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DORE GROUP (AUSTRALASIA) LIMITED
(IN CREDITORS' VOLUNTARY LIQUIDATION)
A.C.N.: 098 975 243

ABRIDGED REPORT TO CREDITORS

1 JULY 2008

1. INTRODUCTION

I confirm that on 15 May 2008, I was appointed Administrator of the company in terms of Part 5.3A of the Corporations Act. The appointment was made by the company pursuant to a resolution passed at a meeting of the directors. Further, at a meeting of creditors held on 17 June 2008 pursuant to Section 439A of the Corporations Act, creditors resolved that the company be wound up and I was appointed Liquidator.

2. HISTORY OF THE COMPANY

On 16 May 2008, most staff of the company, which operated as a provider of therapies and treatments for people with learning difficulties, were stood down.

On 23 May 2008 I terminated the contracts of employment of all except five employees. On 30 May 2008 their contracts of employment were terminated. The company ceased trading on that day.

3. HISTORICAL TRADING RESULTS

The company's historical trading results may be summarised as follows:

	<u>Period from</u> <u>1 July 2007 to</u> <u>30 April 2008</u>	<u>Year</u> <u>ended</u> <u>30 June 2007</u>	<u>Year</u> <u>ended</u> <u>30 June 2006</u>
	<u>\$</u>	<u>\$</u>	<u>\$</u>
Revenue	11,016,599	16,915,332	8,862,016
Overheads	13,265,783	18,898,303	10,759,532
Operating loss	<u>\$(2,249,184)</u>	<u>\$(1,982,971)</u>	<u>\$(1,897,516)</u>

4. FINANCIAL POSITION OF THE COMPANY AS AT 15 MAY 2008

The financial position of the company as at 15 May 2008 may be summarised as follows:

	<u>Book values</u> <u>as at 30</u> <u>April 2008</u> \$	<u>Administrator's</u> <u>estimated</u> <u>values</u> \$
<u>Assets</u>		
Capitalised expenses	60,578	0
Cash at bank	150,222	30,000
Investment in New Zealand	91	Withheld
Loans	0	0
Other	16,756	0
Petty cash	6,342	246
Plant & equipment	1,390,597	Withheld
Prepayments	18,908	0
Stock	88,461	Withheld
Term deposits, security deposits & bonds	262,779	0
Trade debts	<u>402,725</u>	<u>173,093</u>
Funds est. avail. before insolv. admin. costs	2,397,459	203,339
Less: preferred unsecured creditors		
Employees' entitlements	<u>574,005</u>	<u>943,330</u>
<u>Funds available/(deficiency) to ord. unsec.</u> <u>cred. before insolv. admin. costs</u>	<u>1,823,454</u>	<u>(739,991)</u>
Less: ordinary unsecured creditors	<u>11,646,310</u>	<u>11,576,367</u>
Deficiency in assets to meet liabilities before insolv. admin. costs	<u>(\$9,822,856)</u>	<u>(\$12,316,358)</u>

5. ESTIMATED DIVIDEND TO ORDINARY UNSECURED CREDITORS

Owing to the quantum of preferred unsecured creditors, a dividend will not be paid to ordinary unsecured creditors, including prepaid clients. Accordingly, ordinary unsecured creditors should regard their claim against the company as valueless.

If you have any questions concerning my report, please telephone Mr Blake Baxter, of my office.

G G WOODGATE
LIQUIDATOR
Encls