

Annual Disclosure Statement

For the fiscal year ended - June 30, 2010



VISUALMED CLINICAL SOLUTIONS CORP.

NEVADA

(State or other jurisdiction of
incorporation or organization)

88-0436055

(I.R.S. Employer Identification No.)

VisualMED Clinical Solutions Corp.

101 Convention Center Drive 7th Floor

Las Vegas NV 89109 USA

(514) 582-5220

Securities registered pursuant to Section 12(b) of the Exchange Act:

Title of each class:	Name of each exchange on which registered:
None	None

Securities registered pursuant to Section 12(g) of the Exchange Act:

Common Stock
63,172,845 Common Shares

State issuer's revenues for its most recent fiscal year: \$389,000

The aggregate market value of the voting and non-voting common equity held by non-affiliates, computed by reference to the average bid and asked price of such common equity as of June 30, 2010 was \$3,158,642.

As of June 30, 2010, the issuer had 63,172,845 outstanding shares of common stock.

DOCUMENTS INCORPORATED BY REFERENCE: *See Item 13

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Forward-Looking Statements and Associated Risk

Certain statements contained in this annual report constitute forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause

deviations in actual results, performance or achievements to be materially different from any future results, performance or achievement expressed or implied. Such factors include but are not limited to: market and customer acceptance of and satisfaction with our products, market demand for our products; fluctuations in foreign currency markets; the use of estimates in the preparation of our Consolidated Financial Statements; the impact of competitive products and pricing in our field; the ability to develop and launch new products in a timely fashion; government and industry regulatory environment; fluctuations in operating results, including, but not limited to, spending on research and development, spending on sales and marketing activities, spending on technical and product support; and other risks outlined in previous filings with the Securities and Exchange Commission, and in this annual report on Form 10-KSB.

The words “*believe*,” “*expect*,” “*anticipate*,” “*intend*” and “*plan*” and similar expressions identify forward-looking statements. Such statements are subject to risks and uncertainties that cannot be quantified and, consequently, actual results may differ materially from those expressed or implied by such forward-looking statements. You are cautioned not to place undue reliance on these forward-looking statements.

Unless otherwise noted, all currency figures in this filing are in U.S. dollars.

The terms “*Company*,” “*we*,” “*us*,” “*our*,” “*VisualMED*” and “*the Registrant*” refer to VisualMED Clinical Solutions Corp., a Nevada corporation, and its subsidiaries.

PART I

ITEM 1. DESCRIPTION OF BUSINESS.

Company History

We were incorporated in the State of Nevada on September 7, 1999 under the name Ancona Mining Corp. (Ancona) as a mining and exploration company. After initial disappointing results from our mining exploration, we did very little business and showed very limited activity, with no profitability. On September 23, 2004, after receiving advice that our mining properties were not deemed to be economically attractive, we chose to enter the emerging field of clinical information systems and entered into an agreement, in principle, to purchase the distribution rights to a suite of clinical software modules, as well as some minor office equipment and all of the issued and outstanding common shares of VisualMED Marketing Inc., an inactive company with no revenue, from Visual Healthcare Corp. (formerly known as VisualMED Clinical Systems Corp.), a Nevada corporation (VHCC). We refer to this asset purchase transaction as the Acquisition. We consummated the Acquisition on October 13, 2004 and, in consideration for the assets purchased, we issued what then amounted to 80% of our common stock to VHCC. As a result of the Acquisition, we have the right to exploit, commercialize, install, support and upgrade the clinical software modules purchased. Our rights to exploit, commercialize, install, support and upgrade the modules are worldwide, except for that part of the U.S. market, as well as the Chinese and the Japanese language markets, into which VHCC has entered into similar agreements with other non-related companies.

To reflect the nature of our new business, we changed our corporate name in November 2004 from Ancona Mining Corp. to VisualMED Clinical Solutions Corp. Our principal executive offices are located at VisualMED Clinical Solutions Corp. 101 Convention Center Drive 7th Floor, Las Vegas, Nevada 89109, and our telephone number is (514) 582-5220.

About Our Principal Stockholder

As of June 30 2010, VHCC owns approximately 23% of our issued and outstanding common stock. VHCC was formed in 1998 to further develop clinical information products based on early legacy systems and investigations

conducted by the Department of Medicine of the McGill University Health Center. These products include software clinical management modules, electronic patient records, electronic charting, dynamic clinical notes and other medical information platforms and clinical tool sets for doctors and nurses.

Field of Operations and Corporate Mission

We are a medical information company that uses technology to assist physicians and nurses streamline the mass of patient information in a coherent and usable manner. Our clinical information systems are designed for use in hospitals, healthcare delivery organizations and regional and national healthcare authorities. Our corporate mission is to help healthcare professionals practice the best possible medicine at the point of care.

We market cutting-edge technology solutions for healthcare institutions and authorities. These solutions are designed to save cost and time, and to reduce adverse drug events (ADE) that kill more than 200,000 patients per year in the United States alone. Our latest generation suite of software modules comprises a fully functional clinical information system (Clinical Information System) that includes the complete electronic medical record (Electronic Medical Record), with a core computerized physician order entry (CPOE) module. Our Clinical Information System, Electronic Medical Record and CPOE work together to reduce the cost of providing medical care, while dramatically improving the quality and efficiency of healthcare services offered by healthcare institutions.

Our Products

The VisualMED System

The VisualMED system is a suite of software modules that constitute a comprehensive, state of the art, fully functional Clinical Information System. VisualMED is an informatics tool that enables the physician to make informed diagnostic and therapeutic decisions at the point of care. The system communicates with existing legacy systems including Admissions (ADT), pharmacy, laboratory, radiology and Picture Archival and Communication Systems (PACS) through Health Language 7 (HL-7) interfaces. Through its interfaces, VisualMED captures all clinical information available on every hospitalized patient at any given moment, representing the totality of data required by the hospital's clinical staff to perform their duties. Healthcare personnel are able to access information culled from a variety of different sources through this single software solution. The VisualMED system has the following functionality:

- **Electronic Medical Record.** Our Electronic Medical Record system replaces paper-based activities by doctors and nurses. All patient care is prescribed and documented in an electronic media that may include wireless devices with remote access via an Internet portal. All of a patient's medical history is securely stored in a central database for easy access by the attending healthcare professionals. The information is accessed through a series of computer workstations placed in every ward, within easy reach of the doctors and nurses responsible for those patients.
- **CPOE.** The CPOE module is a method of giving patient prescriptions and other medical orders in an electronic mode. This form of automation of medical acts has many advantages, such as, the speedy transmission of orders through the hospital and the elimination of errors due to illegible handwriting. As a result, a CPOE module is believed to contribute to better patient safety. Furthermore, a CPOE module, when combined with decision support information could eliminate many common medical errors that occur on a daily basis, such as dosage errors and harmful drug interactions.
- **Clinical Decision Support.** VisualMED decision support helps physicians validate their therapeutic decisions in real time while prescribing medication. Physician activities using this functionality are supported by an extensive knowledge base containing thousands of user cases and thousands of decisional algorithms with 30 levels of decision support.
- **ADE Prevention.** Our VisualMED system helps prevent ADEs, which often cause prolonged hospitalization and death, by reducing the risk of medication side-effects, avoiding duplication of prescriptions, lab tests and radiology exams, and bringing important clinical information to the attention of

the physician in real time at the point of care. Through our system, the availability of medical charts is immediate and can be securely encrypted and transmitted worldwide via the Internet.

- Medical Audits. The implementation of the VisualMED system in a hospital setting allows for a comprehensive audit of medical procedures and their outcomes. The medical audit mechanism also assures that appropriate regulatory standards are being met. In addition, the use of biometric electronic signature provides data security at the highest level.

VisualMED Modules

VisualMED modules come in four broad classes – administrative/support, nursing, clinical, and the Electronic Medical Record.

- Administrative module. VisualADMIN is the principal administrative module. VisualADMIN allows users with the appropriate security rights to access screens that may be used to define and modify the basic architectural structure that defines the business rules for the CPOE for the six general order entry types – drugs, labs, IV solutions, image tests, nursing orders, and dressings – as well as special order entry types, such as sliding scales, drug tapers and transfusions. VisualADMIN creates and modifies decision support algorithms that are called upon at multiple levels in the order entry sequence. These operate as background processes and maintain the ward/bed configuration of the institution, as well as a set of diagnoses, a custom set of system requisitions that may be required by the healthcare institution, a set of system user groups and user group rights and a set of system parameters that are used to determine the system configuration. We supply all of the content required for full function of the system at the time of installation. Our customers may modify any of the content at any time in plain language. VisualADMIN is a required module in the setting of a minimal VisualMED installation.
- Nursing module. The VisualMED nursing module (VisualNURSE) integrates all physician/nursing clinical functions at the order entry and clinical data entry levels. VisualNURSE contains a medication administration record that is automatically generated by the VisualMED system according to a rules engine, which translates the physician's prescription into the date-times for prescription administration. System rules are supplied by VisualMED at the time of installation and may vary for each individual clinical module. VisualNURSE also contains a plan of care and screen sets that allow for the recording and display of clinical information, including vital signs, glucometer-insulin record, input and output, and pain scale. Additional screens exist for the recording of the nursing history. The healthcare institution's system administrator, through VisualADMIN, manages the basic structure of VisualNURSE. All of our clinical modules access VisualNURSE. VisualNURSE is a required module in the setting of a minimal VisualMED installation.
- Clinical module. The VisualMED clinical modules broadly correspond to the individual clinical specialty of medicine of the healthcare institution or a particular division or ward of the institution, such as VisualER, VisualSurgeon, VisualPediatrics and VisualICU. All of the patients in a particular ward may all be linked to a single module or patients in a given ward may each be attached to different modules in accordance with the patient's ailment. Each clinical module may have its own set of available drug listings, its own table of order sets and unique decision support algorithms. The look and feel of each clinical module is constant, though modules may contain unique screens, which may not be available elsewhere in the VisualMED Clinical Information System. For example, VisualER uses unique patient tracking screens; VisualICU, CCU, and ER contain unique results reporting screens. The health care institution's system administrator, through VisualADMIN, manages the seed content of the clinical modules. At least one clinical module is required in the setting of a minimal VisualMED installation. Our system includes, as an option, a DICOM viewer embedded in the clinical signs and results reporting screens so that PACS images may be viewed directly within the clinical context of the VisualMED clinical data display screens.
- Electronic Medical Record. All clinical modules come with a complete Electronic Medical Record which can be used by physicians, consultants, nursing staff and paramedical staff to record their admission and progress notes in a coded, menu-driven or free-text format, depending on the preference of the individual user. Clinicians can access all data related to their patient through the Electronic Medical Record. Clinical data entered into the Electronic Medical Record is available to review for the purposes of quality assurance by the clinical or administration staff and, where law permits, may be consulted by the patient.

We also began marketing of our VisualONCOLOGY module to oncology departments and cancer clinics, including through our main licensee Integrated Clinical Care Corp, resulting in the current deployment of this module at the Segal Cancer Center in Montreal. We have acquired the technology to create an ambulatory module to support individual physicians in private practice. We have also acquired the technology and rights for the VisualMED technology to support a web-based Personal Health Information System available to subscribers over the internet.

Installation and Implementation

Delivery of a VisualMED system to a customer consists of three broad phases: hardware installation, software implementation and training.

- Hardware installation. Hardware may be installed by us or the customer's technical staff according to our specific configuration. The scope of the hardware is determined by the number of beds and wards in the particular healthcare institution, as well as the institution's physical layout.
- Software implementation. Our VisualMED software is configured based on a healthcare institution's responses to our implementation questionnaire. The information obtained from the questionnaire is used to create the clinical content and populate the production database. Concurrent with managing and preparing this data, HL7 interfaces to other hospital systems such as Pharmacy, Laboratory, ADT and PACS will be designed, developed and tested by VisualMED and the system suppliers.
- Costs. Cost of implementation of a VisualMED system can vary between \$2 and \$20 million depending on the size of the hospital and the nature, and functionality of the selected technology.
- Training. Training begins well in advance of the installation. VisualMED has specific training programs for physicians, nurses and other hospital staff. In large hospitals, a pre-determined number of wards will go-live every two weeks until the entire hospital is in full production. VisualMED training personnel provide on-site support 24 hours per day until the hospital staff can use the system independently.
- Helpdesk. The VisualMED helpdesk is available to our customers 24 hours per day, seven days per week for technical and functional assistance. VisualMED has the ability to monitor and update the system from a remote location.

Independent Evaluation

The technology platform on which VisualMED modules and some of its applications are based has been evaluated by independent agencies, such as the Leapfrog Group and Five Rights Consulting. These agencies have consistently ranked our technology as one of the more complete and efficacious set of solutions in its field. The VisualMED technology was also positively evaluated after an in-depth audit for the benefit of a Canadian governmental agency by Dr. Antoine Geisbuhler, formerly of Vanderbilt University medical school and holder of the chair of medical informatics, Faculty of Medicine, University of Geneva, Switzerland.

Our technology has been validated by the American Society of Clinical Oncologists, where our oncology technology has been successfully demonstrated to be at the leading edge of currently available clinical information systems.

Advertising and Brand Recognition

We do not advertise in tradition print or television media. We rely heavily on the quality of the VisualMED system, its high rating by industry analysts and the building of a successful implementation track record with our existing customers, to attract potential new customers.

Marketing

A significant part of our marketing effort is conducted in conjunction with strategic partners who often have a geographical concentration or who offer particular services within the healthcare industry where we are present, including management consultants, systems integrators, major engineering firms and outsourcing companies. Our

strategic partnerships include alliances with Integrated Clinical Care Corp., Oracle, IBM, Stratus, Citrix Systems, Hewlett Packard, mTuitive Inc., Chartware Inc., Rutherford Marketing LLC, ITS of the Kingdom of Saudi Arabia, Sonotec S.A.R.L. of Tunis, Post Logic Inc. of Paris, and First Consulting Group. We are also working closely with Medical.MD of Montreal, our authorized reseller, and with elements of the Italian and French healthcare authorities and health services industry, with regard to the implementation of our system over a broad range of hospitals, clinics and pharmacies in those countries.

Intellectual Property and Research and Development

We rely on our strategic partners and licensees, to whom we outsource all of our research and development activities, for the maintenance and upgrading of our software. We remain principally a flow-through royalty stream company.

We do not have any patents on our system or modules. We rely on trade secrets laws, confidentiality agreements and other contractual commitments to protect our proprietary research and development efforts and intellectual property. However, we have complete control over the intellectual property on which our technology platforms, modules, and all of our other products depend, and there are no liens and/or claims against and/or upon said technologies.

Our Industry

Industry Overview

There are over 15,000 hospitals in the United States and Canada, and more than 10,000 hospitals in Europe, which make up most of the potential market for VisualMED systems and other products derived from the VisualMED proprietary technology platform. According to the Leapfrog Group, relatively few American hospitals have experimented with physician-based clinical support order entry. Fewer than 10% of hospitals have some form of CPOE with decision support, or other similar Clinical Information System. However new federal legislation in the United States and abroad, reflecting a shift in public policy with regard to healthcare information technology (IT), has begun to favor the widespread deployment of IT solutions in the healthcare field.

The Healthcare Information Technology Industry – Recent Developments

Modern hospitals are under increasing pressure to address mounting evidence of major increases in hospital death due to medical errors and ADEs. According to the benchmark March 2000 report, *“To Err is Human”*, released by the Washington-based Institute of Medicine, up to 100,000 Americans die each year from adverse drug reactions, half of which it considered preventable. Since 2000, evaluations of deaths from ADE’s have been as high as 200,000 in the United States, 85,000 in England and 23,000 in Canada.

Medical literature and recent publications from the HIMSS indicate that the introduction of Electronic Medical Record technology that would replace paper-based medical records could significantly reduce the incidence of ADE’s and help to contain rising medical costs by increasing the productivity of caregivers.

A coalition of some of America’s largest employers and healthcare purchasers helped to create the Leapfrog Group, a nonprofit organization dedicated to promoting information solutions for hospitals. According to the Leapfrog Group, CPOE systems with clinical decision support are deemed to be the core component of an effective clinical information system to replace paper-based records. To date, more than 500 hospitals in the United States have registered with the Leapfrog Group, pledging to move towards the new standards set by the organization for managing healthcare through information technology.

The current Economic Stimulus package, The American Recovery and Reinvestment Act, ARRA, contains important provisions and appropriations to promote a major overhaul of the country's healthcare system. Included are some \$36 Billion earmarked for physicians and hospitals that have not yet adopted Electronic Health Records.

Much of these funds are tied to incentive programs funding physicians and facilities with elevated Medicaid patient flow and with Medicare acceptance.

There is a sense of urgency to promote fast development of these programs, and so incentive programs are heavily front-loaded. There is a 5-year window for applicants to receive funding from the program beginning in 2011. Those that file as of the first available opportunity in the first year, however, stand to receive a significantly larger share of the incentive budget.

The underlying principles and application standards will be rolled out by HHS throughout the launching period of the program and all the rules will have to be properly understood.

For healthcare providers that wish to participate in this Obama Administration's healthcare reform program, we guarantee total compliance with all of the norms that have been and will be established for reimbursement of Health Information Technology (HIT) purchases under the terms of the American Recovery and Reinvestment Act (ARRA). Our clinical modules reflects the full extent of HIT meaningful use as it is currently defined and advocated by leading foundations and research institutions.

Competition

There are several large companies that develop and bring to market other forms of Electronic Medical Record and CPOE systems in the United States, such as: Cerner Corporation, Eclipsys Corporation, IDX System Corporation, HBOC-McKesson Corporation, Epic Systems Corporation, Medical Information Technology Incorporated, Misys Healthcare Systems, and more recently such global giants as General Electric, Siemens, IBM and Bell. Management believes that our VisualMED technology offers customers a far richer integrated medical and clinical content delivered to the healthcare provider at point of care, than any other system. In terms of high-priority functionality, VisualMED is consistently rated among the leaders in all systems of its kind, offering us a significant quality advantage when competing for customer contracts. In addition, VisualMED's Clinical Information System is flexible enough that it can be installed in smaller hospitals that are far less attractive to our major competitors, and tailored to the specific needs and policies of that institution. The VisualMED system also provides a multi-lingual platform which gives us a competitive advantage in the international markets.

Due to the relatively lengthy sales cycle involved in the healthcare information technology industry, and the fact that we are significantly smaller and have less financial resources than our competitors, we face an initial disadvantage in the U.S. market. We will have to continue developing new, dynamic and flexible marketing strategies to remain competitive.

Diversification of Product Lines

The healthcare technology industry is undergoing rapid changes, with major software companies, information technology consulting service providers and system integrators, Internet start-ups, and other software companies having the potential to develop specialized healthcare systems to compete with our product. Management feels our success will hinge upon our ability to continue upgrading and improving our system in a timely fashion, using the success of existing implementations to build a steady customer base and revenue stream, while continuing to offer new product lines that meet the technology needs of the market. Significantly, we concluded agreements for use of our technology platform to be used by Medical.MD Inc. of Montreal to support a web-based Personal Health Information System (PHIS) available to subscribers online, to Plexo Inc. of Montreal for the development of an Executive Health platform, and to Integrated Clinical Care Corp. for the marketing and distribution of all of our

technology modules, principally our VisualONCOLOGY technology, which has gained significant traction in the global marketplace.

Our Suppliers

We depend on a limited number of third parties to manufacture and supply critical components for our products and services. The infrastructure configuration required to run the VisualMED application in a hospital setting includes products from Microsoft, Oracle, HP, Stratus, Citrix Systems, Verinex Technologies, Digital Persona, IBM, APC Software, NEC and Veritas Software. If any of these third party manufacturers should cease operations or refuse to sell components to us, we may have to suspend or cease operations. We do not have long-term contracts with our suppliers. Supplier commitments are arranged on a project-by-project basis. If our suppliers do not fulfill their obligations, if they stop manufacturing and supplying components critical for our clinical solutions or if the terms for supply, including price, become commercially unreasonable, we may need to search for alternative sources for components. Our search for additional or alternate suppliers could result in significant delays to our system implementation process, added expense and hinder our ability to maintain or expand our business. Any of these events could require us to take unforeseen actions or devote additional resources to provide our products and services and could harm our ability to compete effectively and adversely affect our financial condition.

Government Regulation and Legislation

VisualMED is not required to obtain any governmental approvals to operate in the healthcare technology market. However, the current climate of healthcare information technology legislation requires that companies active in the field be constantly vigilant as new industry norms and standards are tabled and finalized. It is important that governments and healthcare authorities continue to recognize the importance of healthcare reform and the use of information systems, since there rests the impetus for change, hence a healthy, growing market. VisualMED's products are fully compliant with industry norms established by HIPAA and federal and industry policy makers concerning functionality, programming language, transaction code set, privacy, security and medical content.

Employees

As of June 30, 2010, we had three full-time employees, and relied on some 10 part-time consultants. Our employees are not unionized. We believe that our relationship with our employees and consultants is good.

Risk Factors Associated With Our Business

You should carefully consider the risks and uncertainties described below and the other information in this annual report. These are not the only risks we face. Additional risks and uncertainties that we are not aware of or that we currently deem immaterial may also impair our business. If any of the following risks actually occur, our business, financial condition and operating results could be materially adversely affected.

Because we depend on a limited number of third parties to manufacture and supply critical components for our products and services, if the third party manufacturer should cease operations or refuse to sell components to us, we may have to suspend or cease operations. As a result, you may lose your investment. As a result, you may lose your entire investment in our company.

If our suppliers do not fulfill their obligations, or if they stop manufacturing and supplying components critical for our VisualMED systems, we may not be capable of finding other suppliers to operate our business. We rely on limited suppliers for a number of key components and do not have long-term agreements with any of our suppliers. If our agreements with these suppliers were terminated or expire, if we were unable to obtain adequate quantities of components critical for our products and services, if the quality of these components was inadequate, or if the terms for supply of these components became commercially unreasonable, our search for additional or alternate suppliers could result in significant delays, added expense and our inability to maintain or expand our business. Any of these events could require us to take unforeseen actions or devote additional resources to provide our products and

services and could harm our ability to compete effectively. As a result, you could lose your entire investment in our company.

Competition from companies with already established marketing links to our potential customers may adversely affect our ability to market our products.

Current and potential competitors have longer operating histories, larger customer bases, greater brand name recognition and significantly greater financial, marketing and other resources than we have. Certain of our competitors may be able to secure product from vendors on more favorable terms, devote greater resources to marketing and promotional campaigns and adopt more aggressive pricing or inventory availability policies than we will. Given our limited financial resources, we cannot assure you that we will be able to compete successfully against our current and future competitors.

Because we do not have any patents, we rely on trade secrets, confidentiality agreements and contractual agreements, which may not be adequate to protect our proprietary interests. If our proprietary interests are divulged to the public, we may lose our competitive edge and have to cease operations.

We have not obtained patents or copyrights for our solutions. There is no assurance that third party competitors will not obtain access to our technical information and exploit it for their own benefit. In order to protect our propriety rights, we will have to obtain patents or file lawsuits and obtain injunctions. If we do that, we will have to spend large sums of money for attorney's fees in order to obtain the injunctions. Even if we obtain the injunctions, there is no assurance that the parties enjoined would comply with the injunctions. Further, we may not have adequate funds available to prosecute actions to protect or to defend our proprietary rights, in which case those using our proprietary rights may continue to do so in the future.

Third parties may claim that our current or future products or services infringe their proprietary rights or assert other claims against us.

As the number of entrants into our market increases, the possibility of an intellectual property or other claim against us grows. Any intellectual property or other claim, with or without merit, would be time-consuming and expensive to litigate or settle and could divert management attention from focusing on our core business. Any successful claim against us would result in our having to pay costs and damages resulting from such claim, develop costly non-infringing technology, if possible, or enter into license agreements, which may not be available on terms acceptable to us, if at all.

Fluctuations in the value of foreign currencies could result in increased product costs and operating expenses.

We have suppliers that are located outside Canada and the United States Our functional and reporting currency is the U.S. dollar. The functional currency of our subsidiary is the Canadian dollar. Fluctuations in the value of the Canadian and U.S. dollars are difficult to predict and can cause us to incur currency exchange costs which will adversely affect our financial condition. We have not engaged in any hedging activities to minimize this risk.

We must be able to respond to rapidly changing technology, services and standards in order to remain competitive.

Management feels our success will hinge upon our ability to continue upgrading and improving our system in a timely fashion, using the success of existing implementations to build a steady customer base and revenue stream, while continuing to offer new product lines that meet the technology needs of the market. We cannot assure you that our efforts to continually upgrade and improve our systems will be successful. Furthermore, we cannot predict the effect new emerging technology will have on our financial condition and results of operations.

Because the market for our common stock is limited, you may not be able to resell your shares of common stock.

There is currently a limited trading market for our common stock. Our common stock trades on the OTC Bulletin Board operated by the National Association of Securities Dealers, Inc. under the symbol "VMCS." As a result, you may not be able to resell your securities in open market transactions.

Because our common stock is subject to penny stock rules, the liquidity of your investment may be restricted.

Our common stock is now, and may continue to be in the future, subject to the penny stock rules under the Exchange Act. These rules regulate broker/dealer practices for transactions in "penny stocks." Penny stocks generally are equity securities with a price of less than \$5.00. The penny stock rules require broker/dealers to deliver a standardized risk disclosure document that provides information about penny stocks and the nature and level of risks in the penny stock market. The broker/dealer must also provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker/dealer and its salesperson and monthly account statements showing the market value of each penny stock held in the customer's account. The bid and offer quotations and the broker/dealer and salesperson compensation information must be given to the customer orally or in writing prior to completing the transaction and must be given to the customer in writing before or with the customer's confirmation. In addition, the penny stock rules require that prior to a transaction, the broker and/or dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written agreement to the transaction. These additional penny stock disclosure requirements are burdensome and may reduce the trading activity in the market for our common stock. As long as the common stock is subject to the penny stock rules, holders of our common stock may find it more difficult to sell their securities.

ITEM 2. DESCRIPTION OF PROPERTY.

We do not own real property.

ITEM 3. LEGAL PROCEEDINGS.

From time to time we may be involved in litigation incidental to the conduct of our business, such as contractual matters and employee-related matters. Currently, we are not a party to any material legal proceeding or litigation, whether current or threatened, nor are any of our officers, directors, affiliates or security holders, a party adverse to us in any legal proceeding or litigation.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

None.

PART II

ITEM 5. MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS.

Our common stock is traded on the OTC Bulletin Board operated by the National Association of Securities Dealers, Inc. under the symbol "VMCS." Our common stock is also listed for trading on the Frankfurt and Munich Stock Exchanges and the XETRA Stock Exchange, each located in Germany.

On June 30, 2010, the closing price of our common stock, as reported by the OTC Bulletin Board, was \$0.05. As of June 30 2010, there were a total of 63,172,845 shares of common stock issued and outstanding. Of these shares, 42,789,842 shares are freely tradable and 20,383,003 shares are restricted securities as defined in Rule 144 of the Securities Act of 1933, as amended. As of 10, we had 56 holders of record of our common stock, including the Deposit Trust Corporation.

The following table sets forth the quarterly high and low bid prices per share for the common stock, as reported by the OTC Bulletin Board for the fiscal years indicated. These quotations reflect inter-dealer prices, without retail mark-up, mark-down or commissions and may not represent actual transactions.

Fiscal Quarter	High Bid	Low Bid
2010		
Fourth Quarter	\$0.05	\$0.02
Third Quarter	\$0.05	\$0.04
Second Quarter	\$0.06	\$0.02
First Quarter	\$0.10	\$0.04
2009		
Fourth Quarter	\$0.13	\$0.02
Third Quarter	\$0.04	\$0.02
Second Quarter	\$0.05	\$0.01
First Quarter	\$0.07	\$0.01

Securities authorized for issuance under equity compensation plans

Our Board of Directors adopted the 2006 Nonqualified Stock Option Plan (Plan) in March, 2006, October Nonqualified Stock Option Plan in October 2006 and March Nonqualified Stock Option Plan in March 2007. The Plan was adopted to attract and maintain employees, officers, directors and advisors whose services are important to the success of our company. The Board of Directors is responsible for the administration of the Plan, the granting of options under the Plan and the establishment of the terms and conditions the options, including the exercise price and vesting schedule of options. Under the Plan, options may be granted by the Board of Directors for five years following the adoption of the Plan. All unexercised options will terminate five years following the date such options were granted. As of June 30, 2010, options to purchase 11,340,000 shares of our common stock were outstanding.

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance (c)
Equity compensation plans ** approved by security holders	10,000,000	\$0.792	0
Equity compensation plans not approved by security holders	1,340,000	\$1.29	0
Total	1,340,000	\$1.29	0

**See Note 10 to the Financial Statements below.

Dividends

We have not declared any cash dividends in the last two fiscal years. We intend to retain future earnings for use in our business and do not anticipate declaring or paying any cash or stock dividends on shares of our common stock in the near future. In addition, any determination to declare and pay dividends will be made by our Board of Directors in light of our earnings, financial position, capital requirements, limitations under the corporate law of the State of Nevada and other factors that our Board of Directors deems relevant.

Transfer Agent

Our transfer agent is Olde Monmouth Stock Transfer Co., Inc., 200 Memorial Parkway, Atlantic Highlands, New Jersey 07716, Tel: (732) 872-2727

Recent Sales of Unregistered Securities

None.

ITEM 6. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

Overview

We refer to the twelve month period ended June 30 2010, as fiscal 2010, and the twelve month period ended June 30, 2009, as fiscal 2009.

At June 30, 2010, the Company had a working capital deficiency of \$2,299,783 as compared to a working capital deficiency of \$1,735,373 for fiscal 2009, and has incurred losses of \$32,098,958 since inception.

We had a loss of \$20,559 for fiscal 2010 as compared to losses of \$248,681 in fiscal 2009. We incurred negligible professional expenses, depreciation and filing fees.

Operating expenses for fiscal 2010 were \$324,069, a major reduction from operating expenses for fiscal 2009 of \$1,065,480.

Marketing Strategy and Recent Developments

During 2010, VisualMED continued to position the Corporation to take full advantage of pending regulation in the United States mandating the use of Healthcare Information Technology that would correspond to a standard of meaningful use, criteria established by the Obama Administration and the Department of Health and Human Services. VisualMED still remains one of the few companies whose technology can help physicians meet the criteria for institutional funding programs.

The entering into effect of the American Recovery and Reinvestment Act's stipulations on Healthcare IT funding has created a renewed industry interest on systems that comply with latest-generation regulatory standards such as VisualMED. Coupled with the passage of the Obama healthcare bill by Congress, the market has opened wide, with very few providers to satisfy the new demand that has been created.

Our sales funnel has grown into a network of small-medium sized private physician-owned clinics throughout the Eastern United States, with whom we have signed 5 active contracts to implement our technology. The company is currently exploring 3rd party financing options to reduce the impact of purchasing the system on our clients' bottom line.

Our VisualONCOLOGY module at the Segal Cancer Center of the Montreal Jewish General Hospital continues to be expanded and now includes almost 1000 registered users.

We continue to work with Integrated Clinical Care Corp. a Nevada Corporation, to whom we have outsourced some of our research and development efforts, and from which 15% of all revenues flow to VisualMED. Integrated Clinical Care Corp. returned to the ASCO (American Society of Clinical Oncology) conference, and the company is currently in negotiation for several software implementations in the United States, backed by the success of the technology at the ASCO annual EHR showcase and subsequent industry validation.

Our technology is running in 7 healthcare facilities and is used daily by more than one thousand clinicians.in providing quality care for patients. Our new stand alone modules are more easily affordable to prospective clients, including small practices, clinics and private specialty facilities whose decision making timeframe is much shorter than regular hospitals: typically months instead of years. Our new modules are much faster to implement and reduce integration time to one of the most efficient in the industry. These systems are fully scalable, helping us to target the small and medium-sized clients that form the bulk of our current and potential market .As a result we have been able to sign agreements with four private facilities in the greater Miami area in Florida.

We have also launched a new module for drug stores allowing pharmacists to centralize reliable patient information to be shared with care givers and service providers. We have licensed additional technologies from Visual Healthcare in order to support our drug initiative.

Management believes that the diversification of activities into markets other than those governed by institutions and governments represents a watershed change in orientation intended to offset the disappointing revenue growth from the hospital sector. We are now offering our tools to a growing segment of the private healthcare sector which views embracing new technology as a necessary tool to compete against the much slower reacting public sector.

SUBSEQUENT EVENTS

Since June 30, 2010, the Company has entered into a number of significant negotiations with new strategic partners. In particular, it has entered into an agreement with Ride Empire Corporation in order to raise up to \$53 million in new capital designed to expand activities and to finance customers. In exchange for this financing, the Company could issue as much as 40% in additional equity.

As a result, the Company has seen fit to undertake significant steps to reduce its outstanding debt load. On October 29, 2010, the Shareholders resolved by a 62.4% vote to increase the authorized shares of the Corporation from 125,000,000 to 350,000,000 shares.

We have since begun striking much of the short-term and long-standing debt from our books, converting long-standing Notes held against us into shares of the Company As of March 1, 2011, 166,605,700 common shares have been issued, the vast majority of which are restricted under rule 144 and cannot be traded.

Critical Accounting Policies

Our discussion and analysis of financial condition and results of operations are based upon the Consolidated Financial Statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of Consolidated Financial Statements require management to make estimates and judgments that affect the reported amounts of assets and liabilities, revenues and expenses and disclosures on the date of the Consolidated Financial Statements. On an on-going basis, we evaluate our estimates, including, but not limited to, those related to revenue recognition.

We use authoritative pronouncements, historical experience and other assumptions as the basis for making judgments. Actual results could differ from those estimates. Critical accounting policies identified are as follows:

Long-Lived Assets

In accordance with SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets", we test long-lived assets or asset groups for recoverability when events or changes in circumstances indicate that their carrying amount may not be recoverable. Circumstances which could trigger a review include, but are not limited to: significant decreases in the market price of the asset; significant adverse changes in the business climate or legal factors; accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of the asset; current period cash flow or operating losses combined with a history of losses or a forecast of continuing losses associated with the use of the asset; and current expectation that the asset will more likely than not be sold or disposed significantly before the end of its estimated useful life.

Recoverability is assessed based on the carrying amount of the asset and its fair value which is generally determined based on the sum of the undiscounted cash flows expected to result from the use and the eventual disposal of the asset, as well as specific appraisal in certain instances. An impairment loss is recognized when the carrying amount is not recoverable and exceeds fair value

Foreign Currency Transactions/Balances

Our functional and reporting currency is the United States dollar. The functional currency of our subsidiary is the Canadian dollar. The Consolidated Financial Statements of the subsidiary are translated to United States dollars in accordance with SFAS No. 52 "Foreign Currency Translation" using period-end rates of exchange for assets and liabilities, and average rates of exchange for the period for revenues and expenses. Translation gains (losses) are recorded in accumulated other comprehensive income (loss) as a component of stockholders' equity. Foreign currency transaction gains and losses are included in current operations.

Revenue Recognition

The Company recognizes revenue related to sales and licensing of medical software in accordance with Statement of Position No. 97-2, "Software Revenue Recognition" ("SOP 97-2"), as amended by Statement of Position No. 98-9, "Software Revenue Recognition with Respect to Certain Arrangements". Pursuant to SOP 97-2 and Staff Accounting Bulletin No. 104 "Revenue Recognition", revenue will only be recognized when the price is fixed or determinable, persuasive evidence of an arrangement exists, the service is performed, and collectibility is reasonably assured. The Company's revenue contracts are accounted for in conformity with Accounting Research Bulletin No. 45 "Long-Term Construction-Type Contracts" ("ARB 45"), using the relevant guidance in SOP 81-1 "Accounting for Performance of Construction-Type and Certain Production-Type Contracts", unless specified criteria for separate accounting for any service element are met. The Company uses the completed contract method to recognize revenues from long-term service contracts. Licensing revenue is recognized if all criteria pursuant to SAB 104 are met. The Company also follows the guidance in Emerging Issues Task Force ("EITF") Issue No. 00-21 "Revenue Arrangements with Multiple Deliverables" relating to the separability of deliverables included in an arrangement into different units of accounting and the allocation of an arrangement's consideration to those units of accounting. It does not address when revenue should be recognized for the units of accounting.

Development Costs

Costs related to the enhancement of existing medical software modules are expensed as incurred until technological feasibility in the form of a working model has been established. The time period between the establishment of technological feasibility and completion of product development is expected to be short, therefore the Company has not capitalized any product development costs during the period.

ITEM 7. CONSOLIDATED FINANCIAL STATEMENTS

VisualMED Clinical Solutions Corp.

FINANCIAL STATEMENTS

unaudited prepared by management

For the period ended June 30 2010

FINANCIAL STATEMENTS

VisualMED Clinical Solutions Corp.

BALANCE SHEET

30-Jun

2010

2009

\$

\$

ASSETS

CURRENT

Cash
Receivables
Other current assets

14,480
132,000
22,400

154,400

11,793
147,500
14,491

173,784

FIXED ASSETS

5,265

5,850

	<u>159,665</u>	<u>179,634</u>
<u>LIABILITIES</u>		
CURRENT		
Accounts payable	1,591,510	1,446,827
Short term loans	318,000	174,242
Other current liabilities	549,938	293,938
	<u>2,459,448</u>	<u>1,915,007</u>
SHAREHOLDERS' EQUITY		
Capital Surplus	30,055,175	30,599,026
Other stockholder equity	-256,000	-256,000
Retained earnings (Deficit)	-32,098,958	-32,078,399
	<u>-2,299,783</u>	<u>-1,735,373</u>
	<u>159,665</u>	<u>179,634</u>

VisualMED Clinical Solutions Corp.
INCOME AND EXPENSES
YEAR ENDED JUNE 30, 2010

	<u>\$</u>	<u>\$</u>
REVENUE	<u>389,000</u>	<u>1,161,090</u>
OPERATING EXPENSES		
Cost of revenue	85,00	N/A
Research & Development	30,000	11,000
Selling, general and administrative	190,607	1,032,193
Other	18,462	22,287
	<u>324,069</u>	<u>1,065,480</u>
NET INCOME (LOSS) BEFORE INTEREST AND OTHER	<u>64,931</u>	<u>95,610</u>
INTEREST AND OTHER		
Financial expenses	0	769
Other income and expenses	85,490	153,840
	<u>85,490</u>	<u>154,609</u>
NET INCOME (LOSS) FOR YEAR	<u><u>-20,559</u></u>	<u><u>-248,681</u></u>

VisualMED Clinical Solutions Corp.

RETAINED EARNINGS (DEFICIT)
YEAR ENDED JUNE 30, 2010

	<u>\$</u>	<u>\$</u>
<i>Adjusted balance, at beginning</i>	-32,078,399	-31,829,718
<i>Net income (loss)</i>	<u>-20,559</u>	<u>-248,681</u>
<i>Balance, at end</i>	<u><u>-32,098,958</u></u>	<u><u>-32,078,399</u></u>

VisualMED Clinical Solutions Corp.
CASH FLOWS
YEAR ENDED JUNE 30, 2010

	<u>\$</u>	<u>\$</u>
Net income (loss) for year	<u>-20,559</u>	<u>-248,681</u>
Cash flows provided by (or used in) operating activities		
Depreciation	-22,287	22,287
Adjustments to net income	0	0
Changes in current assets	2,687	-55,738
Changes in current liabilities	<u>0</u>	<u>-156,361</u>
Total cash flows from (or used in) operating activities	<u>-19,600</u>	<u>-189,812</u>
Cash flows provided by (or used in) investing activities		
Capital expenditures	N/A	-4,800
Other cash flows from investing activities	N/A	0
Total cash flows from (or used in) investing activities	<u>0</u>	<u>-4,800</u>
Cash flows provided by (or used in) financing activities		
Net borrowings	N/A	0
Other cash flows from financing activities	<u>0</u>	<u>0</u>
Total cash flows from (or used in) financing activities	<u>0</u>	<u>0</u>
Effect of exchange rate changes	<u>0</u>	<u>0</u>

Change in cash and cash equivalents

-40,159

-194,612

Notes to Financial Statements 2010

1. Emerging Growth Company

The Company was incorporated in the State of Nevada on September 7, 1999. The Company changed its name to VisualMED Clinical Solutions Corp. on November 30, 2004. The Company's main shareholder is Visual Healthcare Corporation, which is a Nevada corporation, based in Montreal, Canada.

The Company's business plan involves the distribution of medical software. The Company is primarily involved in activities related to the distribution of medical software through associated companies to which it has granted operating and distribution licenses. At June 30, 2010, the Company had a working capital deficiency of \$2,299,783 and has incurred losses of \$32,098,958 since inception. The Company has emerged from the development stage and is dependent upon the successful efforts of the commercial companies to which it has granted operational licenses. Although there is no guarantee that these companies will be able to successfully market our systems, there is nonetheless a reasonable expectation of revenues from their operations. It should be noted that the Company has completed its core development work, and has sufficiently reduced its operating expenses, and no longer relies on equity financing to continue its operations.

2. Summary of Significant Accounting Principles

a) Basis of Presentation and Fiscal Year

These are the year end financial statements prepared for fiscal year 2010 that closed on June 30th 2010.

b) Use of Estimates

The Company regularly evaluates estimates and assumptions related to useful life and recoverability of long-lived assets, allowances for doubtful accounts, sales returns and allowances, inventory reserves, stock-based compensation expense, warranty liabilities and deferred income tax asset valuations. The Company bases its estimates and assumptions on current facts, historical experience and various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources

c) Cash and Cash Equivalents

The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance to be cash equivalents.

3. Summary of Significant Accounting Policies (continued)

a) Allowance for Doubtful Accounts

The Company evaluates the collectability of accounts receivable based on a combination of factors. In cases where the Company is aware of circumstances that may impair a specific customer's ability to meet its financial obligations subsequent to the original sale, the Company will record an allowance against amounts due, and thereby reduce the net recognized receivable to the amount the Company reasonably believes will be collected. The allowance for doubtful accounts as of June 30, 2010 was \$0.

b) Property and Equipment- fixed assets

Property and equipment is stated at cost, less accumulated amortization, and consists of office furniture, computer hardware and software, leasehold improvements and assets under capital lease. Amortization of office furniture is computed using the straight-line method over five years. Amortization of computer hardware and software is computed using the straight-line method over three years. Amortization of leasehold improvements is computed using the straight-line method over five years. Amortization of assets under capital lease is computed using the straight-line method over the term of the lease.

c) Long-Lived Assets

In accordance with SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets", the Company tests long-lived assets or asset groups for recoverability when events or changes in circumstances indicate that their carrying amount may not be recoverable. Circumstances which could trigger a review include, but are not limited to: significant decreases in the market price of the asset; significant adverse changes in the business climate or legal factors; accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of the asset; current period cash flow or operating losses combined with a history of losses or a forecast of continuing losses associated with the use of the asset; and current expectation that the asset will more likely than not be sold or disposed significantly before the end of its estimated useful life.

d) Foreign Currency Transactions and Translation of Foreign Subsidiaries

The Company's functional and reporting currency is the United States dollar.

e) Development Costs

Costs related to the enhancement of internally developed or purchased medical software modules are charged to operations as incurred until technological feasibility in the form of a working model has been established. The time period between the establishment of technological feasibility and completion of product development is expected to be short; therefore the Company has not capitalized any product development costs during the period.

f) Basic and Diluted Net Income (Loss) Per Share

The Company computes net income (loss) per share in accordance with SFAS No. 128, "Earnings per Share" which requires presentation of both basic and diluted earnings per share (EPS) on the face of the income statement. Basic EPS is computed by dividing net income (loss) available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period.

Diluted EPS gives effect to all dilutive potential common shares outstanding during the period including stock options, using the treasury stock method, and convertible preferred stock, using the if-converted method. In computing diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. Diluted EPS and the weighted average number of common shares exclude all dilutive potential shares since their effect is anti-dilutive.

g) Financial Instruments

The carrying value of cash, accounts receivable, advances to related parties, other assets, accounts payable, accrued liabilities, advances from related parties and capital lease obligation approximate fair value due to the relatively short maturity of these instruments. Financial instruments which potentially subject the Company to a concentration of credit risk consist primarily of cash and accounts receivable. The Company deposits cash with a high quality financial institution.

h) Inventory

The value of inventories as of June 30th 2010 was \$3,850. Inventory is stated at the lower of cost or net realizable value.

i) Revenue Recognition

The Company recognizes revenue related to sales and licensing of medical software in accordance with Statement of Position No. 97-2, "Software Revenue Recognition" ("SOP 97-2"), as amended by Statement of Position No. 98-9, "Software Revenue Recognition with Respect to Certain Arrangements". Pursuant to SOP 97-2 and Staff Accounting Bulletin No. 104 "Revenue Recognition", revenue will only be recognized when the price is fixed or determinable, persuasive evidence of an arrangement exists, the service is performed, and collectability is reasonably assured. The Company's revenue contracts are accounted for in conformity with Accounting Research Bulletin No. 45 "Long-Term Construction-Type Contracts" ("ARB 45"), using the relevant guidance in SOP 81-1 "Accounting for Performance of Construction-Type and Certain Production-Type Contracts", unless specified criteria for separate accounting for any service element are met. The Company uses the completed contract method to recognize revenues from long-term service contracts. Licensing revenue is recognized if all revenue recognition criteria pursuant to SAB 104 are met. The Company also follows the guidance in Emerging Issues Task Force ("EITF") Issue No. 00-21 "Revenue Arrangements with Multiple Deliverables" relating to the reparability of deliverables included in an arrangement into different units of accounting and the allocation of an arrangement's consideration to those units of accounting. It does not address when revenue should be recognized for the units of accounting.

j) Comprehensive Loss

SFAS No. 130, "Reporting Comprehensive Income," establishes standards for the reporting and display of comprehensive loss and its components in the financial statements. For the years ended June 30, 2009 and 2008, the Company's only component of comprehensive loss was foreign currency translation adjustments.

k) Reclassifications

No reclassifications have been made to the prior period's financial statements.

l) Income Taxes

Potential benefits of income tax losses are not recognized in the accounts until realization is more likely than not. The Company has adopted SFAS No. 109 "Accounting for Income Taxes" as of its inception. Pursuant to SFAS No. 109 the Company is required to compute tax asset benefits for net operating losses carried forward. The potential benefit of net operating losses have not been recognized in these financial statements because the Company cannot be assured it is more likely than not it will utilize the net operating losses carried forward in future years.

m) Advertising Costs

Advertising costs are charged to operations as incurred.

n) Warranty Expense

Some of the Company's software or hardware products carry a warranty for the duration of the license term. The Company's liability is limited to the repair or replacement of the defective product and the refund of amounts paid for defective products. The Company establishes reserves for estimated product warranty costs at the time revenue is recognized based upon its historical experience and additionally for any known product warranty issues. At June 30, 2009, management has deemed that no reserve should be accrued. As of June 30, 2009, the Company has not experienced a significant amount of warranty expense.

o) Stock-based Compensation

Prior to January 1, 2006, the Company accounted for stock-based awards under the recognition and measurement provisions of Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees" using the intrinsic value method of accounting. Effective January 1, 2006, the Company adopted the fair value recognition provisions of SFAS No. 123R "Share Based Payments", using the modified retrospective transition method. The Company had not issued any stock options and had no unvested share based payments prior to January 1, 2006. Accordingly, there was no effect on the Company's reported loss from operations, cash flows or loss per share as a result of adopting SFAS No 123R.

p) Recently Issued Accounting Pronouncements

In February 2007, the Financial Accounting Standards Board ("FASB") issued SFAS No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities – Including an Amendment of FASB Statement No. 115". This statement permits entities to choose to measure many financial instruments and certain other items at fair value. Most of the provisions of SFAS No. 159 apply only to entities that elect the fair value option. However, the amendment to SFAS No. 115 "Accounting for Certain Investments in Debt and Equity Securities" applies to all entities with available-for-sale and trading securities. SFAS No. 159 is effective as of the beginning of an entity's first fiscal year that begins after November 15, 2007. Early adoption is permitted as of the beginning of a fiscal year that begins on or before November 15, 2007, provided the entity also elects to apply the provision of SFAS No. 157, "Fair Value Measurements". The adoption of this statement is not expected to have a material effect on the Company's financial statements.

In September 2006, the FASB issued SFAS No. 157, "Fair Value Measurements". The objective of SFAS No. 157 is to increase consistency and comparability in fair value measurements and to expand disclosures

about fair value measurements. SFAS No. 157 defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosures about fair value measurements. SFAS No. 157 applies under other accounting pronouncements that require or permit fair value measurements and does not require any new fair value measurements. The provisions of SFAS No. 157 are effective for fair value measurements made in fiscal years beginning after November 15, 2007. The adoption of this statement is not expected to have a material effect on the Company's financial statements.

In June 2006, the FASB issued FASB Interpretation No. 48, "Accounting for Uncertainty in Income Taxes, an interpretation of FASB Statements No. 109" ("FIN 48"). FIN 48 clarifies the accounting for uncertainty in income taxes by prescribing a two-step method of first evaluating whether a tax position has met a more likely than not recognition threshold and second, measuring that tax position to determine the amount of benefit to be recognized in the financial statements. FIN 48 provides guidance on the presentation of such positions within a classified statement of financial position as well as on the recognition, interest and penalties, accounting in interim periods, disclosure, and transition. FIN 48 is effective for fiscal years beginning after December 15, 2006. The adoption of this statement is not expected to have a material effect on the Company's financial statements.

q) Recently Adopted Accounting Pronouncements

In September 2006, the SEC issued Staff Accounting Bulletin ("SAB") No. 108, "Considering the Effects of Prior Year Misstatements when Quantifying Misstatements in Current Year Financial Statements." SAB No. 108 addresses how the effects of prior year uncorrected misstatements should be considered when quantifying misstatements in current year financial statements. SAB No. 108 requires companies to quantify misstatements using a balance sheet and income statement approach and to evaluate whether either approach results in quantifying an error that is material in light of relevant quantitative and qualitative factors. SAB No. 108 is effective for fiscal years ending after November 15, 2006. The adoption of SAB No. 108 in fiscal 2007 did not have a material effect on the Company's financial statements.

In September 2006, the FASB issued SFAS No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans – an amendment of FASB Statements No. 87, 88, 106, and 132(R)". This statement requires employers to recognize the overfunded or underfunded status of a defined benefit postretirement plan (other than a multiemployer plan) as an asset or liability in its statement of financial position and to recognize changes in that funded status in the year in which the changes occur through comprehensive income of a business entity or changes in unrestricted net assets of a not-for-profit organization. This statement also requires an employer to measure the funded status of a plan as of the date of its year-end statement of financial position, with limited exceptions. The provisions of SFAS No. 158 are effective for employers with publicly traded equity securities as of the end of the fiscal year ending after December 15, 2006. The adoption of this statement in fiscal 2007 did not have a material effect on the Company's financial statements.

In March 2006, the FASB issued SFAS No. 156, "Accounting for Servicing of Financial Assets, an amendment of FASB Statement No. 140, Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities". This statement requires all separately recognized servicing assets and servicing liabilities be initially measured at fair value, if practicable, and permits for subsequent measurement using either fair value measurement with changes in fair value reflected in earnings or the amortization and impairment requirements of Statement No. 140. The subsequent measurement of separately recognized servicing assets and servicing liabilities at fair value eliminates the necessity for entities that manage the risks inherent in servicing assets and servicing liabilities with derivatives to qualify for hedge accounting treatment and eliminates the characterization of declines in fair value as impairments

or direct write-downs. SFAS No. 156 is effective for an entity's first fiscal year beginning after September 15, 2006. The early adoption of this statement in fiscal 2007 did not have a material effect on the Company's financial statements.

In February 2006, the FASB issued SFAS No. 155, "Accounting for Certain Hybrid Financial Instruments-an amendment of FASB Statements No. 133 and 140", to simplify and make more consistent the accounting for certain financial instruments. SFAS No. 155 amends SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities"; to permit fair value re-measurement for any hybrid financial instrument with an embedded derivative that otherwise would require bifurcation, provided that the whole instrument is accounted for on a fair value basis. SFAS No. 155 amends SFAS No. 140, "Accounting for the Impairment or Disposal of Long-Lived Assets", to allow a qualifying special-purpose entity to hold a derivative financial instrument that pertains to a beneficial interest other than another derivative financial instrument. SFAS No. 155 applies to all financial instruments acquired or issued after the beginning of an entity's first fiscal year that begins after September 15, 2006, with earlier application allowed. The early adoption of this statement in fiscal 2007 did not have a material effect on the Company's financial statements.

4. Advances to Related Parties

	June 30 2009	June 30 2010
Advances to employees	\$ 30,000	\$ 0

Advances to employees represent amounts advanced towards travel expenses to be incurred and are non-interest bearing and unsecured.

5. Property and Equipment

	Cost	Accumulated Amortization	June 30, 2009 Net carrying value	June 30, 2010 Net carrying value
Computer hardware	-	\$ 66,846	\$0	\$ 0
Computer software	-	\$ 29,425	\$0	\$ 0
Office furniture	-	\$ 13,155	\$0	\$ 0
Leasehold improvements	-	\$ 10,130	\$0	\$ 0
		\$119,556	\$0	\$ 0

6. Accrued Liabilities

	June 30 2008	June 30 2009	June 30 2010
Salaries, wages and vacation pay	\$100,000	\$ 256,000	\$ 256,000
Professional fees	\$15,000	-	\$4,000
Other	-	-	\$4,300
	\$115,000	\$256,000	\$264,300

7. Advances from Related Parties

	June 30 2009	June 30 2010
Advances from an officer	\$159,941	\$0

8. Preferred Stock

On January 12, 2006, the Company amended its Articles of Incorporation to increase the authorized share capital to 125,000,000 shares consisting of 100,000,000 shares of common stock, and share capital to 125,000,000 shares consisting of 100,000,000 shares of common stock, and 25,000,000 shares of preferred stock, of which 15,000,000 have been designated as Series A 10% Cumulative Preferred Stock.

The Series A 10% Cumulative Preferred Stock has a par value of \$0.00001 per share, a stated value of \$1.00 per share and are non-voting. The holders of the Series A Preferred Stock will be entitled to receive an annual dividend equal to 10% per annum of the stated value of \$1.00 per share payable, at the option of the Board of Directors, in either cash or in shares of Series A Preferred Stock.

9. Common Stock

For the year ended June 30, 2010:

The Company did not issue any stock.

For the Year Ended June 30, 2009:

- a) In January and February 2009, the Company issued an aggregate amount of 3,450,000 shares of common stock valued at \$0.19 per share to settle outstanding debt.

For the Year Ended June 30, 2008:

- b) In April 2008, the Company issued 2,300,000 shares of common stock upon the exercise of 2,300,000 stock options at an exercise price of \$0.00001 per share.
- c) In December 2007, the Company issued 174,500 shares of common stock upon the exercise of 174,500 stock options at an exercise price of \$0.00001 per share.
- d) In November 2007, the Company issued 2,945,000 shares of common stock valued at \$0.55 per share to meet its obligations.
- e) In October 2007, the Company issued 1,995,000 shares of common stock valued at \$0.55 per share to meet its obligations.
- f) In September 2007, the Company issued 135,000 shares of common stock upon the exercise of 135,000 stock options at an exercise price of \$0.00001 per share.
- g) In August 2007, the Company issued 2,355,000 shares of common stock upon the exercise of 2,355,000 stock options at an exercise price of \$0.00001 per share.

10.

On March 30, 2007, the Company issued 10,000,000 warrants to acquire 10,000,000 shares of common stock at an exercise price of \$0.01 per share for a period of five years. If the Company issues warrants during the five years after March 30, 2007 the Company must issue additional warrants so that the percentage of warrants held remain constant. Refer to Note 12. During the year ended June 30, 2007, the Company recognized the fair value of the warrants of \$7,920,730 as a charge to operations as acquired in-process research and development costs. There were no other warrants issued in 2009.

The following table summarizes the continuity of the Company's warrants:

	Number of Warrants	Weighted average exercise price
Balance, June 30, 2008	10,000,000	\$0.01
Issued	0	\$0
Expired	0	\$0
Outstanding, June 30, 2008	10,000,000	\$0.01

At June 30, 2009, the following share purchase warrants were outstanding:

Number of Warrants	Exercise Price	Expiry Date
10,000,000	\$0.01	March 30, 2012

10. Stock Options

Effective October 4, 2006, the Company filed a Form S-8 Registration Statement in connection with its October 2006 Non-Qualified Stock Option Plan (the “October 2006 Plan”) allowing for the direct award of stock or granting of stock options to directors, officers, employees and consultants to acquire up to a total of 2,000,000 shares of common stock. At June 30, 2008, the Company had 44,500 shares of common stock unissued pursuant to the plan.

Effective March 22, 2007, the Company filed a Form S-8 Registration Statement in connection with its March 2007 Non-Qualified Stock Option Plan (the “March 2007 Plan”) allowing for the direct award of stock or granting of stock options to directors, officers, employees and consultants to acquire up to a total of 2,000,000 shares of common stock. At June 30, 2007, the Company had no shares of common stock unissued pursuant to the plan.

Effective July 24, 2007, the Company filed a Form S-8 Registration Statement in connection with its July 2007 Non-Qualified Stock Option Plan (the “July 2007 Plan”) allowing for the direct award of stock or granting of stock options to directors, officers, employees and consultants to acquire up to a total of 6,500,000 shares of common stock (Note 17(b)).

The weighted average grant date fair value of stock options granted during the years ended June 30, 2007 and 2006 was \$1.14 and \$1.76, respectively. During the year ended June 30, 2007, the Company charged stock-based compensation relating to the granting of options of \$4,466,570 to operations and recorded \$87,960 of prepaid rent. During the year ended June 30, 2006, the Company charged to operations stock-based compensation relating to the granting of options of \$4,655,200.

During the year ended June 30, 2010, Company did not grant any stock options to purchase shares of common stock.

No vested Shares	Number of Shares	Weighted Average Grant Date Fair Value
No vested at July 1, 2009	–	–
Granted	3,955,500	\$ 0.20
Vested	(3,955,500)	\$ 0.20
Non vested at June 30, 2010	–	–

11. Commitments

The Company has no material commitments at June 30, 2010.

12. Income Taxes

The Company accounts for income taxes under SFAS No. 109, "Accounting for Income Taxes." Deferred income tax assets and liabilities are determined based upon differences between financial reporting and tax bases of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. Income tax expense differs from the amount that would result from applying the U.S federal and state income tax rates to earnings before income taxes. The Company has a net operating loss carry forward of \$31,829,718 available to offset taxable income in future years which expires beginning in fiscal 2012. Pursuant to SFAS 109, the potential benefit of the net operating loss carry forward has not been recognized in the financial statements since the Company cannot be assured that it is more likely than not that such benefit will be realized in future years.

The Company is subject to United States federal and state income taxes at an approximate rate of 35% and Canadian Federal income tax of 37.62% .

**CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND
ITEM 8. FINANCIAL DISCLOSURE.**

None.

ITEM 8A. CONTROLS AND PROCEDURES.

As of the end of the period covered by this report, under the supervision and with the participation of our management, including Gerard Dab, our Chief Executive Officer, we have evaluated the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) of the Securities and Exchange Act of 1934 (Exchange Act)). Based on that evaluation, our Chief Executive Officer and our Chief Financial Officer have concluded that these disclosure controls and procedures are effective to ensure that information required to be disclosed in our annual reports filed under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in Securities Exchange Commission rules and forms. There were no changes in our internal control over financial reporting during the fiscal year ended June 30 2010 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Our officers believe that our disclosure controls and procedures are effective to ensure that information required to be disclosed in the reports that VisualMED files or submits under the Exchange Act is accumulated and communicated to management in order to allow timely decisions regarding required disclosure. All issues regarding disclosures and procedures are discussed in a timely fashion, including all financial and other key operational information. Current disclosure controls and procedures are governed by the Board of Directors, and any changes to such controls and procedures must be made with the Board's approval.

ITEM 8B. OTHER INFORMATION.

None.

**ITEM 9. DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CONTROL
PERSONS; COMPLIANCE WITH SECTION 16(A) OF THE EXCHANGE ACT.**

The following table sets forth the names, ages and titles of our executive officers and members of our board of directors as of June 30, 2010:

Name	Age	Position Held
Gerard Dab	62	Chief Executive Officer, Secretary and Director
Michel Maksud	52	Vice President of Technology
Louis J. Lombardo	66	Director

Gerard Dab has been our Chairman and Chief Executive Officer and a director of our company since October 2004. Mr. Dab holds an Honors BA and an MA from McGill University. After an academic career and serving as an executive with advertising company Foote, Cone & Belding of Chicago, he served as president of Productions Publi-Cité Inc. of Montreal, a film and television finance company, from November 1982 to June 1992. From June 1992 to April 1998, Mr. Dab was executive producer of "Finance," a weekly television program on Canada's TVA network of VHCC. From July 1998 to September 2004, Mr. Dab was President and Secretary, and since November 1999, he has been Chairman of the Board, Chief Executive Officer and a director of VHCC.

Michel Maksud has served as our Vice President of Technology since October 2004. Since July 2000, Mr. Maksud has been Chief Software Architect of Medicoool Health Systems Inc. conducting research and development in the field of healthcare information technology. From December 1990 to July 2000, Mr. Maksud was the Vice President of Research and Development and Chief Software Architect of Purkinje, a healthcare information technology company located in Montreal, Quebec.

Louis J. Lombardo has been a director of our company since October 2004. Mr. Lombardo served as Executive Vice President, Client Service Delivery, for American Express Travel Related Services Company of New York, New York, a financial and travel service company, from 1985 to 1998. Since 1998, he has served as President of Lombardo Consulting, L.P., a privately held management and operational consulting firm. Mr. Lombardo holds a B.S. from City College, New York, New York, and a M.B.A. from New York University. Mr. Lombardo was a director of VHCC from 2000 to 2003.

All directors of the company serve one year terms and hold office until the next annual meeting of stockholders and until their respective successors are duly elected and qualified.

Committees and Meetings

During fiscal 2010, our Board of Directors held four meetings. We presently do not have a nominating committee. However, our Board of Directors is considering establishing this committee during the current fiscal year. Currently, our Board of Directors makes the decisions regarding director nominations.

Disclosure Committee

Our disclosure committee consists of Gerard Dab and Lou Lombardo. The disclosure committee was established to ensure that all material information about our company and our business is properly disclosed in a timely manner. We have adopted a Disclosure Committee Charter, which is an exhibit to this annual report. The committee has hired Michel Dab as an independent consultant.

Code of Ethics

We have adopted a Code of Ethics for our executive officers, which is filed as an exhibit to this Annual Report. Any person may obtain a copy of our Code of Ethics, without charge, by writing to our corporate offices Attn: Secretary.

Compliance with Section 16(a) of the Exchange Act

Section 16(a) of the Exchange Act requires our directors and executive officers and persons who own more than 10% of a registered class of our equity securities (collectively, Reporting Persons) to file reports of ownership and changes in ownership of our securities with the SEC. Reporting Persons are required by the SEC to furnish us with copies of all Section 16(a) forms they file.

Based solely on our review of the copies of such forms received or written representations from the Reporting Persons, we believe that, with respect to the fiscal year ended June 30, 2009, all the Reporting Persons complied with all applicable filing requirements.

ITEM 10. EXECUTIVE COMPENSATION

The following table sets forth information with respect to compensation paid by us to our officers and directors during the two most recent fiscal years.

Summary Compensation Table

(a) Name and Principal Position	Annual Compensation		Awards			Payouts		
	(b) Year	(c) Salary (\$)	(d) Bonus (\$)	(e) Other Annual Compen- sation (\$)	(f) Restricted Stock Award(s) (\$)	(g) Securities Underlying Options / SARs (#)	(h) LTIP Payouts (\$)	(i) All Other Compen- sation (\$)
Gerard Dab CEO, Secretary & Director	2009	\$0	—	—	—	—	—	—
	2010	\$0	—	—	—	—	—	—
Michel Maksud Vice-President Technology	2009	\$0	—	—	—	—	—	—
	2010	\$0	—	—	—	—	—	—
Louis J. Lombardo Director	2009	—	—	—	—	—	—	—
	2010	—	—	—	—	—	—	—

Employment Agreements

Gerard Dab

We have an employment agreement with Gerard Dab dated as of October 25, 2004, pursuant to which Mr. Dab serves as our Chief Executive Officer. The agreement terminates on October 25, 2009, unless earlier terminated pursuant to the terms of the agreement. The agreement provides for a base salary of not less than CDN\$187,500 for each year of the employment term. In addition, under the agreement, Mr. Dab is entitled to (1) receive an annual cash bonus, as determined by our board of directors, of up to 25% of his base salary per year, based on our company attaining certain performance goals, (2) receive a bonus of CDN\$50,000 upon our company reaching an aggregate of \$10 million in sales and (3) participate in any employee benefit plans, such as health insurance, life insurance and reimbursement for business related expenses, we offer to other employees of our company. The agreement provides that Mr. Dab's employment may be terminated at the election of the board of directors upon his disability or for serious reason (as defined in the agreement).

We do not have any long-term incentive plans that provide compensation intended to serve as incentive for performance to occur over a period longer than one fiscal year, whether such performance is measured by reference to our financial performance, our stock price, or any other measure.

Compensation of Directors

We do intend to pay our directors for their work as board members with a yearly honorarium not to exceed \$25,000. None was paid out this year. We do intend to grant our directors options for serving on our board of directors. For fiscal 2010, we have not determined the compensation that we may grant our directors.

Indemnification

Under our articles of incorporation and bylaws, we may indemnify an officer or director who is made a party to any proceeding, including a law suit, because of his position, if he acted in good faith and in a manner he reasonably believed to be in our best interest. We may advance expenses incurred in defending a proceeding. To the extent that the officer or director is successful on the merits in a proceeding as to which he is to be indemnified, we must indemnify him against all expenses incurred, including attorney's fees. With respect to a derivative action, indemnity may be made only for expenses actually and reasonably

incurred in defending the proceeding, and if the officer or director is judged liable, only by a court order. The indemnification is intended to be to the fullest extent permitted by the laws of the State of Nevada.

Regarding indemnification for liabilities arising under the Securities Act of 1933, which may be permitted to directors or officers under Nevada law, we are informed that, in the opinion of the SEC, indemnification is against public policy, as expressed in the Act and is, therefore, unenforceable.

Officers and directors are covered under the company's officers and directors insurance policies.

ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

As of 10, the only person that owns in excess of 5% of the common stock of the company is Visual Healthcare Corp, which controls 14,451,259 shares of the company. No Directors or Officers have any shares in the company. Michel Maksud has options as listed above to purchase 310,000 shares of common stock.

ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS.

One of our directors, Louis J. Lombardo, is a member of Rutherford Marketing LLC. Under a marketing agreement between the Company and Rutherford, Rutherford earns commissions on the sale of the VisualMED products. Rutherford did not earn any commissions from the Company during fiscal 2010.

ITEM 13. EXHIBITS.

Exhibit	Description
3.1	Articles of Incorporation (incorporated by reference to Exhibit 3.1 to the Company's Registration Statement on Form SB-2 (Registration No. 333-94835) filed with the SEC on January 18, 2001).
3.2	Amendment to the Articles of Incorporation (incorporated by reference to Exhibit 3.2 to the Company's Quarterly Report on Form 10-QSB filed with the SEC on February 22, 2005).
3.3	By-Laws (incorporated by reference to Exhibit 3.2 to the Company's Registration Statement on Form SB-2 (Registration No. 333-94835) filed with the SEC on January 18, 2001).
10.9	Employment Agreement, dated as of October 25, 2004, by and between Gerard Dab and the Company (incorporated by reference to the Company's Annual Report on Form 10-KSB for the fiscal year ended June 30, 2005, filed with the SEC on September 29, 2005).*
14.1	Code of Ethics (incorporated by reference to Exhibit 14.1 to the Company's Annual Report of Form 10-KSB

filed with the SEC on September 5, 2003).

99.1 Audit Committee Charter (incorporated by reference to Exhibit 99.1 to the Company's Annual Report of Form 10-KSB filed with the SEC on September 5, 2003).

99.2 Disclosure Committee Charter (incorporated by reference to Exhibit 99.2 to the Company's Annual Report of Form 10-KSB filed with the SEC on September 5, 2003).

SIGNATURE

The Company has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on this 18th day of February, 2011.

**VISUALMED CLINICAL
SOLUTIONS CORP.**

/s/ Gerard

By: *Dab*

Gerard Dab
Principal Executive Officer,
Secretary and
a member of the Board of
Directors