominantly in commercial and taxation law. He’s also been a director and secretary of private companies and a cooperative.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Company Secretary
Interests in shares:	None
Interests in options:	None

Name:	Joshua Quinn
Title:	Non-Executive Director
Qualifications:	CAANZ, B.Com, LLM, CTA
Experience and expertise:	Joshua has over 20 years of experience in private practice within Business Services and Corporate Tax teams of Big 4 and leading Mid-Tier Firms providing business and taxation advice and compliance services to high net wealth individuals, private family groups, listed corporations and multinationals. He has experience with all aspects of Australian taxation and accounting including income tax, capital gains tax, tax provisions, tax consolidation, tax audits and tax compliance.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Accounting, treasury and taxation function
Interests in shares:	None
Interests in options:	None

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary

Declan Jarret was appointed company secretary on 11 October 2019. Declan currently serves as a Non-Executive Director. Refer to information on directors for further information.

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2020, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held
Rumi Guzder	6	6
Declan Jarrett	10	10
Joshua Quinn	5	5
David Jackson	1	2
Eugene Loy	5	5

Held: represents the number of meetings held during the time the director held office.

The functions of the Nomination and Remuneration Committee and the Audit and Risk Committee are carried out by the full Board.

Remuneration report (audited)

The remuneration report details the key management personnel ('KMP') remuneration arrangements for the group, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:
- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The objective of the group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness;
- acceptability to shareholders;
- performance linkage / alignment of executive compensation; and
- transparency.

The Board is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the group depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

The Board has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the group.

The reward framework is designed to align executive reward to shareholders' interests. The Board has considered that it should seek to enhance shareholders' interests by:

- having economic profit as a core component of plan design;
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value; and
- attracting and retaining high calibre executives.

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience;
- reflecting competitive reward for contribution to growth in shareholder wealth; and
- providing a clear structure for earning rewards.

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors' remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Board. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration. Non-executive directors do not receive share options or other incentives.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The most recent determination was at the Annual General Meeting held on 19 November 2015, where the shareholders approved a maximum annual aggregate remuneration of $800,000.

Executive remuneration

The group aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has the following components:

- base pay and non-monetary benefits;
- short-term performance incentives;
- share-based payments; and
- other remuneration such as superannuation and long service leave.

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Board based on individual and business unit performance, the overall performance of the group and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the group and provides additional value to the executive.

The short-term incentives ('STI') program is designed to align the targets of the business units with the performance hurdles of executives. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPI's') being achieved. KPI's include profit contribution, customer satisfaction, leadership contribution and product management.

The long-term incentives ('LTI') include long service leave and share-based payments. Shares may be awarded to executives based on long term incentive measures. These include increase in shareholders' value relative to the entire market and the increase compared to the group's direct competitors.

Group performance and link to remuneration
Remuneration for the year was not linked directly to group performance. Any bonuses and LTI granted are at the discretion of the Board. The share option plan is subject to participants meeting service conditions at the vesting date. There were no performance conditions linked to the share option plan.

Use of remuneration consultants
During the financial year ended 30 June 2020, the group did not engage any remuneration consultants.

Voting and comments made at the company's 2019 Annual General Meeting ('AGM')
At the 2019 AGM, 89.04% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2019. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration
Details of the remuneration of KMP of the group are set out in the following tables.

The key management personnel of the group consisted of the directors of REFFIND Ltd.

Amounts of remuneration
Details of the remuneration of KMP of the group are set out in the following tables:

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
2020	Cash salary and fees $	Cash bonus $	Other $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Non-Executive Directors:							
Declan Jarrett	56,000	-	-	-	-	-	56,000
Joshua Quinn*	45,500	-	-	-	-	-	45,500
Eugene Loy*	158,578	-	-	-	-	-	158,578
Executive Directors:							
Rumi Guzder*/**	65,000	-	-	-	-	-	65,000
	325,078	-	-	-	-	-	325,078

* represents remuneration from date of appointment and/or to date of resignation
** no remuneration was paid during the year ended 30 June 2020, all amounts have been accrued at 30 June 2020.

2019	Short-term benefits Cash salary and fees $	 Cash bonus $	 Other $	Post-employment benefits Super-annuation $	Long-term benefits Long service leave $	Share-based payments Equity-settled $	 Total $
Non-Executive Directors:							
Eugene Loy*	45,500	-	-	-	-	-	45,500
Declan Jarrett*	28,000	-	-	-	-	-	28,000
Anthony Dunlop*	19,500	-	-	-	-	-	19,500
Nicholas Diamond*	30,000	-	-	-	-	-	30,000
Executive Directors:							
David Jackson	71,233	-	-	6,767	-	-	78,000
Other Key Management Personnel:							
Tim Lea*	33,750	-	-	-	-	-	33,750
	227,983	-	-	6,767	-	-	234,750

* represents remuneration from date of appointment and/or to date of resignation

The proportion of remuneration linked to performance and the fixed proportion are as follows:

Name	Fixed remuneration 2020	Fixed remuneration 2019	At risk - STI 2020	At risk - STI 2019	At risk - LTI 2020	At risk - LTI 2019
Non-Executive Directors:						
Declan Jarrett	100%	100%	-	-	-	-
Joshua Quinn	100%	-	-	-	-	-
Eugene Loy	100%	100%	-	-	-	-
Anthony Dunlop	-	100%	-	-	-	-
Nicholas Diamond	-	100%	-	-	-	-
Executive Directors:						
Rumi Guzder	100%	-	-	-	-	-
David Jackson	-	100%	-	-	-	-

Service agreements
Remuneration and other terms of employment for KMP are formalised in service agreements. Details of these agreements are as follows:

Name:	Rumi Guzder
Title:	Executive Chairman
Agreement commenced:	5 September 2019
Term of agreement:	Appointment until next Annual General Meeting, at which point he will be eligible for re-election
Details:	Based salary fee of $78,000 per annum to be reviewed annually by the Board. Rumi is eligible for incentive compensation, including fees, salary, fringe benefits, superannuation contributions and non-cash benefits in accordance with company's constitution. Rumi may terminate the agreement at any time by providing written notice to the company. Rumi's appointment may otherwise be terminated at any time for cause by notice to Rumi from the company.

Name:	Declan Jarrett
Title:	Non-Executive Director
Agreement commenced:	19 November 2017
Term of agreement:	Appointment until next Annual General Meeting, at which point he will be eligible for re-election
Details:	Based salary fee of $56,000 per annum to be reviewed annually by the Board. Declan is eligible for incentive compensation, including fees, salary, fringe benefits, superannuation contributions and non-cash benefits in accordance with company's constitution. Declan may terminate the agreement at any time by providing written notice to the company. Declan's appointment may otherwise be terminated at any time for cause by notice to Declan from the company.

Name:	Joshua Quinn
Title:	Non-Executive Director
Agreement commenced:	30 December 2019
Term of agreement:	Appointment until next Annual General Meeting, at which point he will be eligible for re-election
Details:	Based salary fee of $78,000 per annum to be reviewed annually by the Board. Joshua is eligible for incentive compensation, including fees, salary, fringe benefits, superannuation contributions and non-cash benefits in accordance with company's constitution. Joshua may terminate the agreement at any time by providing written notice to the company. Joshua's appointment may otherwise be terminated at any time for cause by notice to Joshua from the company.

KMP have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of shares
There were no shares issued to directors and other KMP as part of compensation during the year ended 30 June 2020.

Options
There were no options over ordinary shares issued to directors and other key management personnel as part of compensation that were outstanding as at 30 June 2020.

There were no options over ordinary shares granted to or vested in directors and other key management personnel as part of compensation during the year ended 30 June 2020.

Additional disclosures relating to key management personnel

Shareholding
The number of shares in the company held during the financial year by each director and other members of KMP of the group, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other*	Balance at the end of the year
Ordinary shares					
Eugene Loy	26,772,984	-	-	(26,772,984)	-
	26,772,984	-	-	(26,772,984)	-

* Represents no longer being designated as a KMP, not necessarily a disposal of holding.

This concludes the remuneration report, which has been audited.

Shares under option
There were no unissued ordinary shares of REFFIND Ltd under option outstanding at the date of this report.

Shares issued on the exercise of options
There were no ordinary shares of REFFIND Ltd issued on the exercise of options during the year ended 30 June 2020 and up to the date of this report.

Indemnity and insurance of officers
The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor
The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit services
Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 18 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 18 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:
- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants (including Independence Standards) issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

Officers of the company who are former partners of BDO Audit Pty Ltd
There are no officers of the company who are former partners of BDO Audit Pty Ltd.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Rumi Guzder
Executive Chairman

31 October 2020
Sydney

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Sydney NSW 2000
Australia

DECLARATION OF INDEPENDENCE BY GEOFF ROONEY TO THE DIRECTORS OF REFFIND LTD

As lead auditor of REFFIND Ltd for the year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of REFFIND Ltd and the entities it controlled during the period.

G Rooney

Geoff Rooney
Director

BDO Audit Pty Ltd

Sydney

31 October 2020

General information

The financial statements cover REFFIND Ltd as a group consisting of REFFIND Ltd and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is REFFIND Ltd's functional and presentation currency.

REFFIND Ltd is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Suite 452
Level 5, 311 Castlereagh St
Sydney
NSW 2000
Australia

A description of the nature of the group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 31 October 2020. The directors have the power to amend and reissue the financial statements.

	Note	Consolidated 2020 $	2019 $
Revenue	4	66,062	100,847
Other income	5	9,852	177,193
Interest revenue calculated using the effective interest method		1,940	26,175
Expenses			
Employee benefits expense		(325,078)	(448,895)
Depreciation and amortisation expense	6	-	(7,910)
Advertising and marketing expenses		(138,335)	(68,837)
Occupancy expenses		(14,942)	(23,249)
Professional and consulting expenses		(927,722)	(512,670)
Net fair value loss on investments	10	(3,194,931)	-
Impairment of receivables		-	(7,150)
Write off of receivables		(37,434)	-
Compliance and share registry expenses		(41,072)	(121,059)
Other expenses		(136,958)	(108,027)
Loss before income tax expense		(4,738,618)	(993,582)
Income tax expense	7	-	-
Loss after income tax expense for the year attributable to the owners of REFFIND Ltd		(4,738,618)	(993,582)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of REFFIND Ltd		(4,738,618)	(993,582)
		Cents	Cents
Basic earnings per share	24	(0.61)	(0.19)
Diluted earnings per share	24	(0.61)	(0.19)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

REFFIND Ltd
Statement of financial position
As at 30 June 2020

REFFIND

	Note	Consolidated 2020 $	2019 $
Assets			
Current assets			
Cash and cash equivalents	8	72,590	282,179
Trade and other receivables	9	36,217	95,399
Prepayments		1,736	28,116
Total current assets		110,543	405,694
Non-current assets			
Financial assets at fair value through profit or loss	10	250,000	3,281,201
Total non-current assets		250,000	3,281,201
Total assets		360,543	3,686,895
Liabilities			
Current liabilities			
Trade and other payables	11	241,967	145,338
Contract liabilities		-	2,027
Total current liabilities		241,967	147,365
Total liabilities		241,967	147,365
Net assets		118,576	3,539,530
Equity			
Issued capital	12	17,449,482	16,131,818
Reserves	13	179,174	179,174
Accumulated losses		(17,510,080)	(12,771,462)
Total equity		118,576	3,539,530

The above statement of financial position should be read in conjunction with the accompanying notes

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2018	16,131,818	179,174	(11,777,880)	4,533,112
Loss after income tax expense for the year	-	-	(993,582)	(993,582)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(993,582)	(993,582)
Balance at 30 June 2019	16,131,818	179,174	(12,771,462)	3,539,530

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2019	16,131,818	179,174	(12,771,462)	3,539,530
Loss after income tax expense for the year	-	-	(4,738,618)	(4,738,618)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(4,738,618)	(4,738,618)
Transactions with owners in their capacity as owners:				
Issue of shares (note 12)	1,317,664	-	-	1,317,664
Balance at 30 June 2020	17,449,482	179,174	(17,510,080)	118,576

The above statement of changes in equity should be read in conjunction with the accompanying notes

	Note	Consolidated 2020 $	2019 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		92,390	120,105
Payments to suppliers and employees (inclusive of GST)		(1,467,902)	(1,302,098)
		(1,375,512)	(1,181,993)
Interest received		1,940	-
Research and development and grant income		-	2,000
Net cash used in operating activities	23	(1,373,572)	(1,179,993)
Cash flows from investing activities			
Payments for investments		(153,681)	-
Net cash used in investing activities		(153,681)	-
Cash flows from financing activities			
Proceeds from issue of shares	12	1,405,000	-
Share issue transaction costs	12	(87,336)	-
Net cash from financing activities		1,317,664	-
Net decrease in cash and cash equivalents		(209,589)	(1,179,993)
Cash and cash equivalents at the beginning of the financial year		282,179	1,462,172
Cash and cash equivalents at the end of the financial year	8	72,590	282,179

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the group.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following Accounting Standards and Interpretations are most relevant to the group:

Interpretation 23 Uncertainty over Income Tax

The group has adopted Interpretation 23 from 1 July 2019. The interpretation clarifies how to apply the recognition and measurement requirements of AASB 112 ‘Income Taxes’ in circumstances where uncertain tax treatments exists. The interpretation requires: the group to determine whether each uncertain tax treatment should be treated separately or together, based on which approach better predicts the resolution of the uncertainty; the group to consider whether it is probable that a taxation authority will accept an uncertain tax treatment; and if the group concludes that it is not probable that the taxation authority will accept an uncertain tax treatment, it shall reflect the effect of uncertainty in determining the related taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates, measuring the tax uncertainty based on either the most likely amount or the expected value. In making the assessment it is assumed that a taxation authority will examine amounts it has a right to examine and have full knowledge of all related information when making those examinations. Interpretation 23 was adopted using the modified retrospective approach and as such comparatives have not been restated.

Impact of adoption

There was no impact of adoption on opening accumulated losses as at 1 July 2019.

AASB 16 Leases

The group has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

Impact of adoption

As at 1 July 2019, the group had not entered into any lease agreement. The adoption of AASB 16 'Leases' did not have any significant impact on the financial performance or position of the group during the financial year ended 30 June 2020.

Going concern

The financial statements have been prepared on a going concern basis.

During the year ended 30 June 2020 the group incurred a loss of $4,738,618 (30 June 2019: loss of $993,582). The cash outflow from operating activities was $1,373,572 (30 June 2019: $1,179,993). As at 30 June 2020 the group has cash reserves of $72,590 (30 June 2019: $282,179) and net current liabilities of $131,424 (30 June 2019: net current assets $258,329).

Note 1. Significant accounting policies (continued)

Notwithstanding the above, the Directors believe that the group will continue as a going concern after consideration of the following factors:

- On 22 July 2020, the company completed a capital raise of $880,000 at $0.002 per share. The capital raise was conducted in two tranches. The first tranche for $440,000 (220,000,000 shares) was conducted using the company's existing placement capacity. The remaining $440,000 was raised by way of convertible note, subject to shareholder approval, at a conversion price of $0.002 redeemable within 12 months with a capitalised interest rate of 6% pa paid on maturity. The funds raised will be applied to working capital, accelerate sales growth, to fund product development and costs of the offer; and
- The group has the ability and intention to conduct future capital raises as and when required to meet operational and investment requirements.

However, if the Group is not successful in securing sufficient additional funds, there is a material uncertainty that may cast significant doubt whether the group will continue as a going concern and therefore the group may be unable to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The financial statements do not contain any adjustments relating to the recoverability and classification of recorded assets or liabilities that might be necessary should the group not be able to continue as a going concern.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention except for financial assets at fair value through profit or loss.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the group only. Supplementary information about the parent entity is disclosed in note 21.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of REFFIND Ltd ('company' or 'parent entity') as at 30 June 2020 and the results of all subsidiaries for the year then ended. REFFIND Ltd and its subsidiaries together are referred to in these financial statements as the 'group'.

Subsidiaries are all those entities over which the group has control. 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 to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Note 1. Significant accounting policies (continued)

Where the group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation

The financial statements are presented in Australian dollars, which is REFFIND Ltd's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into the company's 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 financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Revenue recognition

The group recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Subscription fees

Subscription fees from licence of Software-as-a-Service ('SaaS') products are recognised over time, being on a straight-line basis over the period the performance obligation, when the right to access is satisfied in accordance with the terms of the contract. Contract liabilities relate to revenue which has been billed to the customers for which the services are yet to be performed.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Government grants

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Note 1. Significant accounting policies (continued)

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

REFFIND Ltd (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Note 1. Significant accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The group has adopted the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit; or (ii) designated as such upon initial recognition, where they are managed on a fair value basis or to eliminate or significantly reduce an accounting mismatch. Except for effective hedging instruments, derivatives are also categorised as fair value through profit or loss. Fair value movements are recognised in profit or loss.

Impairment of financial assets

The group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

Trade and other payables

These amounts represent liabilities for goods and services provided to the group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Note 1. Significant accounting policies (continued)

Contract liabilities
Contract liabilities represent the group's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the group recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the group has transferred the goods or services to the customer.

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Share-based payments
Equity-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions is measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions is recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, they are treated as if they have vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Note 1. Significant accounting policies (continued)

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Issued capital

Ordinary shares are classified as equity.

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

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of REFFIND Ltd, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

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

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the group for the annual reporting period ended 30 June 2020. The group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the group, are set out below.

Note 1. Significant accounting policies (continued)

Conceptual Framework for Financial Reporting (Conceptual Framework)
The revised Conceptual Framework is applicable to annual reporting periods beginning on or after 1 January 2020 and early adoption is permitted. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards. Where the group has relied on the existing framework in determining its accounting policies for transactions, events or conditions that are not otherwise dealt with under the Australian Accounting Standards, the group may need to review such policies under the revised framework. At this time, the application of the Conceptual Framework is not expected to have a material impact on the group's financial statements.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Coronavirus (COVID-19) pandemic
Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the group based on known information. This consideration extends to the nature of the services offered, customers, supply chain, staffing; geographic regions in which the group operates and the group's investments in financial assets, namely Loyyal Corporation. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the group unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Allowance for expected credit losses
The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience, historical collection rates, the impact of the Coronavirus (COVID-19) pandemic and forward-looking information that is available. The allowance for expected credit losses, as disclosed in note 9, is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower.

Fair value measurement hierarchy
The group is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

Income tax
The group is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The group recognises liabilities for anticipated tax audit issues based on the group's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences only if the group considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Note 3. Operating segments

Identification of reportable operating segments
The group is organised into two operating segments: REFFIND and WooBoard Software as a Service products ('WooBoard'). These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The CODM reviews adjusted EBITDA (earnings before interest, tax, depreciation and amortisation adjusted for impairment of assets). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

Major customers
During the year ended 30 June 2020, no customer (2019: nil) contributed more than 10% to the group's external revenue.

Operating segment information

Consolidated - 2020	REFFIND $	WooBoard $	Total $
Revenue			
Sales to external customers	-	66,062	66,062
Interest	1,940	-	1,940
Total revenue	1,940	66,062	68,002
Adjusted EBITDA	(1,598,646)	53,019	(1,545,627)
Net fair value loss on investments			(3,194,931)
Interest revenue			1,940
Loss before income tax expense			(4,738,618)
Income tax expense			-
Loss after income tax expense			(4,738,618)

Consolidated - 2019	REFFIND $	WooBoard $	Total $
Revenue			
Sales to external customers	8,500	92,347	100,847
Interest	26,175	-	26,175
Total revenue	34,675	92,347	127,022
Adjusted EBITDA	(1,086,002)	74,155	(1,011,847)
Depreciation and amortisation			(7,910)
Interest revenue			26,175
Loss before income tax expense			(993,582)
Income tax expense			-
Loss after income tax expense			(993,582)

All assets and liabilities, including taxes are not allocated to the operating segments as they are managed on an overall group basis.

REFFIND

Note 4. Revenue

	Consolidated 2020 $	Consolidated 2019 $
Subscription fees recognised over time	66,062	100,847

Disaggregation of revenue
All revenue from contracts with customers is recognised over time and in Australia. Revenue by product line is disclosed in note 3.

Note 5. Other income

	Consolidated 2020 $	Consolidated 2019 $
Net foreign exchange gain	9,852	167,651
Research and development income	-	2,000
Other	-	7,542
Other income	9,852	177,193

Note 6. Expenses

	Consolidated 2020 $	Consolidated 2019 $
Loss before income tax includes the following specific expenses:		
Depreciation		
Computer equipment	-	7,676
Office furniture	-	234
Total depreciation	-	7,910
Leases		
Minimum lease payments	-	23,249
Short-term lease payments	14,942	-
	14,942	23,249
Superannuation expense		
Defined contribution superannuation expense	-	26,404

Note 7. Income tax expense

	Consolidated 2020 $	Consolidated 2019 $
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	(4,738,618)	(993,582)
Tax at the statutory tax rate of 27.5%	(1,303,120)	(273,235)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible expenses	917,378	449
Non-assessable income	(3,321)	(46,271)
Other deductible expenses	(110,137)	-
	(499,200)	(319,057)
Current year tax losses and temporary differences not recognised	499,200	319,057
Income tax expense	-	-

	Consolidated 2020 $	Consolidated 2019 $
Tax losses not recognised		
Unused tax losses for which no deferred tax asset has been recognised	12,078,771	10,357,840
Potential tax benefit at statutory tax rates @ 27.5% (2019: 27.5%)	3,321,662	2,848,406

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

Note 8. Current assets - cash and cash equivalents

	Consolidated 2020 $	Consolidated 2019 $
Cash at bank	72,590	241,512
Cash on deposit	-	40,667
	72,590	282,179

Note 9. Current assets - trade and other receivables

	Consolidated 2020 $	Consolidated 2019 $
Trade receivables	6,314	9,558
Convertible note interest receivable	-	37,434
Other receivables	861	861
GST receivable	29,042	47,546
	36,217	95,399

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Note 9. Current assets - trade and other receivables (continued)

Allowance for expected credit losses
The group has recognised a loss of $nil (2019: net loss of $7,150) in profit or loss in respect of impairment of trade receivables for the year ended 30 June 2020.

Convertible note interest receivable amounting to $37,434, was written off during the year ended 30 June 2020. Refer to note 10 for further information.

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
	2020	2019	2020	2019	2020	2019
Consolidated	%	%	$	$	$	$
Not overdue	-	-	1,082	4,065	-	-
0 to 3 months overdue	-	-	1,375	3,233	-	-
Over 3 months overdue	-	-	3,857	2,260	-	-
			6,314	9,558	-	-

Movements in the allowance for expected credit losses are as follows:

	Consolidated	
	2020	2019
	$	$
Opening balance	-	30,437
Additional provisions recognised	-	7,150
Receivables written off during the year as uncollectable	-	(37,587)
Closing balance	-	-

Note 10. Non-current assets - financial assets at fair value through profit or loss

	Consolidated	
	2020	2019
	$	$
Investment in Loyyal Corporation at fair value through profit or loss comprising of:		
Series A-3 preferred shares	-	2,139,914
Convertible note	250,000	1,141,287
Convertible note - SAFE Note	-	-
	250,000	3,281,201

Reconciliation
Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

Opening fair value	3,281,201	3,112,273
Additions	153,681	-
Net fair value movement	(3,194,931)	-
Foreign exchange movements	10,049	168,928
Closing fair value	250,000	3,281,201

Note 10. Non-current assets - financial assets at fair value through profit or loss (continued)

Investment in Loyyal Corporation represents the group's investments in Loyyal Corporation ('Loyyal'), a leading US based blockchain loyalty and rewards company. The total amount invested in Loyyal at 30 June 2020 is USD$2,400,000 (30 June 2019: USD$2,300,000) consisting of:

- USD$1,500,000 worth of Series A-3 preferred shares acquired on 24 January 2018, giving the group 4,670,714 shares or 9.38% equity interest in Loyyal on a fully diluted basis;
- USD$800,000 in convertible notes, acquired on 24 January 2018. The option to convert the notes into Series A-3 preferred shares expired on 24 January 2020. Interest on the note is charged at 2.5% per annum; and
- USD$100,000 in Loyyal's funding round in October 2019 to preserve the ownership interest in Loyyal ('SAFE Note').

Since March 2020, as a result of the impacts of COVID-19 and global travel restrictions, the financial situation of Loyyal diminished significantly and subsequent to the year ended 30 June 2020, on 28 July 2020, Loyyal filed for bankruptcy. As a result of Loyyal's financial situation the fair value of the investment in the Series A-3 preferred shares and the SAFE Note were reduced to $nil at 30 June 2020. The fair value of the convertible note was reduced to $250,000 on the basis that the convertible note was disposed for $250,000 on 29 October 2020. Refer to note 16 for further information on fair value measurement.

During the year ended 30 June 2019, interest revenue totalling $26,175 was recognised on the convertible note component of the investment in Loyyal. As at 30 June 2019, no interest payment was received and interest receivable $37,434 is included in other receivables in note 9. During the year ended 30 June 2020, due to the financial situation of Loyyal, no interest was recognised on the convertible note and interest receivable of $37,434 was written off.

Note 11. Current liabilities - trade and other payables

	Consolidated 2020 $	Consolidated 2019 $
Trade payables	161,846	73,156
Accrued expenses	80,121	72,182
	241,967	145,338

Refer to note 15 for further information on financial instruments - risk management.

Note 12. Equity - issued capital

	Consolidated 2020 Shares	Consolidated 2019 Shares	Consolidated 2020 $	Consolidated 2019 $
Ordinary shares - fully paid	1,023,258,621	515,500,000	17,449,482	16,131,818

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Note 12. Equity - issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares		$
Balance	1 July 2018	515,500,000		16,131,818
Balance	30 June 2019	515,500,000		16,131,818
Issue of shares	15 July 2019	73,333,333	$0.0030	220,000
Issue of shares	8 August 2019	51,666,667	$0.0030	155,000
Issue of shares	20 January 2020	30,400,000	$0.0025	76,000
Issue of shares	30 January 2020	169,600,000	$0.0025	424,000
Issue of shares	28 February 2020	27,586,207	$0.0029	80,000
Issue of shares	28 February 2020	155,172,414	$0.0029	450,000
Share issue transaction costs, net of tax		-	$0.0000	(87,336)
Balance	30 June 2020	1,023,258,621		17,449,482

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Capital risk management
The group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The group would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The group is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The capital risk management policy remains unchanged from the 2019 Annual Report.

Note 13. Equity - reserves

	Consolidated	
	2020 $	2019 $
Share-based payments reserve	179,174	179,174

Share-based payments reserve
The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

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Note 13. Equity - reserves (continued)

Movements in reserves
Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Share-based payments $
Balance at 1 July 2018	179,174
Share-based payments	-
Balance at 30 June 2019	179,174
Share-based payments	-
Balance at 30 June 2020	179,174

Note 14. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 15. Financial instruments - Risk management

Financial risk management objectives
The group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the group. The group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate risk and ageing analysis for credit risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the group and appropriate procedures, controls and risk limits. Finance identifies and evaluates financial risks within the group's operating units. Finance reports to the Board on a monthly basis.

Market risk

Foreign currency risk
The group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency.

The group's foreign exchange risk is managed to ensure sufficient funds are available to meet foreign denominated financial commitments in a timely and cost-effective manner. The group will continually monitor this risk.

The carrying amount of the group's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

	Assets		Liabilities	
Consolidated	2020 $	2019 $	2020 $	2019 $
US dollars	250,000	3,318,635	40,049	-

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Note 15. Financial instruments - Risk management (continued)

The group had net assets denominated in foreign currencies of $209,951 (2019: net assets of $3,318,635). Based on this exposure, had the Australian dollars weakened by 5%/strengthened by 5% (2019: weakened by 5%/strengthened by 5%) against these foreign currencies with all other variables held constant, the group's profit before tax for the year would have been $11,051 higher/$9,997 lower (2019: $174,665 higher/$158,030 lower) and equity would have been $11,051 higher/$9,997 lower (2019: $174,665 higher/$158,030 lower). The percentage change is the expected overall volatility of the significant currencies, based on management's assessment of reasonable possible fluctuations.

Price risk
The group is not exposed to any significant price risk.

Interest rate risk
The group’s interest rate risk is limited to interest income on cash at bank. An official increase/decrease in interest rates of 50 (2019: 50) basis points would have an adverse/favourable effect on profit before tax of $363 (2019: $1,410) per annum.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the group. The group has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The group obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The group does not hold any collateral.

The group has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the group based on recent sales experience, historical collection rates and forward-looking information that is available.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

The group has a significant credit risk exposure at 30 June 2020 with Loyyal Corporation, which owed the group $1,148,310 in convertible notes plus $37,434 in interest (2019: $1,141,287 in convertible notes plus $37,434 in interest). The convertible note expired on 24 January 2020 but was unable to be repaid by Loyyal Corporation. On 24 June 2020 the group filed a claim in the United States District Court (Northern District of California) in the amount of USD$883,969. On 28 July 2020, Loyyal Corporation entered Chapter 7 bankruptcy protection in the United States. Due to Loyyal Corporation's inability to repay the convertible note and the interest, the fair value of the convertible note was reduced to $250,000 on 30 June 2020 and the interest receivable was written off on 30 June 2020. Refer to note 16 for further details.

Liquidity risk
Vigilant liquidity risk management requires the group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Note 15. Financial instruments - Risk management (continued)

Remaining contractual maturities
The following tables detail the group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2020	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives					
Non-interest bearing					
Trade payables	161,846	-	-	-	161,846
Total non-derivatives	161,846	-	-	-	161,846

Consolidated - 2019	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives					
Non-interest bearing					
Trade payables	73,156	-	-	-	73,156
Total non-derivatives	73,156	-	-	-	73,156

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Note 16. Fair value measurement

Fair value hierarchy
The following tables detail the group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

Consolidated - 2020	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Investment in Loyyal Corporation at fair value through profit or loss comprising of:				
Series A-3 preferred shares	-	-	-	-
Convertible note	-	-	250,000	250,000
Convertible note - SAFE Note	-	-	-	-
Total assets	-	-	250,000	250,000

Note 16. Fair value measurement (continued)

Consolidated - 2019	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Investment in Loyyal Corporation at fair value through profit or loss comprising of:				
Series A-3 preferred shares	-	2,139,914	-	2,139,914
Convertible note	-	1,141,287	-	1,141,287
Total assets	-	3,281,201	-	3,281,201

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

During the year ended 30 June 2020, financial assets at fair value through profit and loss was transferred out of level 2 and into level 3. During the year ended 30 June 2019, the investment in Loyyal was valued using the price of recent investment ('PORI') method. Due to inactivity in the market, primarily as a result of the COVID-19 pandemic, there was no new significant investments made in Loyyal from which to estimate the fair value. Therefore, as at 30 June 2020 management has valued the investment using a discounted cash flow methodology, a valuation technique categorised within level 3 for which there are no observable inputs.

Valuation techniques for fair value measurements categorised within level 2 and level 3

Investment in Loyyal Corporation at fair value through profit or loss have been valued by an independent expert using:
- Series A-3 preferred stock - discounted cash flow method (2019: PORI);
- Convertible note - discounted cash flow method (2019: PORI); and
- Convertible note - SAFE Note - discounted cash flow method (2019: N/A).

Level 3 assets and liabilities
Movements in level 3 assets and liabilities during the current and previous financial year are set out below:

	Investment in Loyyal $
Balance at 1 July 2019	-
Transfers from level 2 into level 3	3,281,201
Additions	153,681
Fair value movement recognised in profit of loss	(3,194,931)
Net foreign exchange movement	10,049
Balance at 30 June 2020	250,000

Due to the deterioration of Loyyal's financial situation as a result of the impacts of COVID-19 and global travel restrictions which ultimately resulted in Loyyal filing for bankruptcy on 28 July 2020, it is unlikely that the group will be able recover any of its investment in the A-3 preferred shares of Loyyal and the SAFE note, therefore the fair value has been reduced to $nil.

The convertible note in Loyyal Corporation had a fair value of $250,000 at 30 June 2020. The fair value was determined on the basis that the convertible note in Loyyal Corporation was disposed of subsequent to year end. On 29 October 2020, the company executed a sale agreement with Loyyal Holdings Pty Ltd for the sale of the company’s convertible note in Loyyal Corporation for total consideration of $250,000.

No reasonable possible change in the fair value assumptions would result in any change to the fair value.

Note 17. Key management personnel disclosures

Compensation
The aggregate compensation made to directors and other members of key management personnel of the group is set out below:

	Consolidated	
	2020 $	2019 $
Short-term employee benefits	325,078	227,983
Post-employment benefits	-	6,767
	325,078	234,750

Note 18. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by BDO Audit Pty Ltd, the auditor of the company:

	Consolidated	
	2020 $	2019 $
Audit services - BDO Audit Pty Ltd (2019: Nexia Sydney Partnership)		
Audit or review of the financial statements	30,459	35,000
Other services - BDO Audit Pty Ltd (2019: Nexia Sydney Partnership)		
Taxation services	25,389	6,000
Corporate advisory services	4,500	-
	29,889	6,000
	60,348	41,000

Note 19. Contingent liabilities

The group has no contingent liabilities at 30 June 2020 and 30 June 2019.

Note 20. Related party transactions

Parent entity
REFFIND Ltd is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 22.

Key management personnel
Disclosures relating to key management personnel are set out in note 17 and the remuneration report included in the directors' report.

Transactions with related parties
There were no transactions with related parties during the current and previous financial year.

Note 20. Related party transactions (continued)

Receivable from and payable to related parties
The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated	
	2020 $	2019 $
Current payables:		
Trade payables and accrued expenses to key management personnel	65,000	8,400

Loans to/from related parties
There were no loans to or from related parties at the current and previous reporting date.

Note 21. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2020 $	2019 $
Loss after income tax	(4,791,636)	(1,067,737)
Total comprehensive income	(4,791,636)	(1,067,737)

Statement of financial position

	Parent	
	2020 $	2019 $
Total current assets	67,231	233,272
Total assets	317,231	3,514,473
Total current liabilities	612,258	335,528
Total liabilities	612,258	335,528
Equity		
Issued capital	17,449,482	16,131,818
Share-based payments reserve	179,174	179,174
Accumulated losses	(17,923,683)	(13,132,047)
Total equity/(deficiency)	(295,027)	3,178,945

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2020 and 30 June 2019.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2020 and 30 June 2019.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2020 and 30 June 2019.

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Note 21. Parent entity information (continued)

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the group, as disclosed in note 1, except for the following:
- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 22. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary in accordance with the accounting policy described in note 1:

		Ownership interest	
Name	Principal place of business / Country of incorporation	2020 %	2019 %
WooBoard Pty Ltd	Australia	100%	100%

Note 23. Cash flow information

Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	2020 $	2019 $
Loss after income tax expense for the year	(4,738,618)	(993,582)
Adjustments for:		
Depreciation and amortisation	-	7,910
Net fair value loss on financial assets	3,194,931	-
Foreign exchange differences	(10,049)	(168,928)
Non-cash interest revenue	-	(26,175)
Write off of receivables	37,434	-
Change in operating assets and liabilities:		
Decrease in trade and other receivables	21,748	16,064
Decrease/(increase) in prepayments	26,380	(26,915)
Increase in trade and other payables	96,629	29,087
Decrease in employee benefits	-	(14,383)
Decrease in contract liabilities	(2,027)	(3,071)
Net cash used in operating activities	(1,373,572)	(1,179,993)

Non-cash investing and financing activities

	Consolidated	
	2020 $	2019 $
Foreign exchange movements on financial assets at fair value through profit or loss	10,049	168,928
Fair value movements on financial assets at fair value through profit or loss	3,194,931	-
	3,204,980	168,928

Note 24. Earnings per share

	Consolidated 2020 $	Consolidated 2019 $
Loss after income tax attributable to the owners of REFFIND Ltd	(4,738,618)	(993,582)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	778,685,981	515,500,000
Weighted average number of ordinary shares used in calculating diluted earnings per share	778,685,981	515,500,000
	Cents	Cents
Basic earnings per share	(0.61)	(0.19)
Diluted earnings per share	(0.61)	(0.19)

For the purpose calculating the diluted earnings per share options have been excluded as the effect would be anti-dilutive.

Note 25. Share-based payments

A share option plan has been established by the group and approved by shareholders at a general meeting, whereby the group may, at the discretion of the Board, grant options over ordinary shares in the company to certain key management personnel of the group. The options are issued for nil consideration and are granted in accordance with performance guidelines established by the Board.

Set out below are summaries of options granted under the plan:

2020

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
06/07/2015	06/07/2019	$0.2500	2,100,000	-	-	(2,100,000)	-
			2,100,000	-	-	(2,100,000)	-
Weighted average exercise price			$0.2500	$0.0000	$0.0000	$0.2500	$0.0000

All options expired during the financial year ended 30 Jun 2020.

2019

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
06/07/2015	06/07/2019	$0.2500	2,100,000	-	-	-	2,100,000
			2,100,000	-	-	-	2,100,000
Weighted average exercise price			$0.2500	$0.0000	$0.0000	$0.0000	$0.2500

The weighted average share price during the financial year was $0.003 (2019: $0.007).

The weighted average remaining contractual life of options outstanding at the end of the financial year was nil (2019: 0.02 year).

Note 26. Events after the reporting period

COVID-19
The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Capital raising
On 22 July 2020, the company completed a capital raise of $880,000 at $0.002 per share. The capital raise was conducted in two tranches. The first tranche for $440,000 (220,000,000 shares) was conducted using the company's existing placement capacity. The remaining $440,000 was raised by way of convertible note, subject to shareholder approval, at a conversion price of $0.002 redeemable within 12 months with a capitalised interest rate of 6% per annum paid on maturity. The funds raised will be applied to working capital, accelerate sales growth, to fund product development and costs of the offer.

Investment in Loyyal
Major market opportunities for Loyyal are airlines, hotels and financial services. Since March 2020, as a result of the impacts of COVID-19 and global travel restrictions, the company decided from a risk mitigation standpoint to seek repayment of its convertible note held with Loyyal, rather than convert to equity. Formal request for payment was made on 30 April 2020 seeking repayment of USD$845,315 (principal and interest as at 30 April 2020).

The unique circumstances of COVID-19 have meant that Loyyal's clients such as Emirates were significantly impacted and placed Loyyal in a difficult financial position to repay the convertible note to the company.

Following unsuccessful negotiations the company filed a claim in the United States District Court (Northern District of California) on 24 June 2020 for recovery of the monies owing in the amount of USD$883,969, to protect its investments.

Loyyal filed for Chapter 7 bankruptcy protection on 28 July 2020.

Subsequent to that date, the company via US bankruptcy attorneys engaged in discussions and negotiations with the bankruptcy trustee of Loyyal with a view to purchasing the assets of Loyyal as part of a consortium of sophisticated investors ('the Consortium').

On 29 October 2020, after months of deliberation and the engagement of an expert independent valuer to determine the present market value of the rights to recovery from the Chapter 7 process of the convertible note and the A-3 preferred shares, the company executed a sale agreement with Loyyal Holdings Pty Ltd (the Consortium) for the sale of the company's convertible note and A-3 preferred shares in Loyyal Corporation. Total consideration was $250,000 and the proceeds were received by the company on 29 October 2020. By giving finality to the recovery process in relation to the convertible note and the preferred shares, the company has improved its immediate cash position. This gives the company increased flexibility to participate in the consortium and continue to fund its other operations. The company was facing a significant timing difference between when it would need to fund its share of the consortium versus receiving a creditors' distribution from the bankruptcy trustee. By selling the convertible note at a valuation supported by an independent expert valuer, the company is in a better financial position for the road ahead.

No other matter or circumstance has arisen since 30 June 2020 that has significantly affected, or may significantly affect the group's operations, the results of those operations, or the group's state of affairs in future financial years.

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;

- the attached financial statements and notes give a true and fair view of the group's financial position as at 30 June 2020 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Rumi Guzder
Executive Chairman

31 October 2020
Sydney

INDEPENDENT AUDITOR'S REPORT

To the members of REFFIND Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of REFFIND Ltd (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2020 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Company in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Material uncertainty related to going concern

We draw attention to Note 1, Going concern section, in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

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

Valuation of Investments

Key audit matter	*How the matter was addressed in our audit*
Note 10 to the financial report discloses the Company's investment in Loyyal Corporation of AUD$250k (2019: AUD$3.3m). This investment comprised of the following items at cost (USD): • US$1,500,000 in preference shares in Loyyal • US$800,000 in convertible notes • US$100,000 in Convertible Note - SAFE Note The investment is classified within level 3 of the fair value hierarchy as defined in AASB 13 Fair Value Measurement. The valuation of these investments is a key audit matter due to the size of the asset compared to the total assets of the Company, as well as the presence of significant unobservable inputs into the valuation of the assets and related uncertainty. We note that subsequent to 30 June 2020, on the 29th of October 2020, the Company sold all its investment exposure in Loyyal to a third party for a value of $250,000, and hence this value has been reflected as the fair value of the assets in the financial statements.	Our audit procedures included, amongst others: • Obtaining and evaluating management's valuation • Reviewing the Independent Experts valuation report and related commentary used by management to support their valuation • Evaluating and challenging the valuation methodology applied by management, including critical assumptions used in the determination of the fair value • Agreeing to supporting documentation any subsequent sale price, cash receipt and relevant sale contractual information as a valuation reference point • Evaluating the adequacy of the disclosures relating to the investments within the financial report and for compliance with Australian Accounting Standards.

Other matter

The financial report of the Company, for the year ended 30 June 2019 was audited by another auditor who expressed an unmodified opinion on that report on 30 September 2019.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2020, but does not include the financial report and the auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

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

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

Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 5 to 9 of the directors' report for the year ended 30 June 2020.

In our opinion, the Remuneration Report of REFFIND Ltd, for the year ended 30 June 2020, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO

BDO Audit Pty Ltd

G Rooney

Geoff Rooney
Director

Sydney, 31 October 2020

The shareholder information set out below was applicable as at 24 October 2020

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	Number of holders of ordinary shares	% of ordinary shares held
1 to 1,000	216	0.01
1,001 to 5,000	368	0.08
5,001 to 10,000	133	0.09
10,001 to 100,000	925	3.19
100,001 and over	942	96.63
	2,584	100.00
Holding less than a marketable parcel	1,799	5.07

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
Ms Chunyan Niu	60,000,000	4.83
Mr Bin Liu	50,000,000	4.02
ACN 600 838 873 Pty Ltd	35,172,984	2.83
Mr Boyun Liu	35,000,000	2.82
Mayfield Super Fund Pty Ltd (Mayfield Super Fund A/C)	34,482,759	2.77
Rookesbury Pty Ltd (Rookesbury Investments A/C)	30,666,666	2.47
Miss Sihong Zeng	28,650,000	2.30
Emery Number 2 Pty Ltd (Scott Emery Family No 2 A/C)	28,333,333	2.28
Mr Gregory Woszczalski	20,000,000	1.61
Tact On Kent Pty Ltd	18,161,379	1.46
Mr Rommel Ainza Gan & Ms Shennie Chua Chua	14,450,000	1.16
Ms Erina Mairee Jones	14,000,000	1.13
006 Capital Pty Ltd	14,000,000	1.13
Invesco Nominee Pty Ltd	13,811,678	1.11
Mr Abusad Ahmad	10,250,000	0.82
Hendo Family Superannuation Pty Ltd (Henderson Super Fund A/C)	10,200,000	0.82
Saba Nominees Pty Ltd (Saba A/C)	10,021,000	0.81
Mr Khanh Quang Dinh	10,000,000	0.80
Mr Caiwen Xu	10,000,000	0.80
Mr Jason Loh	10,000,000	0.80
	457,199,799	36.77

Unquoted equity securities

There are no unquoted equity securities.

Substantial holders

There are no substantial holders in the company.

Voting rights
The voting rights attached to ordinary shares are set out below:

Ordinary shares
On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.

Directors	Rumi Guzder - Executive Chairman Declan Jarrett - Non-Executive Director Joshua Quinn - Non-Executive Director
Company secretary	Declan Jarret
Registered office	Suite 452 Level 5, 311 Castlereagh St Sydney, NSW 2000 Australia
Principal place of business	Suite 452 Level 5, 311 Castlereagh St Sydney, NSW 2000 Australia Phone: 1300 600 956
Share register	Boardroom Pty Limited Level 12, 255 George Street Sydney, NSW 2000 Australia Phone: +61 (02) 9290 9600
Auditor	BDO Audit Pty Ltd 11/1 Margaret Street Sydney, NSW 2000 Australia
Stock exchange listing	REFFIND Ltd shares are listed on the Australian Securities Exchange (ASX code: RFN)
Website	http://www.reffind.com
Corporate Governance Statement	The directors and management are committed to conducting the business of REFFIND Ltd in an ethical manner and in accordance with the highest standards of corporate governance. REFFIND Ltd has adopted and substantially complied with the ASX Corporate Governance Principles and Recommendations (Third Edition) ('Recommendations') to the extent appropriate to the size and nature of its operations. The Corporate Governance Statement, which sets out the corporate governance practices that were in operation during the financial year and identifies and explains any Recommendations that have not been followed was approved at the same time as the annual report and can be found at https://www.reffind.com/investor-centre/