



Rein In Receivables

ABN 28 102 747 133

ASX Appendix 4E

for the 12 months ended 30 June 2018

1. Company Details

Name of Entity

IODM Limited

ABN

Current period

Previous period

28 102 747 133

1 July 2017 to 30 June 2018

1 July 2016 to 30 June 2017

2. Results for announcement to the market

AUD			
2.1 Revenues from continuing operations	Up	91% to	\$ 216,223
2.2 Loss from continuing operations after tax attributable to members	Down	53% to	\$ 882,710
2.3 Net loss for the period attributable to members	Down	53% to	\$ 882,710
2.4 Dividends	Amount per security		Franked amount per security
Dividend declared	N/A		N/A
2.5 Record date for determining entitlements to dividend			N/A
2.6 Brief explanation of any of the figures in 2.1 to 2.4 above necessary to enable figures to be understood			
The net loss associated with the business for the year ended 30 th June 2018 saw a significant improvement on the prior year as the company's strategy of developing and pursuing its corporate/enterprise offering, began to gain significant traction and momentum.			

During the course of the year the company has secured global brands and blue chip clients as repeat customers. This has continued post financial year end.

In addition to the above the company's financial performance has benefitted from a significant reduction in costs across all aspects of the business following a review by the board.

3. Consolidated Statements of Comprehensive Income together with notes to the statement –

See accompanying unaudited preliminary financial statements.

4. Consolidated Statements of Financial Position together with notes to the statement –

See accompanying unaudited preliminary financial statements.

5. Consolidated Statements of Cash Flows together with notes to the statement –

See accompanying unaudited preliminary financial statements.

6. Consolidated Statements of Changes in Equity together with notes to the statement –

See accompanying unaudited preliminary financial statements.

7. Dividends

Individual dividends per security

Final Dividend	Date dividend is payable	Amount per security	Franked amount per security at 30% tax	Amount per security of foreign source dividend
Current Year	N/A	N/A	N/A	N/A
Previous Year	N/A	N/A	N/A	N/A

8. Dividend Reinvestment Plans

The dividend or distribution plans shown below are in operation.

N/A

The last date(s) for receipt of election notices for the dividend or distribution plans.	N/A
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9. Net tangible assets per security	30 June 2018	30 June 2017
Net tangible asset backing per ordinary	-\$0.00003	-\$0.00013

10. Details of entities over which control has been gained or lost

N/A For further detail refer to the accompanying unaudited preliminary financial statements and notes.

10.1 Control lost over entities

N/A

11 Details of associates and joint entities

Results for announcement to the market incorporate the results of IODM Limited and the following subsidiaries: The Debtor Management Hub Pty Ltd – 100% The Innovative Online Debt Management Trust – 100% Paradigm NSW Pty Limited – 100% Paradigm Queensland Pty Ltd – 100% Tungsten NSW Pty Ltd – 100%
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12 Other significant information

On 17 August 2018 the Company issued 12,500,000 ordinary shares at 1.2 cents as a private placement of \$150,000 to a sophisticated Investor. A further \$80,000 draw down pursuant to the Standby facility was provided by another shareholder, who converted his commitment to 6,666,667 shares to assist the company in its capital management. The company has access to an additional \$ 80,000 funding under the Standby facility.
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13 Foreign entities

N/A

14 Commentary on results**14.1 Earnings per security**

Basic loss per share- \$0.0022

Diluted loss per share - \$0.0022

14.2 Returns to shareholders

N/A

14.3 Significant features of operating performance

As the company has only been operating for two years as cloud based there are no significant features of operating performance.

14.4 Results of segments

N/A - For management purposes, the Group is organised into one main operating segment, which is the operation as a cloud based Software as a Service provided. All of the Group's activities are interrelated, and discrete financial information is reported to the Board (Chief Operating Decision Makers) as a single segment.

Accordingly, all significant operating decisions are based upon analysis of the Group as one segment. The financial results from this segment are equivalent to the financial statements of the Group as a whole.

14.5 Trends in performance

As the company has only been operating for two years as cloud based there are no significant trends in performance noted by management for reporting.

14.6 Other factors affecting results

N/A

15 Audit status


The consolidated numbers included in this Appendix 4E are in the process of being audited.

16 Likely audit opinion of accounts not yet audited

The audit report is expected to be subject to an emphasis of matter on going concern.

17 Audit opinion of accounts already audited

N/A



Print Name:

Mark Reilly

Position:

Managing Director

Date:

31 August 2018

Consolidated Statement of Profit or Loss & Other Comprehensive Income
for the year ended 30 June 2018

	Notes	2018 \$	2017 \$
Sales		215,091	111,137
Interest received		1,132	2,370
Research and development tax offset income		429,549	254,725
Forgiveness of loan payable		80,481	-
Total Revenue		726,253	368,232
Administrative and Public Company expenses		(96,363)	(135,488)
Accounting and audit fees		(46,107)	(67,532)
Amortisation charge on intangibles		(3,817)	-
Professional fees		(7,146)	(42,817)
Consultants and Directors Fees		(247,719)	(390,762)
Employee costs		(954,488)	(1,232,842)
Depreciation of plant and equipment		(7,560)	(7,067)
Impairment of fixed assets		-	(40,504)
Finance costs		(60,728)	(4,440)
Impairment of loan		-	(16,613)
Other Expenses		(185,035)	(295,145)
Loss before income tax		(882,710)	(1,864,978)
Income tax expense		-	-
Loss after tax		(882,710)	(1,864,978)
Other comprehensive income		-	-
Total comprehensive loss for the year		(882,710)	(1,864,978)
Basic and diluted loss per share (cents per share)	6	(0.22)	(0.56)

Consolidated Statement of Financial Position *as at 30 June 2018*

	Notes	2018 \$	2017 \$
CURRENT ASSETS			
Cash and cash equivalents		146,930	193,077
Trade and other receivables		67,345	77,270
TOTAL CURRENT ASSETS		214,275	270,347
NON-CURRENT ASSETS			
Plant and equipment		14,469	22,030
Other receivables		7,500	7,500
Other intangible assets		16,983	20,800
TOTAL NON-CURRENT ASSETS		38,952	50,330
TOTAL ASSETS		253,227	320,677
CURRENT LIABILITIES			
Trade and other payables		236,651	242,825
Provisions		45,095	37,241
Borrowings		16,810	16,810
TOTAL CURRENT LIABILITIES		298,556	296,876
NON-CURRENT LIABILITIES			
Borrowings		28,109	44,919
Provisions		20,915	0
TOTAL NON-CURRENT LIABILITIES		49,024	44,919
TOTAL LIABILITIES		347,580	341,795
NET LIABILITIES		(94,353)	(21,118)
EQUITY			
Issued capital	3	6,008,312	5,228,837
Reserves	4	719,687	689,687
Accumulated losses		(6,822,352)	(5,939,642)
TOTAL (DEFICIENCY) / EQUITY		(94,353)	(21,118)

Consolidated Statement of Changes in Equity *for the year ended 30 June 2018*

	Note	Issued Capital \$	Share Based Payment Reserve \$	Accumulated Losses \$	Total \$
Balance at 1 July 2017		5,228,837	689,687	(5,939,642)	(21,118)
Loss for the year				(882,710)	(882,710)
Comprehensive income				-	-
Total comprehensive loss for the year				(882,710)	(882,710)
<i>Transactions with owners in their capacity as owners</i>					
Shares issued under rights issue		45,097			45,097
Shares underwritten issued under rights issue		707,666			707,666
Shares issued under Standby Note Deed		177,600			177,600
Options issued to broker			30,000		30,000
Transaction costs relating to issue of shares		(150,888)			(150,888)
Balance as at 30 June 2018		6,008,312	719,687	(6,822,352)	(94,353)
Balance at 1 July 2016		5,276,464	689,687	(4,074,664)	1,891,487
Loss for the year		-	-	(1,864,978)	(1,864,978)
Comprehensive income		-	-	-	-
Total comprehensive loss for the year		-	-	(1,864,978)	(1,864,978)
<i>Transactions with owners in their capacity as owners</i>					
Shares issued on exercise of options		206	-	-	206
Transaction costs relating to issue of shares		(47,833)	-	-	(47,833)
Balance as at 30 June 2017		5,228,837	689,687	(5,939,642)	(21,118)

Consolidated Statement of Cash Flows *for the year ended 30 June 2018*

	Notes	2018 \$	2017 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest received and other income		1,132	2,917
Receipts from customers		241,692	113,304
Research and development tax offset income		429,549	254,725
Interest paid		(44,687)	(4,484)
Payments to suppliers and employees		(1,472,699)	(2,424,190)
NET CASH OUTFLOW FROM OPERATING ACTIVITIES		(845,013)	(2,057,728)
CASH FLOWS FROM INVESTING ACTIVITIES			
Website costs capitalized		-	(20,800)
Payment of refundable security deposit		-	(43,949)
Acquisition of property and equipment		-	(63,727)
NET CASH (OUTFLOW) / INFLOW FROM INVESTING ACTIVITIES		-	(128,476)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		910,353	110,000
Proceeds from option conversion		-	206
Proceeds from leasing		-	73,379
Proceeds from borrowings		343,639	-
Repayment of borrowings		(343,639)	-
Oversubscriptions returned		-	(68,010)
Settlement of convertible note		-	(60,000)
Share issue costs		(94,678)	(700,382)
Lease repayments		(16,809)	(11,651)
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES		798,866	(656,458)
Net decrease in cash and cash equivalents		(46,147)	(2,842,662)
Cash and cash equivalents at beginning of year		193,077	3,035,739
CASH AND CASH EQUIVALENTS AT END OF YEAR		146,930	193,077

Notes to the Financial Statements *for the year ended 30th June 2018*

1. Corporate Information

The financial report consists of the unaudited consolidated financial statements of IODM Limited and its subsidiaries ("IODM" or "the Group") for the year ended 30 June 2018. IODM is a for-profit entity.

IODM Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

2. Summary of Significant Accounting Policies

(a) Basis of Preparation

The preliminary report is to be read in conjunction with the 2017 Annual Financial Report, the December 2017 half year report and any public announcements made by IODM Limited and its controlled entities during the year in accordance with the continuous disclosure obligation arising under ASX Listing Rules.

The preliminary report has been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the preliminary final report are consistent with those adopted and disclosed in the Company's Annual Financial Report for the year ended 30th June 2017.

(b) Statement of Compliance

The preliminary report has been prepared in accordance with ASX Listing Rule 4.3A, the disclosure requirements of ASX Appendix 4E, and in accordance with the recognition and measurement requirements but not the disclosure requirements or the Accounting Standards and Australian Accounting Interpretations and the Corporations Act 2001. Accounting Standards includes Australian equivalents to International Financial Reporting Standards (A-IFRS).

The preliminary report does not include notes of the type normally included in an annual report.

(c) Going Concern

The Group incurred a net loss after tax for the year ended 30 June 2018 of \$ 882,710 and experienced net cash outflows from operating activities of \$ 845,013 . At 30 June 2018, the Group had a net current liability position of (\$ 84,281).

These matters give rise to a material uncertainty that may cast significant doubt the Group's ability to continue as a going concern.

The ability to continue as a going concern is dependent upon a number of factors, mainly being achieving forecast sales or raising additional funds. The directors are confident that the Group will be able to continue as a going concern for the following reasons

- As is prudent for a company of this size and in the company's current capital position, given that the company has been transforming from a software development company to a sales and marketing business, the directors will continue to manage capital in the best interests of shareholders and thus the current available liquid capital that the company has at its disposal will be maintained and continued for the next 12 months.

Notes to the Financial Statements *for the year ended 30th June 2018*

- Subsequent to the end of the reporting period, the Group has continued to sign-up additional customers, and has a significant pipeline of new opportunities.
- On 17 August 2018 the Company issued 12,500,000 ordinary shares at 1.2 cents as a private placement of \$150,000 to a sophisticated Investor. A further \$80,000 draw down pursuant to the Standby facility was provided by another shareholder, who converted his commitment to 6,666,667 shares to assist the company in its capital management. The company has access to an additional \$ 80,000 funding under the Standby facility.
- In August 2018 the Group was approved for Research and Development Tax Incentive claim with Ausindustry and anticipates receiving a tax refund of approximately \$ 326,000 for the year ended 30th June 2018.
- Based on the above the directors have prepared cash flow forecasts which demonstrate that the Group will generate sufficient cash flows to fund its activities for a period of not less than twelve months from the date of this report.

Should the Group be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of recorded assets amounts or to the amounts and classification of liabilities that might be necessarily incurred should the consolidated entity not continue as a going concern.

2018
\$ **2017**
\$

3. Issued capital

(a) Issued and paid up capital

Ordinary shares fully paid **6,008,312** **5,228,837**

	2018		2017	
	Number of shares	\$	Number of shares	\$
(b) Movements in ordinary shares on issue				
Opening Balance	331,515,807	5,228,837	331,510,670	5,276,464
Shares issued under rights issue	5,637,063	45,097	-	-
Shares underwritten under rights issue	88,457,033	707,666	-	-
Performance share converted to ordinary shares	32	-	-	-
Shares issued under Standby Note Deed	14,800,000	177,600	-	-
Shares issued on exercise of options	-	-	5,137	206
Transaction costs on share issues	-	(150,888)	-	(47,833)
	<u>440,409,935</u>	<u>6,008,312</u>	<u>331,515,807</u>	<u>5,228,837</u>

Notes to the Financial Statements *for the year ended 30th June 2018*

	2018	2017
	\$	\$
4. Reserves		
Share based payments reserve	719,687	689,687
Total	<u>719,687</u>	<u>689,687</u>

Movements in Reserves:

<i>Share based payment reserve</i>		
At beginning of the period	689,687	689,687
Options issued to corporate advisor	30,000	-
Balance at the end of the year	<u>719,687</u>	<u>689,687</u>

The share based payment reserve is used to record the value of equity benefits provided to convertible noteholders and the Company's broker during the year.

5. Subsequent events

On 17 August 2018 the Company issued 12,500,000 ordinary shares at 1.2 cents as a private placement of \$150,000 to a sophisticated Investor. A further \$80,000 draw down pursuant to the Standby facility was provided by another shareholder, who converted his commitment to 6,666,667 shares to assist the company in its capital management. The company has access to an additional \$ 80,000 funding under the Standby facility.

6. Loss per share

Loss used in calculating basic and dilutive EPS	<u>(882,710)</u>	<u>(1,864,978)</u>
	Number of Shares	
	2018	2017
Weighted average number of ordinary shares used in calculating basic loss per share:	<u>403,417,546</u>	<u>331,513,486</u>
Effect of dilution:		
Adjusted weighted average number of ordinary shares used in calculating diluted loss per share:	<u>403,417,546</u>	<u>331,513,486</u>

7. Contingent liabilities

There are no known contingent liabilities as at 30 June 2018 (2017: nil).