



IATIA
VISION SCIENCES

Appendix 4E

Preliminary Final Report

for the year ended 30 June 2012

Results for announcement to the market

30 June 2012

				2011 \$	2010 \$
Revenue from ordinary activities	Down	99.85%	to	104	67,891
Loss from ordinary activities after tax attributable to members	Up	32.46%	to	343,197	508,123
Loss for the period attributable to members	Up	32.46%	to	343,197	508,123

Dividends

No dividends were declared during the year ended 30 June 2012.

Audit Status

The audit of the financial report is currently being concluded and the audit report will be issued upon the approval of the financial statements by the directors.

Review of results and operations

30 June 2012

Iatia Limited (ASX: IAT) incurred a net loss of \$343,197 for the financial year ended 30 June 2012 (2011: loss of \$508,123).

After the sale of IAT's operating subsidiaries, cash requirements were significantly reduced. With short-term loan provided by Victoria Property and Investment Group Pty Ltd (Victoria Property) as a major shareholder and some funding arrangement being put in place, IAT has sufficient funds to meet its working capital requirements.

Significant event after balance date

30 June 2012

IAT is in process of acquiring a property development project in mainland China from Onwide (H.K.) Investment Group Limited (Onwide). This project will be taking advantage from Chinese strong property market and enable IAT to provide existing shareholders with an opportunity of realising value in their share holdings by requesting the lifting of the suspension from trading on ASX. The investment into the project will be fund by issuing new shares to existing shareholders and public.

Statement of comprehensive income

for the year ended 30 June 2012

	Note	2012 \$	2011 \$
Revenue from continuing operations	2	104	556
Other income		-	-
Business Acquisition Cost		(71,646)	-
Consulting expenses		(22,500)	(101,231)
Depreciation and amortisation expenses		-	(1,182)
Employee benefits expense		(24,083)	(214,515)
Finance costs		(41,773)	(38,114)
Impairment losses		-	(3,387,298)
Insurance expenses		(47,624)	(32,815)
Occupancy expenses		-	(9,745)
Professional fees		(91,640)	(112,011)
Share registry expenses		(25,830)	(36,427)
Travel expenses		(4,304)	(1,412)
Other expenses		(13,901)	(17,116)
Loss from continuing operations before income tax benefit		(343,197)	(3,951,310)
Income tax benefit		-	-
Loss from continuing operations		(343,197)	(3,951,310)
Profit/(Loss) from discontinued operations	3	-	3,443,187
Profit/(Loss) for the year		(343,197)	(508,123)
Total comprehensive income for the year		(343,197)	(508,123)
Basic earnings per share (cents per share)		(0.03)	(1.2)
Diluted earnings per share (cents per share)		(0.03)	(1.2)

Statement of financial position

as at 30 June 2012

	Note	2012 \$	2011 \$
Current assets			
Cash and cash equivalents		363,402	12,038
Trade and other receivables		8,308	557,957
Capital raising payments		89,700	-
Other current assets		39,006	16,590
		500,416	586,585
Total current assets		500,416	586,585
Total non-current assets		-	-
Total assets		500,416	586,585
Current liabilities			
Trade and other payables		99,291	143,592
Borrowings	4	709,137	407,808
		808,428	551,400
Total current liabilities		808,428	551,400
Total non-current liabilities		-	-
Total liabilities		808,428	551,400
Net assets		(308,012)	35,185
Equity			
Contributed equity		16,791,001	16,791,001
Reserves		99,474	99,474
Accumulated losses		(17,198,487)	(16,855,290)
Total parent entity interest in equity		(308,012)	35,185
Total outside equity interest		-	-
Total equity		(308,012)	35,185

Statement of changes in equity

for the year ended 30 June 2011

	Contributed equity (note 14) \$	Option reserves \$	Equity component of convertible notes \$	Accumulated losses \$	Total \$
Consolidated entity					
Balance at 1 July 2010	15,239,836	-	274,606	(16,347,167)	(832,725)
Transactions with equity holders in their capacity as equity holders					
Issue of share capital	825,000	-	(275,000)	-	550,000
Issue of convertible notes		-	99,868	-	99,868
Share based payments	726,165	-	-	-	726,165
	16,791,001	-	99,474	(16,347,167)	543,308
Total comprehensive income for the year					
Loss for the year	-	-	-	(508,123)	(508,123)
					-
Balance at 30 June 2011	16,791,001	-	99,474	(16,855,290)	35,185
Transactions with equity holders in their capacity as equity holders					
Issue of share capital	-	-	-	-	-
Issue of convertible notes	-	-	-	-	-
Share based payments	-	-	-	-	-
	16,791,001	-	99,474	(16,855,290)	35,185
Total comprehensive income for the year					
Loss for the year	-	-	-	(343,197)	(343,197)
Balance at 30 June 2012	16,791,001	-	99,474	(17,198,487)	(308,012)

Statement of cash flows

for the year ended 30 June 2011

	Note	Consolidated	
		2012	2011
		\$	\$
Cash flows from operating activities			
Receipts from customers		-	115,525
Payments to suppliers and employees		(454,174)	(418,864)
Interest received		104	556
Tax rebates received		-	31,221
Borrowing costs		(2,086)	(2,192)
Net cash flows (used in)/provided by operating activities		(456,156)	(273,754)
Cash flows from investing activities			
Proceeds from sale of equipment		-	1,820
Net cash flows (used in)/provided by investing activities		-	1,820
Cash flows from financing activities			
Proceeds from issues of ordinary shares		550,000	-
Proceeds from borrowings		755,000	139,984
Repayments of borrowings		(97,480)	(36,562)
Payment for convertible notes cancellation		(400,000)	
Net cash flows (used in)/provided by financing activities		807,520	103,422
Net increase/(decrease) in cash held		351,364	(168,512)
Add opening cash brought forward		12,038	180,550
Closing cash carried forward		363,402	12,038

Notes to the financial statements

for the year ended 30 June 2011

1. Basis of preparation of the financial statements

This preliminary final report has been prepared in accordance with ASX Listing rule 4.3A and the disclosure requirements of ASX Appendix 4E. The financial statements in this report are “condensed financial statements” as defined in AASB 134: Interim Financial Reporting. It is recommended that this report be read in conjunction with the annual financial report for the year ended 30 June 2011 and any public announcements made by latia Limited and its controlled entities during the financial year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

This preliminary final report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the preliminary final report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards.

This preliminary final report does not include full disclosures of the type normally included in the annual financial report.

	Note	2012 \$	2011 \$
2. Revenue			
Revenue from continuing operations			
Interest - unrelated parties		104	556
Total revenue from continuing operations		104	556
Revenue from discontinued operations (note 7)			
Licence fees		-	67,335
Total other income		-	67,335
Total revenue and other income		104	67,891

3. Assets and liabilities classified as held for sale and discontinued operation

	2012 \$	2011 \$
<i>(i) Description</i>		
An agreement was entered into on 11 June 2010 to sell latia Imaging Pty Ltd, the QPI technology and all associated intellectual property to Thorsol Pty Ltd, subject to shareholder approval. Shareholders approved the sale of latia Imaging Pty Ltd to Thorsol Pty Ltd at an EGM held on 30 July 2010, with effect from 1 August 2010. The latia Imaging Pty Ltd subsidiary sold is reported in these financial statements as a discontinued operation.		
Financial information relating to the discontinued operation for the period to the date of disposal is set out below.		
<i>(ii) Financial performance and cash flow information</i>		
The financial performance and cash flow information presented are for the year ended 30 June 2011 and the year ended 30 June 2010.		
Revenue (note 2)	-	67,335
Expenses	-	(39,346)
Profit/(loss) before income tax	-	27,989

3. Assets and liabilities classified as held for sale and discontinued operation (cont.)

	2012	2011
	\$	\$
Income tax benefit	-	-
Profit/(loss) after income tax of discontinued operation	-	27,989
Gain on sale of subsidiaries before income tax	-	3,407,115
Income tax benefit	-	-
Gain on sale of subsidiaries after income tax	-	3,407,115
Profit from discontinued operation	-	3,435,104
Net cash inflow/(outflow) from operating activities	-	(16,667)
Net cash inflow/(outflow)from investing activities	-	16,667
Net cash inflow/(outflow)from financing activities	-	-
Net increase/(decrease) in cash generated by latia Imaging	-	-

(iii) Details of the sale of latia Imaging Pty Ltd

The consideration receivable under the sale and purchase agreement with Thorsol Pty Ltd was \$3,681,818 in shares in Thorsol Ltd less 70% of the value of Long Service Leave entitlements (accounting for the tax effect) for latia employees re-employed by Thorsol post-settlement date. The total consideration received for the sale of latia Imaging Pty Ltd and recorded in the accounts was \$3,703,053 representing a 5.1% shareholding in Thorsol Pty Ltd and the full value of Long Service Leave entitlements for latia employees re-employed by Thorsol Pty Ltd post-settlement date.

7% of the consideration received on sale, being Thorsol Pty Ltd shares, is payable as commission to Falconer Bellomo and Company Ltd for introducing and facilitating the sale transaction. As of the date of this report, these shares have not yet been transferred to Falconer Bellomo and is being held beneficially on their behalf.

The carrying value of latia Imaging Pty Ltd at the date of sale (being 1 August 2010) was \$nil, having been fully impaired in previous accounting periods.

Consideration received:

Shares in Thorsol Pty Ltd	3,632,271
Undertaking of employee Long Service Leave entitlements	70,782
Total consideration received	3,703,053
less commission payable	257,727
Gain on sale before income tax	3,445,326
Carrying amount of asset sold	(38,211)
Income tax expense	-
Gain on sale after income tax	3,407,115

4. Borrowings

Current

Insurance finance - unsecured	11,548	7,495
Hire purchase liability - secured	-	-
Loans from Ex-Directors and executives	5,365	40,000
Loans from Major shareholder and funding arrangements	692,224	-
Secured Convertible Notes	-	360,313
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	709,137	407,808

Non-current

Hire purchase liability - secured	-	-
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	709,137	407,808

Loans from Ex-Directors, Major shareholder and funding arrangement are unsecured and interest free.

At 30 June 2011, there were 400,000 interest free Secured Convertible Notes issued with a 3 year term and face value of \$1 each, convertible into 40,000,000 fully paid ordinary shares in Iatia Limited. The Convertible Notes are secured by a fixed and floating charge of the assets of Iatia Limited (please refer to note 1(m)). These notes were fully redeemed on 21 July 2011.

5. Net tangible assets per security

	2012	2011
Net tangible asset backing per ordinary share	-	-