

## Appendix 4E

### Preliminary Final Report

<b>Name of entity</b>	Analytica Limited
<b>ABN</b>	12 006 464 866

## 1. Reporting Period

<b>Report for the financial year end</b>	30 June 2013
<b>Previous corresponding reporting period</b>	30 June 2012

## 2. Results for announcement to the market

2. Results for announcement to the market		
	\$	Percentage increase/(decrease) over previous corresponding period
Revenue from ordinary activities	541,262	178
Profit/(loss) from ordinary activities after tax attributable to members	(1,135,751)	(49)
Net profit/(loss) for the period attributable to members	(1,135,751)	(49)
Dividends	Amount per security	Franked amount per security
Final dividend	Nil	Nil
Interim dividend	Nil	Nil
Record date for determining entitlements to dividend	Not applicable	
Brief explanation of any of the figures reported above necessary to enable the figures to be understood		
The reduced loss is due to increased R&D refund, reduced fundraising costs, and lower fair market adjustment on investment.		

### 3. Income Statement

Refer to Attachment A

#### 4. Balance Sheet

Refer to Attachment A

## 5. Statement of Changes in Equity

Refer to Attachment A

## 6. Cash Flow Statement

Refer to Attachment A

**7. Dividends**

<b>Date dividend is payable</b>	Not applicable
<b>Record date to determine entitlement to the dividend</b>	Not applicable
<b>Amount per security</b>	Not applicable
<b>Total dividend</b>	Not applicable
<b>Amount per security of foreign sourced dividend or distribution</b>	Not applicable
<b>Details of any dividend reinvestment plans in operation</b>	Not applicable
<b>The last date for receipt of an election notice for participation in any dividend reinvestment plans</b>	Not applicable

**8. Statement of retained earnings**

Consolidated Entity		
	<b>2013</b>	<b>2012</b>
<b>Balance at the beginning of the year</b>	(85,271,611)	(83,049,602)
<b>Net profit attributable to members of the parent entity</b>	(1,135,751)	(2,222,009)
<b>Transfer from option reserve</b>	2,630,508	
<b>Balance at end of the year</b>	(83,776,854)	(85,271,611)

**9. Net tangible assets per security**

	<b>Current period</b>	<b>Previous corresponding period</b>
<b>Net tangible asset backing per ordinary security</b>	0.0003 cents	0.0023 cents

**10. Details of entities over which control has been gained or lost during the period**

Not applicable

**11. Details of associated and joint venture entities**

<b>Name of associate or joint venture entity</b>	<b>% Securities held</b>

# **Analytica Limited**

**ABN 12 006 464 866**

## **Financial Statements**

**For the Year Ended 30 June 2013**

# **Analytica Limited**

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**For the Year Ended 30 June 2013**

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## **Directors' Report**

**30 June 2013**

The directors present their report on Analytica Limited for the year ended 30 June 2013.

### **1. General information**

#### **Information on directors**

The names, qualifications, experience and special responsibilities of each person who has been a director during the year and to the date of this report are:

#### **Dr Michael Monsour**

Qualifications

Experience

Chairman (appointed 28 June 2004)

MBBS-HONS, FACRRM, FAICD

Dr Michael Monsour is a Medical Practitioner with extensive interests in Queensland medical and dental centres. Michael Monsour graduated from the University of Queensland in 1977 in medicine with honours. He operates a medical management company, which provides management support to medical and dental practitioners. He is the principal of Godbar Software (established 1988) which is one of the leading software developers of Occupational Health, Safety and Medical Accounting software packages in Australia.

Interest in shares

Direct:

Directors' interest in ordinary shares: 740,088

Indirect:

MPAMM Pty Ltd:

35,644,799 Ordinary Shares

MP Monsour Medical Practice Pty Ltd <Superannuation Account>

10,255,720 Ordinary Shares

Other related parties

16,035,036 Ordinary Shares

Special responsibilities

Dr Michael Monsour is a member of the Audit Committee and the Remuneration Committee.

Other directorships in listed entities held in the previous three years

Dr Monsour was formerly a director of the listed entity Invion Limited (IVX) previously known as CBio Limited (January 2007 to November 2011).

## Directors' Report

30 June 2013

### Information on directors continued

**Mr Ross Mangelsdorf**

Executive Director (appointed 7 October 2008)

Qualifications

B.Bus, FCA, FTIA, MAICD

Experience

Mr Mangelsdorf is a Director of a Queensland based land development Company and has been a Director/partner of a chartered accounting firm for 32 years. He works with SME production, manufacturing and retail firms assisting with business, taxation and management services.

Interest in shares and options

Direct: Ross Mangelsdorf  
Director's interest in ordinary shares: 13,333

Indirect:  
RM & JM Mangelsdorf:  
13,333 ordinary shares

Tambien Pty Ltd:  
12,918,994 ordinary shares

Manowe Pty Ltd:  
4,180,585 ordinary shares

Other related parties:  
1,841,332 ordinary shares.

Special responsibilities

Mr Mangelsdorf performs the function of Chief Financial Officer of the Company and is a member of the Audit and Risk Committee, and Remuneration Committee.

Other directorships in listed entities held in the previous three years

Mr Mangelsdorf was a director of the listed entity Invion Limited (IVX) previously known as CBio Limited in October/November 2011.

**Mr Warren Brooks**

Non Executive Director (appointed 25 July 2011)

Qualifications

Securities Institute Certificate, Diploma in Financial Planning

Experience

Warren previously had 29 years experience working in Investment Banking and Stockbroking.

Interest in shares and options

Indirect director's interest:

W Brooks Investments Pty Ltd  
30,456,989 ordinary shares

Special responsibilities

Mr Brooks is a member of the Remuneration Committee.

Other directorships in listed entities held in the previous three years

Mr Brooks was the Managing Director and Founder of boutique Financial Advisory firm Clime AFM Pty Ltd which was a wholly owned subsidiary of Clime Investment Management Ltd, an ASX listed Company.

Warren founded Australian Financial Management (Investment) Pty Ltd in 1998 and sold the business to Clime Investment Management Ltd in 2006.

Mr Brooks was a director of the listed entity Invion Limited (IVX) previously known as CBio Limited in October/November 2011.

## **Directors' Report**

**30 June 2013**

### **Principal activities and significant changes in nature of activities**

The principal activities of Analytica Limited during the year were:

- The development of intellectual property in the medical device field in relation to patents in the burette field (AutoStart Infusion System);
- The development of strategies for commercial sales of the AutoStart Infusion System;
- The development of intellectual property of medical device and mobile health application in relation to patents and systems in the pelvic floor exercise field (PeriCoach);
- The development of strategies on commercial sales of PeriCoach;
- Development of intellectual property of medical device to assist neurologist and rehabilitate treatment of muscular spasticity. (ELF 2).

There were no significant changes in the nature of Analytica Limited's principal activities during the year.

## **2. Operating results and review of operations for the year**

### **Operating results**

The loss of the Company amounted to \$ (1,135,751), after providing for income tax. This represented a 52% improvement on the results reported for the year ended 30 June 2012 of (\$2,222,009 loss). Significant changes for 2013 included a lower fair value adjustment on Invion Limited (formerly CBio Limited) shares of \$29,252 for 2013, (\$595,486 2012) capital raising costs \$30,000 for 2013 (\$289,130 2012) and a higher research and development tax incentive payment received from the Australian Government of \$498,081 for 2013 (\$157,572 2012 Research and Development Tax Concession). The net impact is an improvement of \$114,913 to run the company and invest in research and development.

### **Review of operations**

A review of the operations of the Company during the financial year and the results of those operations are as follows.

#### **ELF2**

Analytica continues the development of this medical device for treatment of muscular spasticity. The ELF2 device delivers a low-frequency voltage used by neurologists to locate nerve endings during Botulinum neurotoxin A injection treatment. Analytica's development of this device, licenced from Gorman ProMed Ltd in 2012, is to enhance usability features of a device currently in use and respected by the market. The device is scheduled for release early 2015.

Analytica has in the last few months applied for a patent for simultaneous low-frequency stimulation and electromyography functionality for the ELF2 product currently in early development.

## **Directors' Report**

**30 June 2013**

### **2. Operating results and review of operations for the year continued**

#### **PeriCoach®**

The PeriCoach system is a mobile health application that has been developed in association with leading specialist physiotherapists, midwives and urologists, to address female stress urinary incontinence, most commonly caused by a weak pelvic floor. This is estimated to impact 4.2 million Australians and a total financial cost to Australia of \$42.9 billion.

Performing exercises to engage and train the pelvic floor muscle group is one of the most effective ways to treat and even reverse stress urinary incontinence. Correct technique is vital but difficult to achieve. The PeriCoach system gives a complete picture of what's happening when performing exercises, is first to utilise blue tooth to provide a compact, discreet and portable solution backed by powerful data analysis and clinician support.

The PeriCoach has been in development for 4 years and is on schedule to be released before Christmas this year.

The PeriCoach sensor arrangement patent is in early PCT National phases and Analytica are progressing applications in Europe, Brazil, Australia, US, India, China, and Japan. Trademarks and Design Registrations have been applied for, and in many cases have already been granted in these jurisdictions.

#### **AutoStart Infusion System**

Analytica's product in the market is the AutoStart Infusion System. This product, despite overwhelming evidence of cost effectiveness and safety has struggled for a foothold in the small Australian market. The board commissioned South South Capital Partners to source partners in other countries to commercialise this outstanding product.

The success of this strategy is reflected in a heads of agreement, followed by a distribution agreement signed with Taiwan Allied Dragon Inc (TAD). TAD Chairman Mr Cotch Liao, indicated that Taiwan has a market roughly the size of Australia, with a good health system backed by the Government and Insurance companies. The regulatory process for permitting the AutoStart Infusion System to be used in Taiwan is underway.

Since a heads of agreement was signed in Brazil, negotiations are advancing to a more expanded agreement encompassing a collaboration providing a larger market than originally envisaged.

Although other opportunities have been presented Analytica has prudently chosen to ensure these arrangements have the bugs ironed out before launching into other markets.

With the FDA approved production facility tooled, tested and in place and once the regulatory process for each country is completed the enthusiasm of our partners promises a stronger result for this product.

Analytica continues to develop and protect its Intellectual Property through patents, trademarks and design registrations. Analytica's licensed burette patents are maintained for the North American, Australian, and European markets and more recent patent-pending embodiments are extended in these regions and China until 2026. Analytica's Flush feature is currently in the Patent Cooperation Treaty (PCT) national phase, and has been granted patents in China, with US, Australia and Germany pending. A novel improvement in the AutoStart burette that will dramatically simplify usability has also recently progressed to PCT and will move to national phase applications in the next year.

### **3. Financial review**

#### **Financial position**

The net assets of Analytica Limited have decreased by \$ 1,131,166 from 30 June 2012 to \$ 166,743 at 30 June 2013. This decrease is largely due to the following factors:

- accelerating research and development expenditure
- increased marketing of products

The directors will seek capital to secure the company's financial position to complete the development of the PeriCoach, ELF2 and support marketing of the AutoStart Infusion System and the PeriCoach launch.



## **Directors' Report**

**30 June 2013**

### **4. Other items**

#### **Significant changes in state of affairs**

There have been no significant changes in the state of affairs of the Company during the year.

#### **Events after the reporting date**

No matters or circumstances have arisen since the end of the year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

#### **Future developments and results**

In the next 12 months the most significant event for the company will be the launch of the PeriCoach. The 22nd National Conference on Incontinence being run by the Continence Foundation of Australia from 23 – 26 October 2013 will debut the PeriCoach, followed by useability trials. Following these trials it is anticipated the PeriCoach will be released to the Australian market in 2nd Quarter 2014.

#### **Environmental issues**

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

The Clean Energy Bill 2012 will have an indirect impact on the Company due to marginal increased costs.

#### **Company secretary**

The following person held the position of Company secretary at the end of the year:

Bryan Dulhunty (COSA Pty Ltd) has been the company secretary since 15 October 2012. Bryan has extensive experience in the biotech industry having held roles covering Company Secretary, CFO, Managing Director and Non Executive Director of listed biotech companies.

Bryan was previously a Company Secretary and Director of Analytica Limited. Bryan stepped down from his position in the Company in 2006 to take on the full time role of restructuring another listed biotech Company.

Bryan's appointment follows the resignation of Tom Rowe (company secretary since 23 December 2011) who is now pursuing other commercial interests.

#### **Meetings of directors**

During the year, 10 meetings of directors (plus committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings		Audit Committee		Remuneration Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Dr Michael Monsour	10	10	2	2	1	1
Mr Ross Mangelsdorf	10	10	2	2	1	1
Mr Warren Brooks	10	10	-	-	1	1

## **Directors' Report**

**30 June 2013**

### **4. Other items continued**

#### **Indemnification and insurance of officers and auditors**

No indemnities have been given or insurance premiums paid, during or since the end of the year, for any person who is or has been an officer or auditor of Analytica Limited.

#### **Options**

At the date of this report, there are no unissued ordinary shares of Analytica Limited under option.

During the year ended 30 June 2013, the following ordinary shares of Analytica Limited were issued on the exercise of options granted. No further shares have been issued since that date. No amounts are unpaid on any of these shares.

<b>Grant Date</b>	<b>Expiry Date</b>	<b>Exercise Price</b>	<b>Number of Shares Issued</b>
ALTO options 9 March 2012	6 September 2012	\$ 0.04	103,021

No person entitled to exercise the option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

#### **Proceedings on behalf of company**

#### **Non-audit services**

The Board of Directors, in accordance with advice from the audit committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the audit committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

The following fees were paid or payable to the external auditors for non-audit services provided during the year ended 30 June 2013: Nil.

#### **Auditor's independence declaration**

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2013 has been received and can be found on page 20 of the financial report.

## **Directors' Report**

**30 June 2013**

### **Remuneration report (audited)**

#### **Remuneration policy**

The remuneration policy of Analytica Limited has been designed to align key management personnel (KMP) objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting Analytica Limited's financial results. The Board of Analytica Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best key management personnel to run and manage Analytica Limited, as well as create goal congruence between directors, executives and shareholders.

The Board's policy for determining the nature and amount of remuneration for key management personnel of Analytica Limited is as follows:

- The remuneration policy has been developed by the Remuneration Committee and approved by the Board following professional advice from independent external consultants.
- All key management personnel receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits, and performance incentives.
- Performance incentives are based on predetermined key performance indicators.
- Incentives paid in the form of options or rights are intended to align the interests of the KMP and Company with those of the shareholders. In this regard, key management personnel are prohibited from limiting risk attached to those instruments by use of derivatives or other means.
- The Remuneration Committee reviews key management personnel packages annually by reference to Analytica Limited's performance, executive performance and comparable information from industry sectors.

The performance of key management personnel is measured against criteria agreed bi-annually with each executive and is based predominantly on the forecast growth of Analytica Limited's profits and shareholders' value. All bonuses and incentives must be linked to predetermined performance criteria. The Board may, however, exercise its discretion in relation to approving incentives, bonuses and options, and can recommend changes to the Committee's recommendations. Any changes must be justified by reference to measurable performance criteria. The policy is designed to attract the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.

Key management personnel receive a superannuation guarantee contribution required by the law, which is currently 9%, and do not receive any other retirement benefits. Some individuals, however, have chosen to sacrifice part of their salary to increase payments towards superannuation.

Upon retirement, key management personnel are paid employee benefit entitlements accrued to the date of retirement. Key management personnel are paid a percentage of between 5-10% of their salary in the event of redundancy. Any options not exercised before or on the date of termination will lapse.

All remuneration paid to key management personnel is valued at the cost to the Company and expensed.

The Board's policy is to remunerate non-executive directors at market rates for time, commitment and responsibilities. The Remuneration Committee determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required.

The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting, the current maximum is \$ 550,000 which was approved at the 2011 AGM. In November 2004 the Board set individual directors fees at \$50,000 per annum plus statutory superannuation and the chairman's fee at \$75,000 plus statutory superannuation. Based on the current board structure total fees paid on a yearly basis will be \$175,000 plus statutory superannuation.

Entities associated with Mr Ross Mangelsdorf were paid consulting, accounting and taxation services fees during the year of \$52,500 (2012:\$46,000) plus preparation fee for the 2011 and 2012 tax return of \$13,500.

## Analytica Limited

### Directors' Report

30 June 2013

#### Remuneration report (audited) continued

#### Remuneration policy continued

Key management personnel employed by the Company during the year, in addition to the Company's Directors, is the Company's Operations Manager, Mr Geoff Daly (appointed on the 7 November 2005). Mr Daly has extensive experience in the design of medical devices, prototyping and manufacturing.

Mr Daly is employed by the Company under the terms and conditions set out in an employment contract. Due to the size of the company and the nature of its operations, the contract is open-ended and not for a specific time frame.

#### Performance conditions linked to remuneration

The key performance indicators (KPIs) are set annually, with a certain level of consultation with key management personnel to ensure buy-in. The measures are specifically tailored to the area each individual is involved in and has a level of control over. The KPIs target areas the Board believes hold greater potential for Group expansion and profit, covering financial and non-financial as well as short and long-term goals. The level set for each KPI is based on budgeted figures for Analytica Limited and respective industry standards.

Performance in relation to the KPIs is assessed annually, with bonuses being awarded depending on the number and deemed difficulty of the KPIs achieved. Following the assessment, the KPIs are reviewed by the Remuneration Committee in light of the desired and actual outcomes, and their efficiency is assessed in relation to Analytica Limited's goals and shareholder wealth, before the KPIs are set for the following year.

The satisfaction of the performance conditions are based on a review of the audited financial statements of Analytica Limited, as such figures reduce any risk of contention relating to payment eligibility. The Board does not believe that performance conditions should include a comparison with factors external of Analytica Limited at this time.

Mr Daly's contract can be terminated by either party giving notice commensurate with the period of employment, which varies from 1 to 4 weeks. There is no provision in the employment contract for the payment of any termination payments other than accrued statutory entitlements.

Key management personnel are also entitled and encouraged to participate in the employee share and option arrangements to align their interests with shareholders' interests.

Options granted under these arrangements do not carry dividend or voting rights. Each option is entitled to be converted into one ordinary share and is valued using the Black-Scholes methodology.

Key management personnel who are subject to these arrangements are subject to a policy governing the use of external hedging arrangements. Such personnel are prohibited from entering into hedge arrangements, i.e. put options, on unvested shares and options which form part of their remuneration package. Terms of employment signed by such personnel contain details of such restrictions.

#### Relationship between remuneration policy and company performance

The remuneration policy has been tailored to increase goal congruence between shareholders, directors and executives. Two methods have been applied to achieve this aim, the first being a performance-based bonus based on key performance indicators, and the second being the issue of options to directors and executives to encourage the alignment of personal and shareholder interests. The Company believes this policy has been effective in increasing shareholder wealth over the past 5 years.

The following table shows the gross revenue, profits and dividends for the last five years for the Company, as well as the share prices at the end of the respective financial years.

	2009	2010	2011	2012	2013
	\$	\$	\$	\$	\$
Revenue	247,617	290,548	272,878	194,705	541,262
Net Profit/(Loss)	(1,900,560)	(1,287,837)	(203,176)	(2,222,009)	(1,135,752)
Share Price at Year-end	0.022	0.026	0.030	0.017	0.020
Dividends Paid	-	-	-	-	-

## **Analytica Limited**

### **Directors' Report**

**30 June 2013**

#### **Remuneration report (audited) continued**

#### **Remuneration policy continued**

#### **Service Agreements**

On appointment to the Board, all non-executive directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the Board policies and terms, including compensation, relevant to the office of director.

The remuneration and other terms of employment for the Managing Director and senior executives are set out in formal service agreements as summarised below.

All service agreements are for an unlimited duration. The agreements for executives (other than the Managing Director, Chief Executive Officer and Chief Finance Officer which require three months notice) may be terminated by giving six weeks notice (except in cases of termination for cause where termination is immediate). The agreements for the Operations Manager contract may be terminated by either party giving notice commensurate with the period of employment, which varies from 1 to 4 weeks. There is no provision in the employment contract for the payment of any termination payments other than accrued statutory entitlements.

In cases of resignation, no separation payment is made to the executive, except for amounts due and payable up to the date of ceasing employment, including accrued leave entitlements.

# Analytica Limited

## Directors' Report

30 June 2013

### Remuneration report (audited) continued

#### Remuneration details for the year ended 30 June 2013

The following table of benefits and payment details, in respect to the year, the components of remuneration for each member of the key management personnel of Analytica Limited.  
**Table of benefits and payments**

		short term				post employment		long term employee benefits	termination	share based payments			
	cash salary fees	Profit share and bonuses	non monetary	other short-term		pension and superannuation	other post employment			options and rights	shares and units	cash-settled	
2013	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$		\$	\$
<b>Directors</b>													
Dr Michael Monsour	75,000	-	-	-	75,000	6,750	-	-	-	-	-	-	81,750
Mr Ross Mangelsdorf	50,000	-	-	-	50,000	4,500	-	-	-	-	-	-	54,500
Mr Warren Brooks	50,000	-	-	-	50,000	4,500	-	-	-	-	-	-	54,500
<b>KMP</b>													
Mr Geoff Daly	210,000	-	-	-	210,000	18,900	-	-	-	-	-	-	228,900
	<b>385,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>385,000</b>	<b>34,650</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>419,650</b>
<b>2012</b>													
<b>Directors</b>													
Dr Michael Monsour	75,000	-	-	-	75,000	6,750	-	-	-	-	-	-	81,750
Mr Ross Mangelsdorf	50,000	-	-	-	50,000	4,500	-	-	-	-	-	-	54,500
Mr Warren Brooks	46,795	-	-	-	46,795	4,212	-	-	-	-	-	-	51,007
Mr David Gooch	4,167	-	-	-	4,167	375	-	-	-	-	-	-	4,542
<b>KMP</b>													
Mr Geoff Daly	210,000	-	-	-	210,000	18,900	-	-	-	-	-	-	228,900
	<b>385,962</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>385,962</b>	<b>34,737</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>420,699</b>

## **Analytica Limited**

### **Directors' Report**

**30 June 2013**

#### **Remuneration report (audited) continued**

#### **Securities received that are not performance related**

No members of key management personnel are entitled to receive securities which are not performance-based as part of their remuneration package.

#### **Cash performance-related bonuses**

There were no bonus's granted as remuneration to key management personnel and other executives during the year ended 30 June 2013 (2012: Nil).

#### **Description of options/rights granted as remuneration**

There were no bonuses, non-monetary benefits, share or cash settled share based payments made to key management personnel for the year ended 30 June 2013 (2012: Nil).

#### **Equity instruments granted as a result of exercise of options**

There were no ordinary shares in the company provided as a result of the exercise of remuneration options to each key management personnel for the year ended 30 June 2013 (2012: Nil).

This director's report, incorporating the remuneration report, is signed in accordance with a resolution of the Board of Directors.

Director: .....



Dr Michael Monsour

Dated this .....<sup>30<sup>th</sup></sup>..... day of August 2013

## **Analytica Limited**

# **Corporate Governance Statement**

**30 June 2013**

The Board is committed to achieving and demonstrating the highest standards of corporate governance. The Board continues to refine and improve the governance framework and practices in place to ensure they meet the interests of shareholders. The Company complies with the Australian Securities Exchange Corporate Governance Council's Corporate Governance Principles and Recommendations 2nd Edition with 2010 amendments (the Principles).

Copies of Analytica Limited's board and board committee charters and key corporate governance policies or summaries are available in the Corporate Governance section of the website at [www.analyticamedical.com](http://www.analyticamedical.com).

## **Principle 1: Lay solid foundations for management and oversight**

### **Role of the Board and Management**

The Board of Directors is responsible for the corporate governance of the Company. The Board provides strategic guidance for the Company, and effective oversight of management. The Board guides and monitors the business and affairs of Analytica Limited on behalf of the shareholders by whom they are elected and to whom they are accountable.

Your Board has adopted a Charter that details its roles and responsibilities, which is available on our website.

Your Board has delegated responsibility for day-to-day management of the Company to the CEO and there is a formal delegations structure in place which sets out the powers delegated to the CEO and those specifically retained by the Board. These delegations are reviewed on a regular basis.

### **Responsibilities of the Board**

The Board is responsible for:

- Overseeing the company, including its control and accountability systems;
- Appointing and removing the CEO;
- Where appropriate, ratifying the appointment and removal of senior executives;
- Providing input into and final approval of management's development of corporate strategy and performance objectives;
- Reviewing, ratifying and monitoring systems of risk management and internal controls, codes of conduct and legal compliance;
- Monitoring senior executives performance and implementation of strategy;
- Ensuring appropriate resources are available to senior executives;
- Approving and monitoring the progress of major capital expenditure, capital management and acquisitions and divestures; and
- Approving and monitoring financial and other reporting.



## **Analytica Limited**

# **Corporate Governance Statement**

**30 June 2013**

### **Allocation of individual responsibilities**

Formal letters of appointment are provided to all new Directors setting out key terms and conditions of their appointment.

### **Induction**

All new Directors participate in a formal induction process co-ordinated by the Company Secretary. This induction process includes briefings on the Company's financial, strategic, operational and risk management position, the Company's governance framework and key developments in the Company and the industry and environment in which it operates.

### **Evaluation of Directors**

A performance evaluation for Directors and Senior Executives take place at least annually, in compliance with the established evaluation process. The Company's policy for Directors and Senior Executive evaluation is available on the Company's website.

## **Principle 2: Structure the Board to add Value**

The Board's policy is that the Board needs to have an appropriate mix of skills, experience, expertise and diversity to be well equipped to help the Company navigate the range of challenges faced by the company.

The names of the members of the Board as at the date of this report are set out below:

- Dr M. Monsour
- Mr R. Mangelsdorf
- Mr W. Brooks

Details of the Board member's experience, expertise, qualifications, term of office and independence status, are set out in the directors' report.

### **Composition of the Board**

The Board's composition is determined based on criteria set out in the Company's constitution and the Board Charter.

The Board seeks to ensure that:

- At any point in time, its membership represents an appropriate balance between directors with experience and knowledge of the Company and directors with an external or fresh perspective;
- There is a sufficient number of directors to serve on Board committees without overburdening the directors or making it difficult for them to fully discharge their responsibilities; and
- The size of the Board is appropriate to facilitate effective discussion and efficient decision making.

In accordance with the ASX Listing Rules, the Company must hold an election of Directors each year.

## **Analytica Limited**

# **Corporate Governance Statement**

**30 June 2013**

### **Board committees**

To ensure that the responsibilities of the Board are upheld and executed to the highest level, the Board has established the following Board committees:

- Audit Committees
- Remuneration Committees

Each of these committees has established charters and operating procedures in place, which are reviewed on a regular basis. The Board may establish other committees from time to time to deal with matters of special importance. The Committees have access to the Company's executives and senior management as well as independent advice. Copies of the minutes of each Committee meeting are made available to the full Board, and the Chairman of each Committee provides an update on the outcomes at the Board meeting that immediately follows the Committee meeting.

### **Independent decision making**

The Board recognises the important contribution independent Directors make to good corporate governance. All Directors, whether independent or not, are required to act in the best interests of the Company and to exercise unfettered and independent judgment.

The Board has adopted specific principles in relation to directors' independence and considers the following, at least annually, when determining if a Director is independent:

Whether the Director:

- Is a substantial shareholder of the company or an officer of, or otherwise associated directly with, a substantial shareholder of the company.
- Is employed, or has previously been employed in an executive capacity by the company or another group member, and there has not been a period of at least three years between ceasing such employment and serving on the Board.
- Has within the last three years been a principal of a material professional adviser or a material consultant to the company or another group member, or an employee materially associated with the service provided.
- Is a material supplier or customer of the company or other group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer.
- Has a material contractual relationship with the company or another group member other than as a director.

### **Role of the Chair**

The Chair of the Board is responsible for leadership of the Board and for the efficient organisation and conduct of the Board's functioning.

The Chair facilitates the effective contribution of all directors and promotes constructive and respectful relations between directors and between Board and management.

## **Analytica Limited**

# **Corporate Governance Statement**

**30 June 2013**

### **Access to information**

The Board is provided with the information it needs to discharge its responsibilities effectively and all Directors have complete access to senior management through the Chairman, CEO or Company Secretary at any time.

In certain circumstances, each Director has the right to seek independent professional advice at the Company's expense, within specified limits, or with the prior approval of the Chairman.

### **Principle 3: Promote ethical and responsible decision-making**

#### **Code of conduct**

The Board acknowledges and emphasises the importance of all directors and employees maintaining the highest standards of corporate governance practice and ethical conduct.

A code of conduct has been established requiring directors and employees to:

- Act honestly and in good faith;
- Exercise due care and diligence in fulfilling the functions of office;
- Avoid conflicts and make full disclosure of any possible conflicts of interest;
- Comply with the law;
- Encourage the reporting and investigating of unlawful and unethical behaviour; and
- Comply with the share trading policy outlined in the Code of Conduct.

A copy of the Code of Conduct is available from the company's website.

#### **Diversity policy**

In respect of diversity, the Board considers that diversity includes differences that relate to gender, age, ethnicity and cultural background. It also includes differences in background and life experience, communication styles, interpersonal skills, education and problem solving skills.

The Company seeks to develop a culture of diversity within the Company whereby a mix of skills and diverse backgrounds are employed by the Company at all levels.

The Company strives to:

1. develop and maintain a diverse and skilled workforce through transparent recruitment processes.
2. promote an inclusive workplace culture that values and utilises the contributions of all employees backgrounds, experiences and perspective through improved awareness of the benefits of workforce diversity.
3. facilitate diversity in the workplace by developing programs that promote growth for all employees, so each employee may reach their full potential, and providing maximum benefit for the Company.
4. set measurable objectives to encourage diversity within the Company.

## **Analytica Limited**

### **Corporate Governance Statement**

**30 June 2013**

	<b>Target %</b>	<b>Actual %</b>
Proportion of:		
Women employees in the whole organisation	30	28
Women in senior executive positions	15	14
Women on the board	15	-

Analytica Limited considers the key management personnel, excluding Directors, to be the senior executives of the company.

#### **Principle 4: Safeguard integrity in financial reporting**

##### **Audit Committee**

The audit committee assists the Board in fulfilling its corporate governance responsibilities in regard to:

- the integrity of the financial reporting
- compliance with legal and regulatory obligations
- the effectiveness of the company's risk management and internal control framework
- oversight of the independence of the external auditors

The names and qualifications of those appointed to the audit committee and their attendance at meetings of the committee are included in the directors' report.

The audit committee reports to the full Board after every meeting on all matters relevant to the committee's roles and responsibilities.

##### **External auditor**

The Audit Committee oversees the relationship with the external auditor. In accordance with the Corporations Act 2001, the lead Audit Partner on the audit is required to rotate at the completion of a 5 year term.

The external auditor attends the AGM and is available to answer your shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

#### **Principle 5: Make timely and balanced disclosure**

Analytica Limited has established policies and procedures to ensure timely and balanced disclosures of all material matters concerning the Company, and to ensure that all investors have access to information on the Company's financial performance.

These policies and procedures include a comprehensive disclosure policy that includes identification of matters that may have a material effect on the price on the Company's securities, notifying them to the ASX, posting relevant information on the Company's website and issuing media releases.

The Annual Report includes relevant information about the operations of the company during the year, key financial information, changes in the state of affairs and indications of future developments. The Annual Reports for the current year

## **Analytica Limited**

### **Corporate Governance Statement**

**30 June 2013**

and for previous years are available under the Investor Relations section of the company website.

The half year and full year financial results are announced to the ASX and are available to shareholders via the company and ASX websites.

All announcements made to the market, and related information (including presentations to investors and information provided to analysts or the media during briefings) are made available to all shareholders under the investor relations section of the company website after they are released to the ASX. All ASX announcements, media releases and financial information are available on Company website within one day of public release.

#### **Principle 6: Respect the rights of shareholders**

The Company Secretary has been nominated as the person responsible for communications with the Australian Securities Exchange (ASX).

All Executive Management have an ongoing obligation to advise the Company Secretary of any material non-public information which may need to be communicated to the market.

The Company has a Shareholder Communications Policy which promotes effective communication with shareholders and encourages participation at general meetings.

The company makes all ASX announcements available via its website. In addition, shareholders who are registered receive email notification of announcements.

The Notice of Annual General Meeting (AGM) will be provided to all shareholders and posted on the company's website. Notices for general meetings and other communications with shareholders are drafted to ensure that they are honest, accurate and not misleading and that the nature of the business of the meeting is clearly stated and explained where necessary.

The Board encourages full participation by shareholders at the Annual General Meeting to ensure a high level of Director accountability to shareholders and shareholder identification with the Company's strategy and goals.

For shareholders unable to attend, an AGM question form will accompany the Notice of Meeting, giving shareholders the opportunity to forward questions and comments to the company or the external auditor prior to the AGM.

#### **Principle 7: Recognise and manage risk**

The Board considers identification and management of key risks associated with the business as vital to maximise shareholder wealth. A yearly assessment of the business's risk profile is undertaken and reviewed by the Board, covering all aspects of the business from the operational level through to strategic level risks.

The CEO has been delegated the task of implementing internal controls to identify and manage risks for which the Board provides oversight. The effectiveness of these controls is monitored and reviewed regularly. The recent economic environment has emphasised the importance of managing and reassessing its key business risks.

The Board is responsible for reviewing the company's policies on risk oversight and management and satisfying itself that management has developed and implemented a sound system of risk management and internal control.

The Board requires management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively.

The Board has received a report from management as to the effectiveness of the company's management of its material business risks.

## **Analytica Limited**

### **Corporate Governance Statement**

**30 June 2013**

A summary of the Company's risk related policies can be found with other corporate governance policies under the Corporate Governance section of the company's website.

#### **Internal control**

The Board is responsible for reviewing the company's policies on risk oversight and management and satisfying itself that management has developed and implemented a sound system of risk management and internal control.

The Board has received assurance from the Chief Executive Officer and the Chief Financial Officer that the declaration provided in accordance with section 295A of the Corporations Act is founded on a system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

#### **Principle 8: Remunerate fairly and responsibly**

The company's remuneration policy is designed in such a way that it:

- motivates senior executives to pursue the long-term growth and success of the company
- demonstrates a clear relationship between senior executives' performance and remuneration.

The remuneration policy, which sets the terms and conditions for the key management personnel (KMP) was developed by the remuneration committee after seeking professional advice from independent consultants and was approved by the Board.

All executives receive a base salary, superannuation, performance incentives and retirement benefits. The remuneration committee reviews executive packages annually by reference to company performance, executive performance, comparable information from industry sectors and other listed corporations and independent advice. The performance of executives is measured against criteria agreed half yearly which are based on the forecast growth of the company's profits and shareholder value. The policy is designed to attract the highest calibre executives and reward them for performance which results in long-term growth in shareholder value.

The Board expects that the remuneration structure implemented will result in the company being able to attract and retain the best executives. It will also provide executives with the necessary incentives to work to grow long-term growth in shareholder value.

The payment of bonuses, options and other incentive payments are reviewed by the remuneration committee annually as part of the review of executive remuneration and a recommendation is put to the Board for approval. All bonuses, options and incentives must be linked to predetermined performance criteria. The Board can exercise its discretion in relation to approving incentives, bonuses and options and can recommend changes to the committee's recommendations. Any changes must be justified by reference to measurable performance criteria.

Further information about the company's remuneration strategy and policies and their relationship to company performance can be found in the Remuneration Report which forms part of the directors' report, together with details of the remuneration paid to key management personnel.

## **Analytica Limited**

# **Corporate Governance Statement**

**30 June 2013**

### **Remuneration committee**

The responsibilities of the remuneration committee include a review of and recommendation to the Board on:

- the company's remuneration, recruitment, retention and termination policies and procedures for senior executives
- senior executives' remuneration and incentives
- superannuation arrangements
- the remuneration framework for directors
- remuneration by gender.

Each member of the remuneration committee:

- is familiar with the legal and regulatory disclosure requirements in relation to remuneration
- has adequate knowledge of executive remuneration issues, including executive remuneration issues, including executive retention and termination policies and short term and long term incentive arrangements.

**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF ANALYTICA LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2013 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

*Bentleys*

Bentleys Brisbane Partnership

*Stewart Douglas*

Stewart Douglas  
Partner  
Brisbane  
30 August 2013



## Analytica Limited

### Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2013

		30 June 2013	30 June 2012
	Note	\$	\$
Sales and grant revenue		498,081	162,452
Investment revenue		32,813	32,013
Other income		10,368	241
Administrative expenses	16	(302,785)	(492,040)
Capital raising costs		(30,000)	(289,130)
Depreciation, amortisation and impairments	16	(15,395)	(97,931)
Fair value adjustment		(29,252)	(595,486)
Marketing expenses		(145,367)	-
Occupancy costs		(5,221)	(2,600)
Sundry expenses		(280)	(10,844)
Research and development		(1,148,484)	(909,929)
Finance costs	16	(229)	(18,755)
<b>Profit/ (loss) before income tax</b>		<b>(1,135,751)</b>	<b>(2,222,009)</b>
Income tax expense		-	-
<b>Profit/ (loss) for the year</b>		<b>(1,135,751)</b>	<b>(2,222,009)</b>
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income</b>		<b>(1,135,751)</b>	<b>(2,222,009)</b>
Earnings per share			
Basic/diluted earnings per share (dollars)		(0.0021)	(0.0040)

The accompanying notes form part of these financial statements.

**Analytica Limited**

**Statement of Financial Position**

**As At 30 June 2013**

		<b>30 June 2013</b>	<b>30 June 2012</b>
	<b>Note</b>	<b>\$</b>	<b>\$</b>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	2	<b>349,416</b>	1,213,820
Trade and other receivables	3	<b>13,588</b>	162,363
Prepayments	7	<b>7,688</b>	19,666
<b>TOTAL CURRENT ASSETS</b>		<b>370,692</b>	<b>1,395,849</b>
<b>NON-CURRENT ASSETS</b>			
Other financial assets	4	<b>33,431</b>	62,683
Property, plant and equipment	5	<b>6,403</b>	8,937
Intangible assets	6	<b>12,274</b>	18,943
<b>TOTAL NON-CURRENT ASSETS</b>		<b>52,108</b>	<b>90,563</b>
<b>TOTAL ASSETS</b>		<b>422,800</b>	<b>1,486,412</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	8	<b>138,533</b>	98,588
Borrowings	9	-	(65)
Short-term provisions	10	<b>30,300</b>	26,098
Employee benefits	11	<b>65,473</b>	48,116
<b>TOTAL CURRENT LIABILITIES</b>		<b>234,306</b>	<b>172,737</b>
<b>NON-CURRENT LIABILITIES</b>			
Employee benefits	11	<b>21,751</b>	15,766
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>21,751</b>	<b>15,766</b>
<b>TOTAL LIABILITIES</b>		<b>256,057</b>	<b>188,503</b>
<b>NET ASSETS</b>		<b>166,743</b>	<b>1,297,909</b>
<b>EQUITY</b>			
Issued capital	12	<b>83,943,597</b>	83,939,012
Reserves	13	-	2,630,508
Retained earnings		<b>(83,776,854)</b>	<b>(85,271,611)</b>
<b>TOTAL EQUITY</b>		<b>166,743</b>	<b>1,297,909</b>

The accompanying notes form part of these financial statements.

# **Analytica Limited**

## **Statement of Changes in Equity** **For the Year ended 30 June 2013**

**30 June 2013**

	Note	Ordinary Shares \$	Retained Earnings \$	Option Reserve \$	Total \$
<b>Balance at 1 July 2012</b>		<b>83,939,012</b>	<b>(85,271,611)</b>	<b>2,630,508</b>	<b>1,297,909</b>
Profit or loss attributable to members of the company		-	(1,135,751)	-	(1,135,751)
Issue of shares		4,585	-	-	4,585
Transfers to retained earnings from option reserve	13	-	2,630,508	(2,630,508)	-
<b>Balance at 30 June 2013</b>		<b>83,943,597</b>	<b>(83,776,854)</b>	<b>-</b>	<b>166,743</b>

**30 June 2012**

	Note	Ordinary Shares \$	Retained Earnings \$	Option Reserve \$	Total \$
<b>Balance at 1 July 2011</b>		<b>80,959,107</b>	<b>(83,049,602)</b>	<b>2,630,508</b>	<b>540,013</b>
Profit or loss attributable to members of the company		-	(2,222,009)	-	(2,222,009)
Issue of shares		219,905	-	-	219,905
Rights issue		2,760,000	-	-	2,760,000
<b>Balance at 30 June 2012</b>		<b>83,939,012</b>	<b>(85,271,611)</b>	<b>2,630,508</b>	<b>1,297,909</b>

The accompanying notes form part of these financial statements.

**Analytica Limited**

**Statement of Cash Flows**  
**For the Year Ended 30 June 2013**

	30 June 2013	30 June 2012
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	10,368	5,121
Payments to suppliers and employees	(1,561,467)	(1,763,089)
Interest received	32,813	32,013
Finance costs	(229)	(18,755)
Receipt from grants	655,653	261,449
Net cash provided by (used in) operating activities	23 (862,862)	(1,483,261)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment	(6,192)	(15,401)
Net cash used in investing activities	(6,192)	(15,401)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from issue of shares	4,585	2,979,905
Repayment of directors' loan accounts	(11,910)	(268,790)
Proceeds from directors' loan accounts	12,000	-
Net cash provided by financing activities	4,675	2,711,115
Net increase (decrease) in cash and cash equivalents held	(864,379)	1,212,453
Cash and cash equivalents at beginning of year	1,213,795	1,342
Cash and cash equivalents at end of financial year	2 349,416	1,213,795

The accompanying notes form part of these financial statements.

## **Analytica Limited**

### **Notes to the Financial Statements** **For the Year Ended 30 June 2013**

This financial report covers the financial statements and notes of Analytica Limited. Analytica Limited is a for profit Company domiciled in Australia. The financial statements were authorised for issue by the Board of Directors on the date the directors' report was signed.

#### **1 Summary of Significant Accounting Policies**

##### **(a) Basis of Preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

These financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The significant accounting policies used in the preparation and presentation of these financial statements are provided below and are consistent with prior reporting periods unless otherwise stated.

The financial statements are prepared on an accrual basis and based on historical costs, except for the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

##### **(b) Comparative Amounts**

Comparatives are consistent with prior years, unless otherwise stated.

Where a change in comparatives has also affected the opening retained earnings previously presented in a comparative period, an opening statement of financial position at the earliest date of the comparative period has been presented.

##### **(c) Property, Plant and Equipment**

Classes of property, plant and equipment are measured using the cost or revaluation model as specified below.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of costs of dismantling and restoring the asset, where applicable.

Assets measured using the revaluation model are carried at fair value at the revaluation date less any subsequent accumulated depreciation and impairment losses. Revaluations are performed whenever there is a material movement in the value of an asset under the revaluation model.

##### **Plant and equipment**

Plant and equipment are measured using the cost model.

##### **Depreciation**

The depreciable amount of all property, plant and equipment, is depreciated on a straight-line method from the date that management determine that the asset is available for use.

Assets held under a finance lease and leasehold improvements are depreciated over the shorter of the term of the lease and the assets useful life.

## Notes to the Financial Statements

### For the Year Ended 30 June 2013

#### 1 Summary of Significant Accounting Policies continued

##### (c) Property, Plant and Equipment continued

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Plant and Equipment	20%
Office Equipment	33% - 40%
Computer Equipment	33% - 67%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

When an assets is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

##### (d) Financial Instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

##### *Financial Assets*

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables;
- financial assets at fair value through profit or loss;
- available-for-sale financial assets; and
- held-to-maturity investments.

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the statement of profit or loss and other comprehensive income in the 'finance income' or 'finance costs' line item respectively.

##### **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost less provision for impairment. Any change in their value is recognised in profit or loss.

The Company's trade and most other receivables fall into this category of financial instruments.

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2013**

#### **1 Summary of Significant Accounting Policies continued**

##### **(d) Financial instruments continued**

Discounting is omitted where the effect of discounting is considered immaterial.

Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default.

The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

For trade receivables, impairment provisions are recorded in a separate allowance account with the loss being recognised in profit or loss. When confirmation has been received that the amount is not collectable, the gross carrying value of the asset is written off against the associated impairment provision.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

##### **Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss include financial assets:

- acquired principally for the purpose of selling in the near future
- designated by the entity to be carried at fair value through profit or loss upon initial recognition or
- which are derivatives not qualifying for hedge accounting.

Assets included within this category are carried in the statement of financial position at fair value with changes in fair value recognised in finance income or expenses in profit or loss.

The Company's investment in Invion Limited (IVX) is designated as a financial asset at fair value through profit and loss.

##### **Held-to-maturity investments**

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity such as term deposits. Investments are classified as held-to-maturity if it is the intention of the Company's management to hold them until maturity.

Held-to-maturity investments are subsequently measured at amortised cost, with revenue recognised on an effective yield basis. In addition, if there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows.

The Company does not hold any held-to-maturity investments.

##### **Available-for-sale financial assets**

Available-for-sale financial assets are non-derivative financial assets that do not qualify for inclusion in any of the other categories of financial assets.

All available-for-sale financial assets are measured at fair value, with subsequent changes in value recognised in other comprehensive income.

Gains and losses arising from financial instruments classified as available-for-sale are only recognised in profit or loss when they are sold or when the investment is impaired.

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2013**

#### **1 Summary of Significant Accounting Policies continued**

##### **Financial liabilities**

Financial liabilities are recognised when the Company becomes a party to the contractual agreements of the instrument. All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included in the income statement line items "finance costs" or "finance income".

Non derivative liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

The Company's financial liabilities include borrowings and trade and other payables.

##### **Impairment of financial assets**

At the end of the reporting period the Company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

##### *Financial assets at amortised cost*

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

##### **Loans and receivables**

Impairment on loans and receivables is recognised in profit and loss.

##### *Available-for-sale financial assets*

A significant or prolonged decline in value of an available-for-sale asset below its cost is objective evidence of impairment, in this case, the cumulative loss that has been recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Any subsequent increase in the value of the asset is taken directly to other comprehensive income.

##### **Derecognition**

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

When available-for-sale investments are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to profit or loss.



**Notes to the Financial Statements**  
**For the Year Ended 30 June 2013**

**1 Summary of Significant Accounting Policies continued**

**(e) Impairment of non-financial assets**

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for assets.

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the assets is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

**(f) Intangible Assets**

**Patents and trademarks**

Patents and trademarks are recognised at cost of acquisition. Patents and trademarks have a finite life and are carried at cost less any accumulated amortisation and any impairment losses. Patents and trademarks are amortised over their useful life of 3 years.

**Amortisation**

Amortisation is based on the cost of an asset less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

**(g) Cash and cash equivalents**

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2013**

#### **1 Summary of Significant Accounting Policies continued**

##### **(h) Employee benefits**

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

##### **(i) Provisions**

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured at the present value of management's best estimate of the outflow required to settle the obligation at the end of the reporting period. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the unwinding of the discount is taken to finance costs in the statement of profit or loss and other comprehensive income.

##### **(j) Earnings per share**

Analytica Limited presents basic and diluted earnings per share information for its ordinary shares.

Basic earnings per share is calculated by dividing the profit/ (loss) attributable to owners of the company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share adjusts the 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 additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

##### **(k) Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options which vest immediately are recognised as a deduction from equity, net of any tax effects.

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2013**

#### **1 Summary of Significant Accounting Policies continued**

##### **(l) Income Tax**

The tax expense recognised in the statement of profit or loss and other comprehensive income relates to current income tax expense plus deferred tax expense (being the movement in deferred tax assets and liabilities and unused tax losses during the year).

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is provided on temporary differences which are determined by comparing the carry amounts of tax bases of assets and liabilities to the carrying amounts in the financial statements.

Income tax benefits and deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

##### **(m) Revenue and other income**

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

All revenue is stated net of the amount of goods and services tax (GST).

##### **Sale of goods**

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

##### **Interest revenue**

Interest is recognised using the effective interest method.

##### **Grant revenue**

The company is eligible for Federal Government grants in respect of Research and Development expenditure. Such grants are accounted for when there is reasonable assurance that the company will comply with the conditions attaching to the grant and the grant will be received.

##### **(n) Borrowing costs**

As there are no borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset, all borrowing costs are recognised as an expense in the period in which they are incurred.

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2013**

### **1 Summary of Significant Accounting Policies continued**

#### **(o) Goods and Services Tax (GST)**

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

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

#### **(p) Foreign currency transactions and balances**

##### **Functional and presentation currency**

The functional currency of each of Analytica Limited's entities is measured using the currency of the primary economic environment in which that entity operates. The financial statements are presented in Australian dollars which is the company entity's functional and presentation currency.

##### **Transaction and balances**

Foreign currency transactions are recorded at the spot rate on the date of the transaction.

At the end of the reporting period:

- Foreign currency monetary items are translated using the closing rate;
- Non-monetary items that are measured at historical cost are translated using the exchange rate at the date of the transaction; and
- Non-monetary items that are measured at fair value are translated using the rate at the date when fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition or in prior reporting periods are recognised through profit or loss, except where they relate to an item of other comprehensive income or whether they are deferred in equity as qualifying hedges.

#### **(q) Critical accounting estimates and judgments**

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

**Notes to the Financial Statements**  
**For the Year Ended 30 June 2013**

**1 Summary of Significant Accounting Policies continued**

**(q) Critical accounting estimates and judgments continued**

*Impairment*

The Company assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Company that may be indicative of impairment triggers. There were no indicators of impairment as at 30 June 2013.

**(r) Going concern**

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

This basis has been adopted as the company has sufficient cash at 30 June 2013 to conduct its affairs. The company has a guarantee of continuing financial support from Dr Monsour to allow the company to meet its liabilities and it is the belief that such financial support will continue to be made available.

The company's forward cash flow projections currently indicate that the company will be required to raise additional funds to meet forecast needs. The Directors have considered this position and have assessed available funding options and believe should funding be required that sufficient funds could be sourced to satisfy creditors as and when they fall due.

The company also expects to generate increased royalty income during the 2014 year from the sales of its AutoStart Burette and/or Auto Flush enabled Burette. Whilst not expected to generate positive cash flows for the 30 June 2014, royalty revenues generated will assist the company in meeting its ongoing working capital requirements.

However, if adequate capital raising is not achieved the company may be unable to continue as a going concern. No adjustments have been made relating to the recoverability and classification of recorded assets amounts and classification of liabilities that might be necessary should the company not continue as a going concern.

## Notes to the Financial Statements

### For the Year Ended 30 June 2013

#### 1 Summary of Significant Accounting Policies continued

##### (s) Adoption of new and revised accounting standards

During the current year, the Company adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The following is an explanation of the impact the adoption of these Standards and Interpretations has had on the financial statements of Analytica Limited.

Standard Name	Impact
AASB 2011-9 Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income	The adoption of this standard has not change the reported financial position and performance of the entity, however the presentation of items in other comprehensive income has changed.
AASB 112 Income Taxes	There has been no impact on the reported financial position and performance
AASB 2011-3 Amendments to Australian Accounting Standards - Orderly Adoption of Changes to the ABS GFS Manual and Related Amendments	There has been no impact due the entity not being a government department

##### (t) New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Company has decided against early adoption of these Standards. The following table summarises those future requirements, and their impact on the Company:

Standard Name	Effective date for entity	Requirements	Impact
AASB 9 Financial Instruments and amending standards AASB 2010-7 / AASB 2012-6	30 June 2016	Changes to the classification and measurement requirements for financial assets and financial liabilities.  New rules relating to derecognition of financial instruments.	The entity has not yet determined the magnitude of any changes which may be needed.
AASB 1053 - Application of Tiers of Australian Accounting Standards and amending standards AASB 2010-2, AASB 2011-11, AASB 2012-1, AASB 2012-7 and AASB 2012-11	30 June 2014	This standard allows certain entities to reduce disclosures.	The entity is not adopting the RDR and therefore these standards are not relevant.



# Notes to the Financial Statements

## For the Year Ended 30 June 2013

### 1 Summary of Significant Accounting Policies continued

#### (t) New Accounting Standards and Interpretations continued

Standard Name	Effective date for entity	Requirements	Impact
AASB 2011-2 Amendments to Australian Accounting Standards arising from Trans-Tasman convergence – Reduced Disclosure Requirements	30 June 2014	Highlights the disclosures not required in AASB 1054 for entities applying the RDR.	The company is not adopting the RDR and therefore this standard is not relevant.
AASB 10 Consolidated Financial Statements / AASB 11 Joint Arrangements / AASB 12 Disclosures of Interests in Other Entities, AASB 127 Separate Financial Statements, AASB 128 Investments in Associates and AASB 2012-10 Amendments to Australian Accounting Standards - Transition Guidance and Other Amendments	30 June 2014	<p>AASB 10 includes a new definition of control, which is used to determine which entities are consolidated, and describes consolidation procedures. The Standard provides additional guidance to assist in the determination of control where this is difficult to assess.</p> <p>AASB 11 focuses on the rights and obligations of a joint venture arrangement, rather than its legal form (as is currently the case). IFRS 11 requires equity accounting for joint ventures, eliminating proportionate consolidation as an accounting choice.</p> <p>AASB 12 includes disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles.</p>	<p>No impact at this stage as the company does not control any other entities.</p> <p>No impact at this stage as the company is not party to any joint ventures.</p> <p>Additional disclosures will be required under AASB 12 but there will be no changes to reported position and performance.</p>
AASB 13 Fair Value Measurement.  AASB 2011-8 - Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132]	30 June 2014	<p>AASB 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across Accounting Standards but does not change when fair value is required or permitted.</p> <p>There are a number of additional disclosure requirements.</p>	<p>Fair value estimates currently made by the entity will be revised and potential changes to reported values may be required.</p> <p>The entity has not yet determined the magnitude of any changes which may be needed.</p> <p>Some additional disclosures will be needed.</p>
AASB 2011-4 - Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements [AASB 124]	30 June 2014	Remove individual key management personnel disclosure requirements (i.e. components of remuneration) for disclosing entities.	Since the entity is a disclosing entity, the KMP remuneration note in the financial statements will not include individual components of remuneration.

# Notes to the Financial Statements

## For the Year Ended 30 June 2013

### 1 Summary of Significant Accounting Policies continued

#### (t) New Accounting Standards and Interpretations continued

Standard Name	Effective date for entity	Requirements	Impact
AASB 2011-6 - Amendments to Australian Accounting Standards - Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation - Reduced Disclosure Requirements [AASB 127, AASB 128 & AASB 131]	30 June 2014	This Standard extends the relief from consolidation, the equity method and proportionate consolidation by removing the requirement for the consolidated financial statements prepared by the ultimate or any intermediate parent entity to be IFRS compliant, provided that the parent entity, investor or venturer and the ultimate or intermediate parent entity comply with Australian Accounting Standards or Australian Accounting Standards - Reduced Disclosure Requirements.	Since the entity does not comply with the Reduced Disclosure Regime there is no impact on the adoption of this standard.
AASB 2011-7 - Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17]	30 June 2014	This standard provides many consequential changes due to the release of the new consolidation and joint venture standards.	The impact of this standard is expected to be minimal.
AASB 119 Employee Benefits (September 2011)  AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) and AASB 2011-11 Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements	30 June 2014	The main changes in this standard relate to the accounting for defined benefit plans and are as follows:  - elimination of the option to defer the recognition of gains and losses (the 'corridor method');  - requiring remeasurements to be presented in other comprehensive income; and  - enhancing the disclosure requirements.	Since the entity does not have a defined benefit plan, the adoption of these standards will not have any impact.
AASB 2010-10 - Further Amendments to Australian Accounting Standards - Removal of Fixed Dates for First-time Adopters [AASB 2009-11 & AASB 2010-7]	30 June 2014	Makes amendments to AASB 1	No impact since the entity is not a first-time adopter of IFRS.
AASB 2012-2 - Amendments to Australian Accounting Standards - Disclosures - Offsetting Financial Assets and Financial Liabilities [AASB 132 & AASB 7]	30 June 2014	Requires the inclusion of information about the effect or potential effect of netting arrangements.	There is no impact on disclosures as there are no offsetting arrangements currently in place.



## Notes to the Financial Statements

### For the Year Ended 30 June 2013

#### 1 Summary of Significant Accounting Policies continued

##### (t) New Accounting Standards and Interpretations continued

Standard Name	Effective date for entity	Requirements	Impact
AASB 2012-4 - Amendments to Australian Accounting Standards – Government Loans [AASB 1]	30 June 2014	Adds exception to retrospective application of Australian Accounting Standards for first time adopters.	No impact as these are not the first time adoption accounts for the entity.
AASB 2012-5 - Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle [AASB 1, AASB 101, AASB 116, AASB 132 & AASB 134 and Interpretation 2]	30 June 2014	<p>AASB 1 - this standard clarifies that an entity can apply AASB 1 more than once.</p> <p>AASB 101 - clarifies that a third statement of financial position is required when the opening statement of financial position is materially affected by any adjustments.</p> <p>AASB 116 - clarifies the classification of servicing equipment.</p> <p>AASB 132 and Interpretation 2 - Clarifies that income tax relating to distributions to holders of an equity instrument and to transaction costs of an equity transaction shall be accounted for in accordance with AASB 112 Income Taxes</p> <p>AASB 134 - provides clarification about segment reporting.</p>	No expected impact on the entities financial position or performance.
AASB 2011-12 Amendments to Australian Accounting Standards arising from Interpretation 20	30 June 2014	Allows transitional provisions for stripping costs in accordance with Interpretation 20.	There will be no impact as entity is not in the mining industry.
AASB 2012-9 Amendment to AASB 1048 arising from the Withdrawal of Australian Interpretation 1039	30 June 2014	Removes reference to withdrawn Interpretation 1039.	No impact on the financial statements.
AASB 1055 - Budgetary Reporting AASB 2013-1 Amendments to AASB 1049 - Relocation of Budgetary Reporting Requirements	30 June 2015	This standard specifies the nature of budgetary disclosures and circumstances for inclusion in the financial statements.	No impact as the entity is not a public sector entity.
AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities [AASB 132]	30 June 2015	This standard adds application guidance to AASB 132 to assist with applying some of the offset criteria of the standard.	There will be no impact to the entity as there are no offsetting arrangements currently in place.

## Notes to the Financial Statements

For the Year Ended 30 June 2013

### 2 Cash and cash equivalents

	30 June 2013 \$	30 June 2012 \$
Cash at bank and in hand	-	86
Short-term bank deposits	349,416	1,213,734
	<b>349,416</b>	<b>1,213,820</b>

#### Reconciliation of cash

Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

	30 June 2013 \$	30 June 2012 \$
Cash and cash equivalents	349,416	1,213,820
Bank overdrafts	-	(25)
<b>Balance as per statement of cash flows</b>	<b>349,416</b>	<b>1,213,795</b>

### 3 Trade and other receivables

	30 June 2013 \$	30 June 2012 \$
<b>CURRENT</b>		
GST receivable	12,502	4,791
Other receivables	1,086	157,572
<b>Total current trade and other receivables</b>	<b>13,588</b>	<b>162,363</b>

#### Credit risk

The Company has no significant concentration of credit risk with respect to any single counterparty or group of counterparties. The class of assets described as 'other receivables' is considered to be the main source of credit risk related to the Company.

## Analytica Limited

### Notes to the Financial Statements For the Year Ended 30 June 2013

#### 4 Other financial assets

	30 June 2013 \$	30 June 2012 \$
Investment in Invion	33,431	62,683
Financial assets at fair value through profit and loss		
Listed shares at cost	522,356	522,356
Fair value adjustment	(488,925)	(459,673)
Total other financial assets	33,431	62,683

Invion (IVX) previously known as CBio Limited (CBZ) listed on the Australian Securities Exchange in 2010. Analytica Limited holds 1,044,712 ordinary shares with a market value at 30 June 2013 of \$33,431 (2012 \$62,683).

#### 5 Property, plant and equipment

	30 June 2013 \$	30 June 2012 \$
Plant and equipment		
At cost	17,036	17,036
Accumulated depreciation	(14,089)	(10,849)
Total plant and equipment	2,947	6,187
Office equipment		
At cost	7,211	6,485
Accumulated depreciation	(6,593)	(5,978)
Total office equipment	618	507
Computer equipment		
At cost	50,147	44,681
Accumulated depreciation	(47,309)	(42,438)
Total computer equipment	2,838	2,243
<b>Total property, plant and equipment</b>	<b>6,403</b>	<b>8,937</b>

# Notes to the Financial Statements

For the Year Ended 30 June 2013

## 5 Property, plant and equipment continued

### (a) Movements in carrying amounts of property, plant and equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current year:

	Plant and Equipment \$	Office Equipment \$	Computer Equipment \$	Total \$
<b>Year ended 30 June 2013</b>				
Balance at the beginning of year	6,187	507	2,243	8,937
Additions	-	726	5,466	6,192
Depreciation expense	(3,240)	(615)	(4,871)	(8,726)
<b>Balance at the end of the year</b>	<b>2,947</b>	<b>618</b>	<b>2,838</b>	<b>6,403</b>
<b>Year ended 30 June 2012</b>				
Balance at the beginning of year	18,269	1,252	647	20,168
Additions	-	-	4,077	4,077
Disposals - written down value	(8,434)	-	-	(8,434)
Depreciation expense	(3,648)	(745)	(2,481)	(6,874)
<b>Balance at the end of the year</b>	<b>6,187</b>	<b>507</b>	<b>2,243</b>	<b>8,937</b>

## 6 Intangible Assets

	30 June 2013 \$	30 June 2012 \$
Patents, trademarks and other rights		
Cost	235,000	235,000
Accumulated amortisation and impairment	(235,000)	(235,000)
	-	-
Licenses and franchises		
Cost	20,000	20,000
Accumulated amortisation and impairment	(7,726)	(1,057)
<b>Net carrying value</b>	<b>12,274</b>	<b>18,943</b>
<b>Total Intangibles</b>	<b>12,274</b>	<b>18,943</b>

## Analytica Limited

### Notes to the Financial Statements For the Year Ended 30 June 2013

#### 6 Intangible Assets continued

	Patents, trademarks and other rights \$	Licenses and franchises \$	Total \$
<b>Period ended 30 June 2013</b>			
Balance at the beginning of the year	-	18,943	18,943
Amortisation	-	(6,669)	(6,669)
<b>Closing value at 30 June 2013</b>	<b>-</b>	<b>12,274</b>	<b>12,274</b>
<b>Period ended 30 June 2012</b>			
Additions	-	20,000	20,000
Amortisation	-	(1,057)	(1,057)
<b>Closing value at 30 June 2012</b>	<b>-</b>	<b>18,943</b>	<b>18,943</b>

Intangible assets, other than goodwill have finite useful lives. The current amortisation charges for intangible assets are included under depreciation and amortisation expense in the statement of profit or loss and other comprehensive income.

#### 7 Other assets

	30 June 2013 \$	30 June 2012 \$
CURRENT		
Prepayments	7,688	19,666

#### 8 Trade and other payables

	30 June 2013 \$	30 June 2012 \$
CURRENT		
Trade payables	122,151	53,130
Sundry payables and accrued expenses	-	9,432
Other payables	16,381	36,027
	<b>138,532</b>	<b>98,589</b>

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

# **Analytica Limited**

## **Notes to the Financial Statements** **For the Year Ended 30 June 2013**

### **9 Borrowings**

	30 June 2013	30 June 2012
Note	\$	\$
CURRENT		
Bank overdraft	-	25
Related party payables	-	(90)
<b>Total current borrowings</b>	<b>-</b>	<b>(65)</b>

Balance unused at reporting date

Director loan facility from Dr Michael Monsour represents an unsecured loan facility from MPAMM Pty Ltd, a related entity associated with Dr Monsour. The loan facility is repayable on demand and bears interest at 7.26% (2012: 11.04%) per annum (annual variable rate per Westpac Banking Corporation for business loans, plus 2%). The interest charged for the year ended 30 June 2013 amounted to \$nil (2012: \$18,514). The maximum amount available under the loan agreement is \$400,000. Therefore 100% of the facility was undrawn at 30 June 2013, (2012:100%).

### **10 Provisions**

	30 June 2013	30 June 2012
	\$	\$
CURRENT		
Provisions - audit	24,300	18,108
Provisions - taxation	6,000	7,990
	<b>30,300</b>	<b>26,098</b>

	Provisions audit	Provisions taxation	Total
	\$	\$	\$
<b>Current</b>			
Opening balance at 1 July 2012	18,108	7,990	26,098
Additional provisions	47,692	5,910	53,602
Provisions used	(41,500)	(7,900)	(49,400)
<b>Balance at 30 June 2013</b>	<b>24,300</b>	<b>6,000</b>	<b>30,300</b>

# Notes to the Financial Statements

## For the Year Ended 30 June 2013

### 11 Employee Benefits

	30 June 2013 \$	30 June 2012 \$
<b>CURRENT</b>		
Provision for employee benefits	65,473	48,116
<b>NON-CURRENT</b>		
Long service leave	21,751	15,766
	<b>87,224</b>	<b>63,882</b>
	<b>Provision for annual leave 2013 \$</b>	<b>Provision for long service leave 2013 \$</b>
<b>Current</b>		
Opening balance 1 July 2012	48,116	-
Additional provisions	23,780	-
Provisions used	(6,423)	-
<b>Balance at 30 June 2013</b>	<b>65,473</b>	<b>-</b>
<b>Non-Current</b>		
Opening balance 1 July 2012	-	15,766
Additional provisions	-	5,985
<b>Balance at 30 June 2013</b>	<b>-</b>	<b>21,751</b>

#### (a) Provision for Long-term Employee Benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion of this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Company does not expect the full amount of annual leave or long service leave balances classified as current to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been discussed in Note 1(h).

## Analytica Limited

### Notes to the Financial Statements For the Year Ended 30 June 2013

#### 12 Issued Capital

	30 June 2013 \$	30 June 2012 \$
559,988,815 (2012: 559,885,794) Ordinary shares	83,943,597	83,939,012
Nil (2012: 138,000,000) ALTO Options	-	-
Nil..... (2012: 138,000,000) ALTOA Options	-	-
<b>Total</b>	<b>83,943,597</b>	<b>83,939,012</b>

#### (a) Ordinary shares

	30 June 2013 No.	30 June 2012 No.
At the beginning of the reporting period	559,885,794	411,104,182
Shares issued during the year	-	-
Share issue 18 October 2011	-	3,000,000
Share issue 1 December 2011	-	1,250,000
Share issue 6 December 2011	-	1,786,352
Rights issue 16 December 2011	-	94,905,143
Share issue 22 December 2011	-	4,745,260
Rights issue 9 March 2012	-	43,094,857
Exercise ALTO Options 12 September 2012	103,021	-
At the end of the reporting period	<b>559,988,815</b>	<b>559,885,794</b>

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company. On a show of hands at meetings of the Company, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote.

The Company does not have par value in respect of its shares.

The 138,000,000 ALTO \$0.04 options expired on 9 September 2012. The company issued 103,021 ordinary shares at \$0.04.

The 138,000,000 ALTOA \$0.08 options expired on 6 June 2013.

#### (b) Options

- (i) For information relating to share options issued to key management personnel during the year, refer to Note 19 Key Management Personnel Disclosures.

#### (c) Capital Management

Management controls the capital of Analytica Limited in order to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Capital consists of share capital, reserves and retained profit.

There are no externally imposed capital requirements.

Analytica Limited monitors capital through the gearing ratio, which is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is defined as equity per the statement of financial position plus net debt.



# **Analytica Limited**

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2013**

### **12 Issued Capital continued**

#### **(c) Capital Management continued**

The target for Analytica Limited's gearing ratio is between 0% and 50%. The gearing ratios at the current and prior years are shown below:

Debt to equity gearing ratio for 2013 is 0% (2012: 0%)

There have been no changes in the strategy adopted by management during the year.

### **13 Reserves and retained surplus**

	<b>30 June 2013</b>	<b>30 June 2012</b>
	<b>\$</b>	<b>\$</b>
<b>Option reserve</b>		
Opening balance	<b>2,630,508</b>	2,630,508
Transfers out	<b>(2,630,508)</b>	-
<b>Total reserves</b>	<b>-</b>	<b>2,630,508</b>

#### **(a) Share option reserve**

Options reserves are created to balance the calculated potential value included in the Statement of Profit and Loss when options are issued. As there are no outstanding options at balance date, this reserve has been transferred to retained earnings.

### **14 Earnings per Share**

#### **(a) Reconciliation of earnings to profit or loss from continuing operations**

	<b>30 June 2013</b>	<b>30 June 2012</b>
	<b>\$</b>	<b>\$</b>
Net loss	<b>(1,135,751)</b>	(2,222,009)

#### **(b) Earnings used to calculate overall earnings per share**

Earnings used to calculate overall earnings per share	<b>(1,135,751)</b>	(2,222,009)
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#### **(c) Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS**

	<b>30 June 2013</b>	<b>30 June 2012</b>
	<b>No.</b>	<b>No.</b>
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	<b>559,988,815</b>	559,885,794

## **Analytica Limited**

### **Notes to the Financial Statements** **For the Year Ended 30 June 2013**

#### **15 Financial Risk Management**

The Company is exposed to a variety of financial risks through its use of financial instruments.

This note discloses the Company's objectives, policies and processes for managing and measuring these risks.

The Company's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The Company does not speculate in financial assets.

The most significant financial risks to which the Company is exposed to are described below:

##### **Specific risks**

- Market risk - cash flow interest rate risk
- Credit risk
- Liquidity risk

##### **Financial Instruments used**

The principal categories of financial instrument used by the Company are:

- Receivables
- Cash at bank
- Bank overdraft
- Investments in listed shares
- Trade and other payables

##### **Objectives, policies and processes**

Risk management is carried out by the Company's Audit Committee under the delegated power from the Board of Directors. The CFO has primary responsibility for the development of relevant policies and procedures to mitigate the risk exposure of the Company, these policies and procedures are then approved by the risk management committee and tabled at the board meeting following their approval.

Reports are presented at each Board meeting regarding the implementation of these policies and any risk exposure which the Audit Committee believes the Board should be aware of.

Specific information regarding the mitigation of each financial risk to which Company is exposed is provided below.

##### **Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company.

**Notes to the Financial Statements**  
**For the Year Ended 30 June 2013**

**15 Financial Risk Management continued**

Credit risk arises from cash and cash equivalents, and deposits with banks and financial institutions, as well as credit exposure to outstanding receivables and committed transactions.

The Company has adopted a policy of only dealing with creditworthy counterparties such as major banks as a means of mitigating the risk of financial loss from defaults.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

**Liquidity risk**

Liquidity risk arises from the Company's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. The Company maintains cash and marketable securities to meet its liquidity requirements for up to 30-day periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities, and the ability to develop products and markets that are expected to be profitable in the future.

The Company manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business.

Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day period are identified regularly.

At the reporting date, these reports indicate that the Company expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances and will not need to draw down any of the financing facilities, except to the extent described in Note 1 (r) Going Concern.

## Notes to the Financial Statements

For the Year Ended 30 June 2013

### 15 Financial Risk Management continued

The Company's liabilities have contractual maturities which are summarised below:

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	30 June 2013	30 June 2012	30 June 2013	30 June 2012	30 June 2013	30 June 2012	30 June 2013	30 June 2012
Total	\$	\$	\$	\$	\$	\$	\$	\$
Bank overdrafts and loans	-	25	-	-	-	-	-	25
Trade and other payables (excluding estimated annual leave)	138,533	98,589	-	-	-	-	138,533	98,589
Borrowings (related parties)	-	(90)	-	-	-	-	-	(90)
<b>Total contractual outflows</b>	<b>138,533</b>	<b>98,524</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>138,533</b>	<b>98,524</b>
<b>Financial assets - cash flow realisable</b>								
Cash and cash equivalents	349,416	1,213,820	-	-	-	-	349,416	1,213,820
Trade and other receivables	21,276	162,363	-	-	-	-	21,276	162,363
Fair value through profit and loss	33,431	62,683	-	-	-	-	33,431	62,683
<b>Total anticipated inflows</b>	<b>404,123</b>	<b>1,438,866</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>404,123</b>	<b>1,438,866</b>
Net (outflow) inflow on financial instruments	265,590	1,340,342	-	-	-	-	265,590	1,340,342

### Market risk

#### (i) Cash flow interest rate sensitivity

The Company is exposed to interest rate risk as funds are borrowed at floating and fixed rates. Borrowings issued at fixed rates expose the Company to fair value interest rate risk.

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. Longer-term borrowings are therefore usually at fixed rates. At the reporting date, the Company is exposed to changes in market interest rates through its bank accounts, which are subject to variable interest rates.

The following table illustrates the sensitivity of the net result for the year and equity to a reasonably possible change in interest rates of +2% and -2% (2012: +2% / -2%), with effect from the beginning of the year. These changes are considered to be reasonably possible based on observation of current market conditions.

The calculations are based on the financial instruments held at each reporting date. All other variables are held constant.

Company	2013		2012	
	+2%	-2%	+2%	-2%
Cash and cash equivalents				
Net results	6,988	(6,988)	24,276	(24,276)
Equity	6,988	(6,988)	24,276	(24,276)

**Notes to the Financial Statements**  
**For the Year Ended 30 June 2013**

**15 Financial Risk Management continued**

(ii) Other price risk

The Company are exposed to equity securities price risk. This arises from listed and unlisted investments held by the Company and classified as fair value through profit and loss on the statement of financial position.

Equity instruments are held for strategic rather than trading purposes and the Company does not actively trade these investments.

The Company is not exposed to commodity price risk.

There is no profit impact, except for investments held at fair value through profit or loss. Equity would increase / decrease as a result of fair value movements through the investment reserve.

**Fair value estimation**

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets (such as fair value through profit and loss) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Company is the current bid price.

The carrying value less impairment provision of trade receivables and payables is a reasonable approximation of their fair values due to the short-term nature of trade receivables. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments.

*Fair value hierarchy*

The fair value of financial instruments carried at fair value have been classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The levels of the hierarchy are as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The value of financial instruments carried at fair value shown in the relevant level of the hierarchy is shown below:

	30 June 2013	30 June 2012
	\$	\$
Level 1	33,431	62,683

## Notes to the Financial Statements

### For the Year Ended 30 June 2013

#### 16 Result for the Year

(a) The result for the year includes the following specific expenses

Finance cost includes all interest-related expenses, other than those arising from financial assets at fair value through profit or loss. The following amounts have been included in the finance costs line in the statement of profit or loss and other comprehensive income for the reporting periods presented:

	30 June 2013	30 June 2012
Note	\$	\$
<b>Finance Costs</b>		
<b>Financial liabilities measured at amortised cost:</b>		
- Interest paid external	13	241
- Interest paid related entities	216	18,514
<b>- Total interest expense</b>	<b>229</b>	<b>18,755</b>
<b>Other expenses:</b>		
<b>Administrative expenses consists of the following significant expenses:</b>		
Administration - general	41,840	53,774
Compliance costs	171,608	220,310
Employee costs	85,483	195,244
Travel costs	3,854	22,712
	<b>302,785</b>	<b>492,040</b>
<b>Depreciation and amortisation</b>		
Depreciation of property plant and equipment	8,727	6,873
Amortisation	6,669	1,058
Amortisation of purchased intellectual property	-	90,000
	<b>15,396</b>	<b>97,931</b>

## Analytica Limited

### Notes to the Financial Statements For the Year Ended 30 June 2013

#### 17 Income Tax Expense

Reconciliation of income tax to accounting profit/ (loss):

	30 June 2013	30 June 2012
	\$	\$
Prima facie tax payable on operating loss before income tax at 30% (2012: 30%)	(340,725)	(666,602)
Non-deductible expenditure	344,545	272,979
Non-assessable income	(149,424)	(47,272)
Deferred tax assets not brought to account	145,605	440,895
	-	-

Carried forward tax losses of \$8,972,475 (2012: \$8,771,919) have not been brought to account as a deferred tax asset because it is not yet considered probable that they will reverse to the extent of being utilised in the future.

#### 18 Operating Segments

##### Segment information

##### Identification of reportable segments

The Company has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Company is managed primarily on the basis of product category and service offerings as the diversification of Analytica Limited's operations inherently have notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with respect to the following:

- the products sold and/or services provided by the segment;
- the manufacturing process;
- the type or class of customer for the products or services;
- the distribution method; and
- any external regulatory requirements.

Performance is measured based on segment profit before income tax as included in the internal financial reports.

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2013**

#### **18 Operating Segments continued**

##### **Types of products and services by reportable segment**

###### **(i) Medical Devices**

- AutoStart Burette
- Perineometer
- ELF 2

Analytica's major released product is the AutoStart Burette. The AutoStart Burette infusion set automatically restarts the delivery of intravenous fluid once the burette has dispensed its predetermined amount of liquid or drug. Automatic restart of the IV fluid, once the drug is dispensed can provide enormous savings in nursing time during and following a medication event, and reduces the risk of blood clots forming that may obstruct the intravenous canula.

Analytica has licensed the AutoStart Burette and other burette intellectual property to Medical Australia (Formerly BMDI Tuta) who are presently working to take these products into a number of markets worldwide and negotiate supply for some major multinational companies. The AutoStart Burette has a TGA ARTG entry, CE-marking, and USFDA 510(k) 'approval'.

Analytica is also developing an innovative Perineometer device branded PeriCoach to assist women and their clinicians in treatment of Stress Urinary Incontinence.

Analytica continues the development of this medical device for treatment of muscular spasticity. The ELF2 device delivers a low-frequency voltage used by neurologists to locate nerve endings during Botulinum neurotoxin A injection treatment. Analytica's development of this device, licenced from Gorman ProMed Ltd in 2012, is to enhance usability features of a device currently in use and respected by the market. The device is scheduled for release early 2015.

###### **(ii) Corporate**

The corporate segment includes all other operations including the administration, and associated listed public company expenditure.

##### **Basis of accounting for purposes of reporting by operating segments**

###### **(a) Accounting policies adopted**

Unless stated below, all amounts reported to the Board of Directors, being the chief operating decision maker with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of Analytica Limited.

###### *Income tax expense*

Income tax expense is calculated based on the segment operating net profit using a notional charge of 30%. The effect of taxable or deductible temporary difference is not included for internal reporting purposes.

An internally determined transfer price is set for all inter-entity sales. This price is reset quarterly and is based on what would be realised in the event the sale was made to an external party at arm's-length. All such transactions are eliminated on consolidation of Analytica Limited's financial statements.

Corporate charges are allocated to reporting segments based on the segments' overall proportion of revenue generation within Analytica Limited. The Board of Directors believes this is representative of likely consumption of head office expenditure that should be used in assessing segment performance and cost recoveries.



**Notes to the Financial Statements**  
**For the Year Ended 30 June 2013**

**18 Operating Segments continued**

Inter-segment loans payable and receivable are initially recognised at the consideration received/to be received net of transaction costs. If inter-segment loans receivable and payable are not on commercial terms, these are not adjusted to fair value based on market interest rates. This policy represents a departure from that applied to the statutory financial statements.

**(b) Segment assets**

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

**(c) Segment liabilities**

Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to Analytica Limited as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

**(d) Unallocated items**

The following items of revenue, expense, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- derivatives
- net gains on disposal of available-for-sale investments
- impairment of assets and other non-recurring items of revenue or expense
- income tax expense
- deferred tax assets and liabilities
- current tax liabilities
- other financial liabilities
- intangible assets
- discontinuing operations
- retirement benefit obligations

# Notes to the Financial Statements

## For the Year Ended 30 June 2013

### 18 Operating Segments continued

#### (e) Segment performance

	Medical Devices		Corporate		Total	
	30 June	30 June	30 June	30 June	30 June	30 June
	2013	2012	2013	2012	2013	2012
	\$	\$	\$	\$	\$	\$
<b>REVENUE</b>						
Grant revenue	-	-	498,081	157,572	498,081	157,572
Sales	-	5,121	-	-	-	5,121
Royalty revenue	10,368	-	-	-	10,368	-
Interest revenue	-	-	32,813	32,013	32,813	32,013
<b>Total segment revenue</b>	<b>10,368</b>	<b>5,121</b>	<b>530,894</b>	<b>189,585</b>	<b>541,262</b>	<b>194,706</b>
Depreciation and amortisation	(6,669)	(90,000)	(8,726)	(7,931)	(15,395)	(97,931)
Interest expense	-	-	(229)	(18,755)	(229)	(18,755)
Other expense	(145,367)	-	(367,538)	(1,390,100)	(512,905)	(1,390,100)
Research and development	(1,148,484)	(909,929)	-	-	(1,148,484)	(909,929)
<b>Total segment expense</b>	<b>(1,300,520)</b>	<b>(999,929)</b>	<b>(376,493)</b>	<b>(1,416,786)</b>	<b>(1,677,013)</b>	<b>(2,416,715)</b>
<b>Segment operating profit</b>	<b>(1,290,152)</b>	<b>(994,808)</b>	<b>154,401</b>	<b>(1,227,201)</b>	<b>(1,135,751)</b>	<b>(2,222,009)</b>

(f) <b>Segment assets</b>	12,274	18,943	377,095	1,404,786	389,369	1,423,729
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Segment assets

#### (g) Segment liabilities

<b>Segment liabilities</b>	-	-	(234,306)	(72,737)	(234,306)	(72,737)
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#### (h) Reconciliations

Reconciliation of segment assets to the statement of financial position

	30 June 2013 \$	30 June 2012 \$
Segment operating assets	389,369	1,423,729
Financial assets at fair value through profit and loss	33,431	62,683
<b>Total assets per the statement of financial position</b>	<b>422,800</b>	<b>1,486,412</b>

#### (i) Geographical information

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers whereas segment assets are based on the location of the assets.

	2013		2012	
	Revenue	Non-current assets	Revenue	Non-current assets
Australia	541,262	18,677	194,706	27,880

## Analytica Limited

### Notes to the Financial Statements For the Year Ended 30 June 2013

#### 19 Key Management Personnel Disclosures

The totals of remuneration paid to the key management personnel of Analytica Limited during the year are as follows:

The Remuneration Report contained in the Directors' Report contains details of the remuneration paid or payable to each member of Analytica Limited's key management personnel for the year ended 30 June 2013.

#### Key management personnel options and rights holdings

Details of options provided as remuneration and shares issued on the exercise of such options together with terms and conditions of the options can be found in the Remuneration Report within the Director's Report.

	Balance at beginning of year	Granted as remuneration	Exercised	Other changes	Balance at the end of year	Vested during the year	Vested and exercisable
<b>30 June 2013</b>							
<b>Directors</b>							
<b>Listed Options</b>							
<b>ALTO Options Expiring 06/09/12 at \$0.04</b>							
Dr Michael Monsour	185,022	-	-	(185,022)	-	-	-
MPAMM Pty Ltd	25,743,827	-	-	(25,743,827)	-	-	-
MP Monsour Medical Practice Pty Ltd	2,563,930	-	-	(2,563,930)	-	-	-
Mrs Anne Monsour	3,889,759	-	-	(3,889,759)	-	-	-
<b>Total: Dr Michael Monsour</b>	<b>32,382,538</b>	<b>-</b>	<b>-</b>	<b>(32,382,538)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Mr Ross Mangelsdorf	3,333	-	-	(3,333)	-	-	-
RM & JM Mangelsdorf	3,333	-	-	(3,333)	-	-	-
Tambien Pty Ltd	6,570,627	-	-	(6,570,627)	-	-	-
Manowe Pty Ltd	4,180,585	-	-	(4,180,585)	-	-	-
Other related parties	1,060,332	-	-	(1,060,332)	-	-	-
<b>Total: Mr Ross Mangelsdorf</b>	<b>11,818,210</b>	<b>-</b>	<b>-</b>	<b>(11,818,210)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Mr Warren Brooks	-	-	-	-	-	-	-
W Brooks Investments Pty Ltd	16,983,505	-	-	(16,983,505)	-	-	-
<b>Total: Mr Warren Brooks</b>	<b>16,983,505</b>	<b>-</b>	<b>-</b>	<b>(16,983,505)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total ALTO Options Expiring 06/09/12 at \$0.04</b>	<b>61,184,253</b>	<b>-</b>	<b>-</b>	<b>(61,184,253)</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Notes to the Financial Statements

### For the Year Ended 30 June 2013

#### 19 Key Management Personnel Disclosures continued

##### Key management personnel options and rights holdings continued

	Balance at beginning of year	Granted as remuneration	Exercised	Other changes	Balance at the end of year	Vested during the year	Vested and exercisable
<b>30 June 2013</b>							
<b>Listed Options</b>							
<b>ALTOA Options Expiring 06/06/13 at \$0.08</b>							
Dr Michael Monsour	185,022	-	-	(185,022)	-	-	-
MPAMM Pty Ltd	25,743,827	-	-	(25,743,827)	-	-	-
MP Monsour Medical Practice Pty Ltd	2,563,930	-	-	(2,563,930)	-	-	-
Mrs Anne Monsour	3,889,759	-	-	(3,889,759)	-	-	-
<b>Total: Dr Michael Monsour</b>	<b>32,382,538</b>	<b>-</b>	<b>-</b>	<b>(32,382,538)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Mr Ross Mangelsdorf	3,333	-	-	(3,333)	-	-	-
RM & JM Mangelsdorf	3,333	-	-	(3,333)	-	-	-
Tambien Pty Ltd	6,570,627	-	-	(6,570,627)	-	-	-
Manowe Pty Ltd	4,180,585	-	-	(4,180,585)	-	-	-
Other related parties	1,060,332	-	-	(1,060,332)	-	-	-
<b>Total: Mr Ross Mangelsdorf</b>	<b>11,818,210</b>	<b>-</b>	<b>-</b>	<b>(11,818,210)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Mr Warren Brooks	-	-	-	-	-	-	-
W Brooks Investments Pty Ltd	16,983,505	-	-	(16,983,505)	-	-	-
<b>Total: Mr Warren Brooks</b>	<b>16,983,505</b>	<b>-</b>	<b>-</b>	<b>(16,983,505)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total ALTOA Options Expiring 06/06/13 at \$0.08</b>	<b>61,184,253</b>	<b>-</b>	<b>-</b>	<b>(61,184,253)</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Notes to the Financial Statements

## For the Year Ended 30 June 2013

### 19 Key Management Personnel Disclosures continued

#### Key management personnel options and rights holdings continued

	Balance at beginning of year	Granted as remuneration	Exercised	Other changes	Balance at the end of year	Vested during the year	Vested and exercisable
<b>30 June 2012</b>							
<b>Directors</b>							
<b>Listed Options</b>							
<b>ALTO Options Expiring 06/09/12 at \$0.04</b>							
Dr Michael Monsour	-	-	-	185,022	185,022	-	-
MPAMM Pty Ltd	-	-	-	25,743,827	25,743,827	-	-
MP Monsour Medical Practice Pty Ltd	-	-	-	2,563,930	2,563,930	-	-
Mrs Anne Monsour	-	-	-	3,889,759	3,889,759	-	-
<b>Total: Dr Michael Monsour</b>	-	-	-	32,382,538	32,382,538	-	-
Mr Ross Mangelsdorf	-	-	-	3,333	3,333	-	-
RM & JM Mangelsdorf	-	-	-	3,333	3,333	-	-
Tambien Pty Ltd	-	-	-	6,570,627	6,570,627	-	-
Manowe Pty Ltd	-	-	-	4,180,585	4,180,585	-	-
Other related parties	-	-	-	1,060,332	1,060,332	-	-
<b>Total: Mr Ross Mangelsdorf</b>	-	-	-	11,818,210	11,818,210	-	-
Mr Warren Brooks	-	-	-	-	-	-	-
W Brooks Investments Pty Ltd	-	-	-	16,983,505	16,983,505	-	-
<b>Total: Mr Warren Brooks</b>	-	-	-	16,983,505	16,983,505	-	-
<b>Total ALTO Options Expiring 06/09/12 at \$0.04</b>	-	-	-	61,184,253	61,184,253	-	-
<b>Listed Options</b>							
<b>ALTOA Options Expiring 06/06/13 at \$0.08</b>							
Dr Michael Monsour	-	-	-	185,022	185,022	-	-
MPAMM Pty Ltd	-	-	-	25,743,827	25,743,827	-	-
MP Monsour Medical Practice Pty Ltd	-	-	-	2,563,930	2,563,930	-	-
Mrs Anne Monsour	-	-	-	3,889,759	3,889,759	-	-
<b>Total: Dr Michael Monsour</b>	-	-	-	32,382,538	32,382,538	-	-
Mr Ross Mangelsdorf	-	-	-	3,333	3,333	-	-
RM & JM Mangelsdorf	-	-	-	3,333	3,333	-	-
Tambien Pty Ltd	-	-	-	6,570,627	6,570,627	-	-
Manowe Pty Ltd	-	-	-	4,180,585	4,180,585	-	-
Other related parties	-	-	-	1,060,332	1,060,332	-	-
<b>Total: Mr Ross Mangelsdorf</b>	-	-	-	11,818,210	11,818,210	-	-
Mr Warren Brooks	-	-	-	-	-	-	-
W Brooks Investments Pty Ltd	-	-	-	16,983,505	16,983,505	-	-
<b>Total: Mr Warren Brooks</b>	-	-	-	16,983,505	16,983,505	-	-
<b>Total ALTOA Options Expiring 06/06/13 at \$0.08</b>	-	-	-	61,184,253	61,184,253	-	-

## Analytica Limited

### Notes to the Financial Statements

For the Year Ended 30 June 2013

#### 19 Key Management Personnel Disclosures continued

##### Key management personnel shareholdings

The number of ordinary shares in Analytica Limited held by each key management person of Analytica Limited during the year is as follows:

	Balance at beginning of year	On exercise of options	Other changes during the year	Balance at end of year
<b>30 June 2013</b>				
<b>Directors</b>				
Dr Michael Monsour	740,088	-	-	740,088
MPAMM Pty Ltd	31,144,799	-	4,500,000	35,644,799
MP Monsour Medical Practice Pty Ltd	10,255,720	-	-	10,255,720
Mrs Anne Monsour	15,559,036	-	-	15,559,036
Other related parties	-	-	476,000	476,000
<b>Total: Dr Michael Monsour</b>	<b>57,699,643</b>	<b>-</b>	<b>4,976,000</b>	<b>62,675,643</b>
Mr Ross Mangelsdorf	13,333	-	-	13,333
RM & JM Mangelsdorf	13,333	-	-	13,333
Tambien Pty Ltd	11,168,994	-	1,750,000	12,918,994
Manowe Pty Ltd	4,180,585	-	-	4,180,585
Other related parties	1,091,332	-	750,000	1,841,332
<b>Total: Mr Ross Mangelsdorf</b>	<b>16,467,577</b>	<b>-</b>	<b>2,500,000</b>	<b>18,967,577</b>
Mr Warren Brooks	-	-	-	-
W Brooks Investments Pty Ltd	39,206,989	-	(8,750,000)	30,456,989
<b>Total: Mr Warren Brooks</b>	<b>39,206,989</b>	<b>-</b>	<b>(8,750,000)</b>	<b>30,456,989</b>
	<b>113,374,209</b>	<b>-</b>	<b>(1,274,000)</b>	<b>112,100,209</b>
<b>30 June 2012</b>				
<b>Directors</b>				
Dr Michael Monsour	555,066	-	185,022	740,088
MPAMMPty Ltd	5,400,972	-	25,743,827	31,144,799
MP Monsour Medical Practice Pty Ltd	7,691,790	-	2,563,930	10,255,720
Mrs Anne Monsour	11,669,277	-	3,889,759	15,559,036
<b>Total: Dr Michael Monsour</b>	<b>25,317,105</b>	<b>-</b>	<b>32,382,538</b>	<b>57,699,643</b>
Mr Ross Mangelsdorf	10,000	-	3,333	13,333
RM & JM Mangelsdorf	10,000	-	3,333	13,333
Tambien Pty Ltd	4,598,367	-	6,570,627	11,168,994
Manowe Pty Ltd	-	-	4,180,585	4,180,585
Other related parties	31,000	-	1,060,332	1,091,332
<b>Total: Mr Ross Mangelsdorf</b>	<b>4,649,367</b>	<b>-</b>	<b>11,818,210</b>	<b>16,467,577</b>
Mr Warren Brooks	5,516,665	-	(5,516,665)	-
W Brooks Investments Pty Ltd	16,706,819	-	22,500,170	39,206,989
<b>Total: Mr Warren Brooks</b>	<b>22,223,484</b>	<b>-</b>	<b>16,983,505</b>	<b>39,206,989</b>
	<b>52,189,956</b>	<b>-</b>	<b>61,184,253</b>	<b>113,374,209</b>

**Notes to the Financial Statements**  
**For the Year Ended 30 June 2013**

**19 Key Management Personnel Disclosures continued**

**Other key management personnel transactions**

For details of other transactions with key management personnel, refer to Note 22: Related Party Transactions.

**20 Remuneration of Auditors**

	<b>30 June 2013</b>	<b>30 June 2012</b>
	<b>\$</b>	<b>\$</b>
Remuneration of the auditor of the Company, Bentleys, for:		
- auditing or reviewing the financial report	<b>42,500</b>	<b>35,004</b>

**21 Contingencies**

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2013 (2012: None).

**22 Related Parties**

**(a) The Company's main related parties are as follows:**

*(i) Key management personnel:*

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity are considered key management personnel.

For details of remuneration disclosures relating to key management personnel, refer to Note: Key Management Personnel (KMP) Disclosure and the remuneration report in the Directors' Report.

Other transactions with KMP and their related entities are shown below.

Loan facility to the company up to \$400,000 provided by Dr Monsour. Balance unused at reporting date Refer Note 9 for further details.

**(b) Transactions with related parties**

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

During the year accounting services were provided to the company by Avance Chartered Accountants, a firm which director Mr. Ross Mangelsdorf is a partner. Fees of \$52,500 (2012:\$46,000) were charged for these services to 30 June 2013, plus preparation of the 2011 and 2012 tax returns of \$13,500.

At the end of the year there were no receivables or payables from related parties (2012: Nil)

## Notes to the Financial Statements

### For the Year Ended 30 June 2013

#### 23 Cash Flow Information

##### (a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	30 June 2013	30 June 2012
	\$	\$
Profit for the year	(1,135,751)	(2,222,009)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- amortisation	6,669	1,057
- depreciation	8,726	6,873
- fair value adjustment Invion Limited (previously CBio Limited)	29,252	595,486
- net gain on disposal of property, plant and equipment	-	(241)
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:		
- (increase)/decrease in trade and other receivables	148,775	108,331
- (increase)/decrease in prepayments	11,978	3,067
- (increase)/decrease in inventories	-	16,238
- increase/(decrease) in trade and other payables	39,945	(14,715)
- increase/(decrease) in provisions	4,202	2,054
- increase/(decrease) in employee benefits	23,342	20,598
Cashflow from operations	<u>(862,862)</u>	<u>(1,483,261)</u>

#### 24 Events Occurring After the Reporting Date

No matters or circumstances have arisen since the end of the year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

The financial statements were authorised for issue on the date, the directors' report was signed. The Board has the power to amend and re-issue the financial statements.



## **Analytica Limited**

### **Notes to the Financial Statements**

**For the Year Ended 30 June 2013**

#### **25 Company Details**

**The registered office of the company is:**

Analytica Limited  
C/o Avance Chartered Accountants  
10 Torquay Road, Pialba  
Hervey Bay Qld 4655

Telephone: (07) 3278 1950

**Share registry**

Link Market Services  
Level 15, 324 Queen Street  
Brisbane, Queensland 4000

Telephone: + 61 1300 554 474

Email: [registrars@linkmarketservices.com.au](mailto:registrars@linkmarketservices.com.au)

Website: [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

**The postal address for the registered office of the company is:**

Analytica Limited  
PO Box 438  
Maryborough Qld 4650

**The principal place of business is:**

320 Adelaide Street  
Brisbane Qld 4000

Telephone: (07) 3278 1950

## Analytica Limited

### Directors' Declaration

The directors of the Company declare that:

1. the financial statements and notes for the year ended 30 June 2013 are in accordance with the *Corporations Act 2001* and:
  - a. comply with Accounting Standards, which, as stated in accounting policy note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
  - b. give a true and fair view of the financial position and performance of the Company;
2. the Chief Executive Officer and Chief Finance Officer have given the declarations required by Section 295A that:
  - a. the financial records of the Company for the year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
  - b. the financial statements and notes for the year comply with the Accounting Standards; and
  - c. the financial statements and notes for the year give a true and fair view.
3. in the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director .....



Dr Michael Monsour

Dated this .....

30<sup>th</sup>

day of August 2013

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF ANALYTICA LIMITED**

**Report on the Financial Report**

We have audited the accompanying financial report of Analytica Limited which comprises the statement of financial position as at 30 June 2013, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration

***Directors' Responsibility for the Financial Report***

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

***Auditor's Responsibility***

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

***Independence***

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

**Opinion**

In our opinion:

- a) the financial report of Analytica Limited is in accordance with the *Corporations Act 2001*, including:
  - (i) giving a true and fair view of the company's financial position as at 30 June 2013 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
- b) the financial report also complies with the International Financial Reporting Standards as disclosed in Note 1.

**Emphasis of Matter**

Without modifying our opinion, we draw attention to Note 1 in the financial report, which indicates that the company will be required to raise additional funds to meet forecast cash needs. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the ability to continue as a going concern and therefore, the company may be unable to realise its assets and discharge its liabilities in the normal course of business.

**Report on the Remuneration Report**

We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2013. 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.

**Opinion**

In our opinion the Remuneration Report of Analytica Limited for the year ended 30 June 2013 complies with section 300A of the *Corporations Act 2001*.



Bentleys Brisbane Partnership



Stewart Douglas  
Partner

Brisbane  
30 August 2013

**Additional Information for Listed Public Companies**  
**For the Year Ended 30 June 2013**

**ASX Additional Information**

Additional information required by the ASX Limited Listing Rules and not disclosed elsewhere in this report is set out below. This information is effective as at 16 August 2013.

**Substantial shareholders**

The number of substantial shareholders and their associates are set out below:

<b>Shareholders</b>	<b>Number of shares</b>
MP Monour and associates	62,199,643
W Brooks Investments Pty Ltd <B & P Super Fund A/c>	30,456,989

**Voting rights**

*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.

*Options*

No voting rights.

**Distribution of equity security holders**

<b>Holding</b>	<b>Ordinary shares</b>	
	<b>Shares</b>	<b>% Issued Capital</b>
1 - 1,000	379,482	0.07
1,001 - 5,000	661,735	0.12
5,001 - 10,000	1,159,850	0.21
10,001 - 100,000	39,933,013	7.13
100,000 and over	517,855,135	92.48

There were 1,403 holders of less than a marketable parcel of ordinary shares.

## Analytica Limited

### Additional Information for Listed Public Companies For the Year Ended 30 June 2013

#### Twenty largest shareholders

	Ordinary shares	
	Number held	% of issued shares
M P A M M PTY LTD	35,644,799	6.37
W BROOKS INVESTMENTS PTY LTD <B & P SUPER FUND A/C>	30,456,989	5.44
IGNATIUS LIP PTY LTD <IGNATIUS LIP P/L S/FUND A/C>	25,113,690	4.48
MRS ANNE MONSOUR	15,559,036	2.78
M P MONSOUR MEDICAL PRACTICE PTY LTD <SUPERANNUATION FUND A/C>	10,255,720	1.83
MR MARK OVERELL TAGG ARUNDEL + MRS SIGRID JO-ANNE ARUNDEL <ARUNDEL SUPERFUND A/C>	9,024,900	1.61
TAMBIEN PTY LTD <MANGELSDORF SUPER FUND A/C>	8,360,741	1.49
DALROSE PTY LTD <LOWE SUPER FUND A/C>	5,627,918	1.01
JAYEM PTY LTD	5,575,758	1.00
BUSHY LANE PROJECTS PTY LTD	5,467,814	0.98
MRS SABINA LIP	5,200,000	0.93
ABN AMRO CLEARING SYDNEY <CUSTODIAN A/C>	4,934,224	0.88
MR VICTOR PEREIRA	4,909,097	0.88
TAMBIEN PTY LTD <ROSS MANGELSDORF FAM A/C>	4,373,920	0.78
MANOWE PTY LTD <LOWE NO. 5 A/C>	4,180,585	0.75
MR GEORGE MAROULAKIS	4,000,000	0.71
MR SCOTT JAMES BURNS	3,608,120	0.64
MRS NATALIE LORIMER	3,505,000	0.63
MR MATTHEW CRITCHLEY	3,500,000	0.63
SIRIUS PROPERTY GROUP PTY LTD <G & P SERVICES A/C>	3,462,335	0.62

#### Securities exchange

The Company is listed on the Australian Securities Exchange (ASX) under the share code "ALT".