APPENDIX 4E
PRELIMINARY FINAL REPORT

JUMBO INTERACTIVE LIMITED
ABN 66 009 189 128
and its Controlled Subsidiaries

Reporting period: Financial year ended 30 June 2012
Previous corresponding period: Financial year ended 30 June 2011

RESULTS FOR ANNOUNCEMENT TO THE MARKET

	2012 $	2011 $	Change $	Change %
Revenue from continuing operations	24,087,742	18,118,334	5,969,408	32.9
Profit/(loss) after tax attributable to members	6,743,525	4,834,455	1,909,070	39.5
Total comprehensive income for the period attributable to members	6,762,844	4,861,542	1,901,302	39.1

DIVIDENDS

Proposed final fully franked ordinary dividend of 2.0 cent per share making a total fully franked ordinary dividend of 3.0 cents per share (2011: 1.0 cents) with a franking percentage of 100% (2011: 100%).

- Record date: 7 September 2012
- Payment date: 28 September 2012

The Dividend Reinvestment Plan will be suspended for the proposed final fully franked dividend.

ANNUAL GENERAL MEETING

Date: Tuesday, 30 October 2012
Time: 5:00pm
Venue: Lady Theiss Room
Customs House
399 Queen Street
Brisbane, QLD, 4000

EXPLANATION OF RESULTS

Operating Results

Following a change in AASB 118 in relation to Recognition of Revenue which applies to accounting periods beginning on or after 1 January 2011 but before 1 January 2013, the Company now reports revenue on a net revenue inflow basis where it considers that it acts more as an Agent than as a Principal such as the sale of lottery tickets. The gross inflow is advised as Total Transactional Value for information purposes.

The consolidated profit of the Group amounted to $6,743,525 (2011: $4,834,455), after providing for income tax $2,310,544 (2011: benefit $306,411), which is a large increase on the results reported for the year ended 30 June 2011. Net reportable operating revenues increased 33% to $24,087,742 (2011: $18,118,334) and Total Transactional Value increased by 32% to $100,256,769 (2011: $75,946,130). The significant improvement was largely from continued growth in the online lottery business.

Other revenue, being mainly interest on cash, increased by 89% to $897,294 (2011: $474,179) due to higher cash and cash equivalent balances and improved liquidity management.

Further discussion on the Group's operations now follows:

Review of Operations

(a) Online Lottery segment

The Company continues to make significant investment in its internet intellectual properties, notably www.ozlotteries.com, and customer management, with 30% growth in net reportable operating revenues to $23,584,433 (2011: $18,081,812). Total Transactional Value increased 31% to $99,719,424 (2011: $75,866,793), being achieved mainly through an increasing customer database.

These investments, as well as investments in staff and improvements to underlying technology, have increased the operating costs. This has supported the strong growth in revenues which in turn, has increased operating profit contribution to $10,002,512 (2011: $5,495,205).

(b) All Other segments

This segment consists of the sale of non-lottery products and services and is primarily an exercise in leveraging off the current lottery customer database. Revenues increased to $548,760 (2011: $79,337) as the product range and customer database expands, with an operating loss of $33,866 (2011: profit $53,525) due to increased operating expenses to support both increased current and future revenues.

Other

The information provided in this report contains all the information required by ASX Listing Rule 4.3A.

NOTE: The accounts are in the process of being audited.

Jumbo Interactive Limited and its Controlled Subsidiaries

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2012

	Note	2012 $	2011 $
Revenue from continuing operations	2	24,087,742	18,118,334
Cost of sales	3	(4,215,602)	(3,538,959)
Gross profit		19,872,140	14,579,375
Other revenue/income	2	897,294	474,179
Distribution expenses		(29,367)	(44,347)
Marketing costs		(1,344,409)	(742,913)
Occupancy expenses		(715,173)	(707,563)
Administrative expenses		(9,518,739)	(7,554,346)
Finance costs expense	3	(107,677)	(150,249)
Profit /(loss) before income tax expense		9,054,069	5,854,136
Income tax expenses		(2,577,553)	(921,285)
Profit /(loss) after income tax expense from continuing operations		6,476,516	4,932,851
Profit /(loss) from discontinued operations		267,009	(98,396)
Profit/(loss) for the year attributable to the owners of Jumbo Interactive Limited	6	6,743,525	4,834,455
Other comprehensive income:			
Foreign currency translation differences		19,319	27,087
Total comprehensive income for the year attributable to the owners of Jumbo Interactive Limited		6,762,844	4,861,542
Earnings Per Share (cents per share)			
From continuing and discontinued operations			
Basic earnings per share (cents per share)	4	16.7	12.1
Diluted earnings per share (cents per share)	4	16.6	12.1
From continuing operations			
Basic earnings per share (cents per share)	4	16.0	12.3
Diluted earnings per share (cents per share)	4	15.9	12.3
From discontinued operations			
Basic earnings/(loss) per share (cents per share)	4	0.7	(0.2)
Diluted earnings/(loss) per share (cents per share)	4	0.7	(0.2)

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Jumbo Interactive Limited and its Controlled Subsidiaries
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2012

	Note	2012	2011
		$	$
CURRENT ASSETS			
Cash assets and cash equivalents		16,810,984	7,485,572
Cash assets and cash equivalents - customer account balances		4,875,813	4,285,102
Receivables		401,718	276,647
Current tax assets		383,245	576,016
Inventories		98,625	39,894
TOTAL CURRENT ASSETS		22,570,385	12,663,231
NON-CURRENT ASSETS			
Property, plant and equipment		360,372	460,368
Intangible assets		6,398,707	5,708,356
Deferred tax assets		394,334	696,586
TOTAL NON-CURRENT ASSETS		7,153,413	6,865,310
TOTAL ASSETS		29,723,798	19,528,541
CURRENT LIABILITIES			
Trade and other payables		5,478,873	2,664,421
Customer account balances payable		4,875,813	4,285,102
Borrowings		194,680	811,476
Provisions		334,684	299,419
TOTAL CURRENT LIABILITIES		10,884,050	8,060,418
NON-CURRENT LIABILITIES			
Borrowings		250,000	1,069,680
Provisions		103,708	68,114
Deferred tax liabilities		402,331	248,355
TOTAL NON-CURRENT LIABILITIES		756,039	1,386,149
TOTAL LIABILITIES		11,640,089	9,446,567
NET ASSETS		18,083,709	10,081,974
EQUITY			
Contributed equity	5	28,876,572	27,113,586
Retained losses	6	(11,269,145)	(17,398,827)
Reserves		476,282	367,215
TOTAL EQUITY		18,083,709	10,081,974

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Jumbo Interactive Limited and its Controlled Subsidiaries
CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 30 June 2012

	Note	2012	2011
		$	$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		24,914,449	19,990,087
Payments to suppliers and employees		(10,978,560)	(13,506,299)
Interest received		776,414	415,247
Interest and other costs of finance paid		(107,677)	(183,154)
Income tax received		1,055,794	405,398
Income tax paid		(2,717,340)	(593,826)
Net cash inflows/(outflows) from operating activities	11 (a)	12,943,080	6,527,453
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(67,811)	(250,729)
Payments for intangibles		(2,696,152)	(2,067,960)
Payment for loss of control of subsidiary		-	(374,656)
Proceeds from sale of property, plant and equipment		1,125	2,043
Net cash inflows/(outflows) from investing activities		(2,762,838)	(2,691,302)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		1,707,005	-
Payment for buyback of shares		(91,747)	(1,073,422)
Proceeds of borrowings		-	181,561
Repayment of borrowings		(1,436,476)	(486,112)
Dividends paid		(466,115)	(166,322)
Net cash inflows/(outflows) from financing activities		(287,333)	(1,544,295)
Net increase/(decrease) in cash held		9,892,909	2,291,856
Net foreign exchange differences		23,214	17,160
Cash and cash equivalents at beginning of year		11,770,674	9,461,658
Cash and cash equivalents at end of year		21,686,797	11,770,674

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Jumbo Interactive Limited and its Controlled Subsidiaries

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

Note 1: Basis for preparation of Preliminary Final Report

The Preliminary Final Report has been prepared in accordance with ASX listing rule 4.3A and has been based on the Annual Financial Report which is in the process of being audited. There are no known likely disputes or qualifications at this time. The Financial Report has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

The Preliminary Final Report has been prepared on an accruals basis and is based on historical costs, except for available-for-sale financial assets and held-for-trading investments that have been measured at fair value.

(a) Change in Accounting Policy

The Group changed its accounting policy relating to the recognition of revenues for the financial year ending 30 June 2012 under AASB 118: Recognition of Revenue which applies to accounting periods beginning on or after 1 January 2011 but before 1 January 2013. Revenues were previously recognized on a gross inflow basis and are now recognized on a net inflow basis. This change has been implemented as management is of the opinion that, after judgement and consideration of all the relevant facts and circumstances, it is not acting as a principal associated with the sale of lottery tickets. The aggregate effect of the change in accounting policy on the annual financial statements for the year ended 30 June 2012 is as follows:

	Previous policy	**Adjustment**	**Revised policy**
Consolidated Group			
Statement of comprehensive income	**$**	**$**	**$**
2012			
Revenue – sale of goods	100,256,769	(98,305,375)	1,951,394
Revenue – rendering of services	-	22,136,348	22,136,348
Total revenue from continuing operations	100.256,769	(76,169,027)	24,087,742
Cost of sales – sales of goods	(80,384,629)	79,205,183	(1,179,446)
Cost of sales – rendering of services	-	(3,036,156)	(3,036,156)
Total cost of sales	(80,384,629)	76,169,027	(4,215,602)
Gross profit	19,872,140	-	19,872,140
2011			
Revenue – sale of goods	75,946,130	(74,362,482)	1,583,648
Revenue – rendering of services	-	16,534,686	16,534,686
Total revenue from continuing operations	75,946,130	(57,827,796)	18,118,334
Cost of sales – sales of goods	(61,366,755)	60,308,656	(1,058,099)
Cost of sales – rendering of services	-	(2,480,860)	(2,480,860)
Total cost of sales	(61,366,755)	57,827,796	(3,538,959)
Gross profit	14,579,375	-	14,579,375

This changed accounting policy has no effect on profit, the Consolidated Statement of Financial Position, or Consolidated Statement of Changes in Equity.

Note 2: Revenue

	2012	2011
	$	$
From continuing operations		
Sales revenue		
— Revenue from sale of goods	1,951,394	1,583,648
— Revenue from rendering services	22,136,348	16,534,686
Revenue from continuing operations	24,087,742	18,118,334
Other revenue		
— Interest	776,414	413,328
— Other income	120,880	60,851
	897,294	474,179
Total revenue from continuing operations	24,985,036	18,592,513
From discontinued operations (note 7)		
— Revenue from sale of goods	-	4,020,877
— Interest	-	1,919
— Reversal of impairment of intangible assets	-	1,258,354
	-	5,281,150

Note 3: Profit/(loss) for the Year

	2012	2011
Profit/(loss) before income tax from continuing operations includes the following specific expenses:	$	$
Cost of sales		
— Sale of goods	1,179,446	1,058,099
— Rendering of services	3,036,156	2,480,860
Finance costs expensed		
— Interest expense on financial liabilities not at fair value through profit and loss	65,311	103,518
— Fee expense arising from financial liabilities not at fair value through profit and loss	42,366	46,731
Depreciation of non-current assets[1]		
— Plant and equipment	99,341	21,092
Amortisation of non-current assets[1]		
— Leased plant and equipment	67,341	64,628
— Intangibles	2,005,801	1,394,764
Other expenses		
— Operating lease rentals – minimum lease payments	715,173	707,563
— Employee benefits expense[1]	3,550,413	3,009,390
— Defined contribution superannuation expense[1]	308,796	270,018
— Loss on derecognition of intangible assets[1]	-	73,151

[1] included in administration expenses

Note 4: Earnings per share

Reconciliation of earnings used in calculating earnings per share		2012	2011
		$	$
a.	***Basic earnings/(loss) per share***		
	Profit after tax from continuing operations attributable to owners of Jumbo Interactive Limited used to calculate basic earnings per share	6,476,516	4,932,851
	Profit from discontinued operation	267,009	(98,396)
	Profit/(loss) attributable to owners of Jumbo Interactive Limited used to calculate basic earnings per share	6,743,525	4,834,455
b.	***Diluted earnings/(loss) per share***		
	Profit after tax from continuing operations attributable to owners of Jumbo Interactive Limited used to calculate diluted earnings per share	6,476,516	4,932,851
	Profit from discontinued operation	267,009	(98,396)
	Profit /(loss) attributable to owners of Jumbo Interactive Limited used to calculate diluted earnings per share	6,743,525	4,834,455
		Number	**Number**
c.	Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	40,389,629	39,995,382
d.	Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	40,597,614	39,995,382

Note 5: Contributed Equity

	2012 Shares	2012 $	2011 Shares	2011 $
Share capital				
Fully paid ordinary shares – no par value	42,412,560	28,876,572	39,536,805	27,113,586
Total number of shares	42,412,560		39,536,805	
Total contributed equity		28,876,572		27,113,586

Movements in ordinary share capital

Date	Details	Number of shares	Issue price $	$
1 July 2010	Opening balance	43,031,525		28,156,064
30 June 2011	Balance	39,536,805		27,113,592
Shares issued during the year				
30 September 2011	Dividend reinvestment plan[1]	158,921	0.237	37,639
6 March 2012	Exercise of options	1,500,000	0.500	750,000
6 March 2012	Exercise of options	200,000	0.700	140,000
7 March 2012	Exercise of options	550,000	0.700	385,000
22 March 2012	Exercise of options	350,000	0.700	245,000
30 March 2012	Dividend reinvestment plan[2]	136,858	0.804	110,094
11 April 2012	Exercise of options	150,000	0.500	75,000
26 April 2012	Exercise of options	160,000	0.700	112,000
Shares bought back during the year				
23 December 2011	Unmarketable parcel sale and buyback[3]	(330,024)	0.278	(91,747)
30 June 2012	Closing balance	42,412,560		28,876,572

[1] As announced by the Company on 23 August 2011, the Company declared a fully franked final dividend of 0.5 cent per ordinary share in which shareholders were invited to participate in the Company's Dividend Reinvestment Plan. Shares were issued under the DRP on the payment date on 30 September 2011.

[2] As announced by the Company on 21 February 2012, the Company declared a fully franked interim dividend of 1.0 cent per ordinary share in which shareholders were invited to participate in the Company's Dividend Reinvestment Plan. Shares were issued under the DRP on the payment date on 30 March 2012.

[3] As announced by the Company on 27 October and 16 December 2011, the Company offered to buyback unmarketable parcels of shares. Shares were bought back under the UMP on the payment date on 23 December 2012.

Note 6: Retained Losses

	2012 $	2011 $
Accumulated losses at the beginning of the financial year	(17,398,827)	(22,036,016)
Net profit attributable to the members of the parent entity	6,743,525	4,834,455
Dividends paid or provided for	(613,843)	(197,266)
Retained losses at the end of the financial year	(11,269,145)	(17,398,827)

Note 7: Discontinued Operations

i. Description

The Star System Solutions Pty Ltd software business was sold on 12 November 2010.

The Manaccom software publishing and distribution business was placed into voluntary administration on 31 January 2011 due to adverse market conditions in the over-the-counter software security market. As at 31 January 2011 the entity ceased to be controlled by Jumbo Interactive Limited and became subject to the control of the appointed liquidators. As a result, Jumbo has treated the loss of control as a disposal of a subsidiary in accordance with AASB 127.

Both the Star System Solutions business and Manaccom Pty Ltd formed the Software Publishing & Distribution operating segment which consequently ceased operations as a result of the above in the 2011 financial year.

ii. Financial performance and cash flow information

Financial information relating to the discontinued operations for the period to the date of disposal and for the year ended 30 June 2012 is set out below.

2012	Star System Solutions Pty Ltd	Manaccom Pty Ltd	Total
	$	$	$
Revenue (note 2)	-	-	-
Expenses	-	-	-
Profit/(loss) before income tax	-	-	-
Income tax (expense)/benefit	-	267,009	267,009
Profit/(loss) attributable to members of the parent entity	-	267,009	267,009

Profit attributable to owners of the parent entity relates to:	
Profit from continuing operations	6,476,516
Profit from discontinued operations	267,009
	6,743,525

2011	Star System Solutions Pty Ltd	Manaccom Pty Ltd	Total
	$	$	$
Revenue (note 2)	1,674,388	3,606,762	5,281,150
Expenses	(516,508)	(5,445,083)	(5,961,591)
Profit/(loss) before income tax	1,157,880	(1,838,321)	(680,441)
Income tax (expense)/ benefit	581,766	645,930	1,227,696
Profit/(loss) attributable to members of the parent entity	1,739,646	(1,192,391)	547,255
Loss on sale of business	(6,007)	-	(6,007)
Loss on loss of control of subsidiary in voluntary administration	-	(639,644)	(639,644)
Profit/(loss) before income tax expense	(6,007)	(639,644)	(645,651)
Income tax expense	-	-	-
Profit/(loss) on sale after income tax	(6,007)	(639,644)	(645,651)
Profit after income tax from discontinued operations	1,733,639	(1,832,035)	(98,396)

Note 7: Discontinued Operations continued

Profit/(loss) attributable to owners of the parent entity relates to:			
Profit/(loss) from continuing operations			4,932,851
Profit/(loss) from discontinued operations			(98,396)
			4,834,455
Net cash inflow from operating activities	(31,065)	(690,978)	(722,043)
Net cash inflow/(outflow) from investing activities (includes an outflow of $374,656 from the loss of control of the subsidiary in voluntary administration	9,882	364,634	374,516
Net cash inflow/(outflow) from financing activities	(114,350)	(71,368)	(185,718)
Net increase/(decrease) in cash generated by the discontinued operations	(135,533)	(397,712)	(533,245)

iii. Details of the sale of the Star business

	2011 $
Sale consideration	1,529,790
Consisting of:	
Cash	-
Consideration offset against outstanding deferred consideration payable as at 15 December 2010 under the 14 November 2008 purchase agreement	1,529,790
Total disposal consideration	1,529,790
Cash consideration received and cash inflow	-
Carrying amount of net assets sold	(1,535,797)
Loss on sale before income tax	(6,007)
Income tax benefit	-
Loss on sale after income tax	(6,007)

The carrying amounts of the assets and liabilities as at the date of sale (12 November 2010) were:

	12 November 2010 $
Property, plant and equipment	16,007
Intellectual property	1,519,790
Total assets	1,535,797
Total liabilities	-
Net Assets	1,535,797

Note 7: Discontinued Operations continued

iv. Details of the voluntary administration of Manaccom Pty Ltd

	2011
	$
Cash paid to administrator on loss of control	(374,656)
Total cash lost on loss of control	(374,656)
Carrying amount of net assets over which control was lost	(264,988)
Loss on loss of control of subsidiary before income tax	(639,644)
Income tax benefit	-
Loss in loss of control of subsidiary after income tax	(639,644)

The carrying amounts of the assets and liabilities as at the date of voluntary administration (31 January 2011) were:

	31 January 2011
	$
Property, plant and equipment	377,624
Intangible assets	31,350
Deferred tax asset	273,831
Trade and other receivables	640,216
Inventories	789,903
Total assets	2,112,924
Trade and other creditors	1,501,860
Borrowings	119,298
Provision for employee benefits	201,778
Other provisions	25,000
Total liabilities	1,847,936
Net assets	264,988

Note 8: Net Tangible Assets per Security

	2012	2011
	Cent	Cent
Net Tangible Assets per ordinary share	26.6	9.3

Note 9: Segment Reporting

Segment information is presented using a 'management approach', i.e. segment information is provided on the same basis as information used for internal reporting purposes by the chief operating decision maker (strategic steering committee that makes strategic decisions). Comparatives for 2011 were stated on this basis.

Accounting policies

Segment revenues and expenses are those that are directly attributable to a segment and the relevant portion that can be allocated to the segment on a reasonable basis.

Segment information

(a) Description of segments

Management has determined the operating segments based on the reports reviewed by the strategic steering committee that are used to make strategic decisions.

The Committee considered the business from both a product and a geographic perspective and has identified the reportable segments.

Internet Lotteries segment consists of retail of lottery tickets sold both in Australia and eligible international jurisdictions, and internet database management/marketing. The Committee monitors the performance of the regions combined.

All other segments include operating segments of non-lottery business activities that are not reportable in terms of AASB 8 and revenues from external customers are derived from the sale of software and pet related products. Comparative figures for 2011 are stated on this basis.

(b) Segment information provided to the strategic steering committee

The segment information provided to the strategic steering committee for the reportable segments for the year ended 30 June 2012 is as follows:

2012	**Internet Lotteries**
	$
Total segment revenue/income	23,584,433
Inter-segment revenue	-
Revenue from external customers	23,584,433
NPBT	10,002,512
Interest revenue	771,129
Finance costs expense	3,907
Depreciation and amortisation	2,147,568

There was no impairment charge or other significant non-cash item recognised in 2012 relating to the segment.

Note 9: Segment Reporting continued

The segment information provided to the strategic steering committee for the reportable segments for the year ended 30 June 2011 is as follows:

2011	**Internet Lotteries**
	$
Total segment revenue/ income	18,081,812
Inter-segment revenue	-
Revenue from external customers	18,081,812
NPBT	5,495,205
Interest revenue	413,328
Finance costs expense	1,732
Depreciation and amortisation	1,480,484
Loss on derecognition of intangible assets	73,151

(c) Other segment information

i. Segment revenue

The revenue from external parties reported to the strategic steering committee is measured in a manner consistent with that in the profit or loss.

Revenues from external customers are derived from the sale of lottery tickets and provision of related services. A breakdown of revenue and results is provided in the tables above.

Segment revenue reconciles to total revenue from continuing operations as follows:

	2012	2011
	$	$
Total segment revenue	23,584,433	18,081,812
All other segments	548,760	79,337
Interest revenue	776,414	413,328
Other	75,429	18,036
Total revenue from continuing operations (note 2)	24,985,036	18,592,513

The entity is domiciled in Australia. The amount of its revenue from external customers in Australia is $22,086,403 (2011: $16,139,019), and the total revenue from external customers in other countries is $2,898,633 (2011: $2,453,494). Revenues of $1,664,189 (2011: $1,620,964) are from external customers in Fiji. Segment revenues are allocated based on the country in which the customer is located.

No single external customer derives more than 10% of total revenues.

ii. NPBT

The strategic steering committee assesses the performance of the operating segments based on a measure of NPBT. This measure excludes the effects of non-recurring expenditure from the operating segments such as restructuring costs and impairments when the impairment is the result of an isolated, non-recurring event. Furthermore the measure excludes the effects of foreign currency gains/(losses).

Note 9: Segment Reporting continued

A reconciliation of the NPBT to operating profit before income tax is provided as follows:

	2012 $	2011 $
NPBT	10,002,512	5,495,205
All other segments	(33,866)	53,525
Intersegment eliminations[1]	-	1,437,338
Interest revenue	776,414	413,328
Other	1,091	-
Corporate expenses		
Finance costs expense	(103,770)	(148,518)
Share based payments expense	(89,748)	(79,851)
Directors' remuneration	(130,800)	(173,264)
Salaries and wages	(917,628)	(689,674)
Other	(450,136)	(453,953)
Profit before income tax from continuing operations (per P&L)	9,054,069	5,854,136
[1] the key items of the intersegment eliminations are:		
Provision for non-recovery of inter-company loans	-	1,437,338

Note 10: Contingent Liabilities

	2012 $	2011 $
Estimates of the potential financial effect of contingent liabilities that may become payable:		
Contingent Liabilities		
The Group's bankers have provided guarantees to third parties in relation to premises leased by Group companies. These guarantees have no expiry term and are payable on demand, and are secured by a fixed and floating charge over the Group's assets.	160,763	160,763
The Group's bankers have provided a performance guarantee to a third party in respect of a Request for Proposal. This guarantee was subsequently cancelled 3 July 2012.	206,653	-
	367,416	160,763
Related party guarantees provided by subsidiary entities		
A subsidiary entity has provided guarantees to third parties in relation to premises leased by its wholly owned subsidiaries. These guarantees have no expiry term and are payable on demand, and unsecured.	22,866	18,616

Note 11: Cash Flow Information

	2012	2011
	$	$
a. Reconciliation of Cash Flow from Operations with Profit/(Loss) after Income Tax		
Profit/(loss) for the year after income tax	6,743,525	4,834,455
Non-cash flows		
Amortisation	2,073,142	1,474,497
Depreciation	99,341	142,779
Unrealised foreign currency (gain)/loss on foreign currency bank balances	(23,214)	(17,160)
Impairment losses/(reversals)	-	(1,258,354)
Derecognition of subsidiary in voluntary administration	-	639,644
(Gain)/Loss on sale of business	-	6,007
Derecognition of intangibles assets	-	73,151
Share option expense	89,748	79,851
Increase/(decrease) in foreign exchange reserve excluding bank balances	19,319	27,087
Changes in operating assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
Decrease/(Increase) in trade receivables	(34,190)	556,303
Decrease/(Increase) in other receivables	(90,881)	74,816
Decrease/(Increase) in inventories	(58,732)	(173,296)
Decrease/(increase) in DTA	302,252	(141,955)
Increase/(decrease) in trade creditors	618,756	1,094,421
Increase/(decrease) in other creditors	2,786,408	(668,323)
Increase/(decrease) in other provisions	70,859	136,412
Increase/(decrease) in DTL	153,976	28,649
Increase/(decrease) in provision for income tax	192,771	(381,531)
Cash flow from operations	12,943,080	6,527,453

b. Facilities with Banks

	2012	2011
	$	$
Credit facility	1,453,666	3,035,763
Facilities utilised		
– Overdraft	-	(110,061)
– Multi Option	(28,014)	(62,762)
– Loans	(416,666)	(1,708,333)
– Bank guarantees	(367,416)	(160,763)
Amount Available	641,570	993,844

The facilities are provided by ANZ Group Limited subject to general and specific terms and conditions being set and met periodically. Interest rates are both fixed and variable and subject to adjustment.

Note 12: Events Subsequent to Reporting Date

There were no other material events after the balance sheet date.