

APPENDIX 4D

Half year report for the six months to 31 December 2008

Name of entity	ABN reference
VICULUS LIMITED	28 074 976 828

1. Results for announcement to the market

(All comparisons to half-year ended 31 December 2007)

Key Information	Current Period	Corresponding Period	Movement / Change	Amount of Change
	2008	2007	%	\$
Revenues from ordinary activities	1,147,421	3,620,854	-68%	(2,473,433)
(Loss) from ordinary activities after tax attributable to members	(1,865,256)	(5,277,290)	65%	3,412,034
Net (loss) for the period attributable to members	(1,865,256)	(5,277,290)	65%	3,412,034

It is not proposed to pay a dividend for the half year

2. Commentary on Financial results

Please refer to the attached half-year financial report.

3. NTA backing

	Current Period	Corresponding Period
	2008	2007
Net tangible asset backing per fully diluted security (Cents)	(72)	(62)

4. Half Year report - financial details

Additional Appendix 4D disclosure requirements can be found in the half-year financial attached. This report is based upon the consolidated half-year financial report which has been subject to a review by TWB Chartered Accountants.



Alan Ross Mathieson, Director

Viculus limited

Date: 01 August 2011

VICULUS LIMITED

Half-year Financial Report

For the Six Months Ended 31 December 2008

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DIRECTORS' REPORT

The directors present their report on Viculus Limited ("the Company") for the half year ended 31 December 2008. The Company has no subsidiaries or controlled entities.

Directors

The names of directors in office at any time during or since the end of the year are:

- David Kane (removed by resolution passed in general meeting on 30 August 2010)
- Carlo Colosimo (removed by resolution passed in general meeting on 30 August 2010)
- Peter Caluzzi (removed by resolution passed in general meeting on 30 August 2010)
- Robert Kipp (appointed on 1 December 2009, resigned 4 June 2010)
- Matthew Driscoll (appointed on 1 December 2009, resigned 4 June 2010)
- Jonathan McTigue (appointed on 1 December 2009, resigned 4 June 2010)
- Shane Douglas Dawes (appointed on 2 August 2010, resigned on 18 July 2011)
- **Ian Gordon Mathieson (appointed on 25 June 2010)**
- **Alan Ross Mathieson (appointed on 25 June 2010)**
- **John Harold Darling (appointed 10 May 2011)**

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Company Secretary

The following person held the position of company secretary at the end of the financial year: Mr David Kane.

Principal activity

The Company did not engage in any commercial enterprise during the accounting period. Prior to 21 January 2009 the Company's principal activity was the ownership, management and development of retirement villages and Aged Care facilities in Australia.

This previous activity ceased on 21 January 2009 when the Company's leading financier appointed receivers to the Company's subsidiaries.

Subsequently, on 23 March 2009 the Company entered into voluntary administration.

Since that date the focus of directors has been on implementing a deed of company arrangement by which to remove the Company's large debt burden and to reposition the Company to purchase a new business and raise fresh capital.

A significant focus of the directors has also been updating the statutory reporting obligations of the Company.

Dividends

No dividends have been paid or declared, and no dividends have been recommended by the Directors.

Operating results and review of operations

DECEMBER 2008 - Viculus Limited - Directors' Report (continued)

The consolidated loss of the economic entity after providing for income tax amounted to \$1,865,256 (2007: Loss after tax of \$5,277,290).

Significant Changes in State of Affairs

The following significant changes in the state of affairs of the Company occurred during the financial year:

- a) At the meeting of creditors held on 7 July 2009 the creditors resolved to enter into a Deed of Company Arrangement ("the DOCA").
- b) On 27 July 2009 the Company entered a Deed of Company Arrangement ("the DOCA") containing the following major provisions subject to approval of members in general meeting:
 - a. The deed was proposed by three companies: Mathieson Nominees Pty Ltd, M&M Driscoll Nominees Pty Ltd, and CSM Kipp Pty Ltd ("the Proponents");
 - b. The Proponents agreed to perform clean-up activities on behalf of the Company, including updating Company's compliance with financial reporting obligations;
 - c. To pay for the clean-up activities and other general administration of the Company, the Proponents agreed to provide the Company with a loan facility up to \$100,000 secured by a first ranking fixed and floating charge. This loan facility was put into place shortly after 27 July 2009 and at the date of this report has been fully drawn in funding the general administration of the Company;
 - d. The Proponents agreed to establish a Creditors' Trust and to pay \$75,000 into this trust for the benefit of creditors. The purpose of the Creditors' Trust was that all assets of the Company would be transferred to the trust whereby each creditor would be taken to give the Company discharge for the debt owed to them consideration for the right to receive any proceeds realised from the trust in proportion to the relative size of each creditor's debt;
 - e. The major precondition to establishing the Creditors' Trust was obtaining shareholder approval in general meeting for restructuring the Company as described in the DOCA. This restructuring have the following features:
 - i. 1:10 share consolidation of the Company's ordinary shares;
 - ii. Issue of 3,050,985 shares to the Proponents granting them a collective 60% interest in the Company; and
 - iii. Replacement of existing directors with a new board of directors nominated by the Proponents.
 - f. The member approvals required under the DOCA were approved by shareholders in a general meeting held on 30 August 2010.

DECEMBER 2008 - Viculus Limited - Directors' Report (continued)

- g. On 28 September 2010 the remaining preconditions specified in the DOCA were satisfied, resulting in the discharge of creditors' claims against the Company of \$16,267,768.
- h. Between 30 August and 26 November 2010 the approved DOCA arrangements described in paragraph (e) above were fully implemented, as well as the establishment of the Creditors' Trust.
- i. For further details, refer to the Financial Report for the half year ended 31 December 2010 released simultaneously with this report.

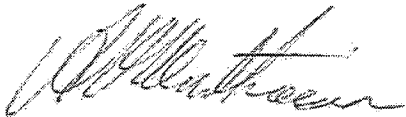
Significant Events after the Balance Date & Likely Developments

The directors are continuing their search for new business and financing opportunities and subsequent re-quotations of the Company's ordinary shares on the Australian Securities Exchange. Further information regarding the likely developments in operations of the economic entity, and the expected results of those operations in subsequent financial years, has not been included in the report because, in the opinion of the directors, its disclosure would prejudice the interests of the economic entity.

Auditor's Independence Declaration

The auditor's independence declaration is included on page 4 of the half-year report.

This Directors' Report is signed in accordance with a resolution of the Board of Directors.



Alan Ross Mathieson, Director
Viculus limited
Date: 1 August 2011



JOHN WHELLER, F.C.A.

CHARTERED ACCOUNTANT

Auditor's Independence Declaration to the Directors of Viculus Limited

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2008 there have been:

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

.....
John Wheller
Fellow Chartered Accountant
Melbourne

Dated this.....*1*.....day of.....*August*.....2011

CONSOLIDATED CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2008

	Notes	6 months to	
		Dec 08	Dec-07
Revenue		1,147,421	3,620,854
Employee benefits expense		(1,500,209)	(1,371,659)
Loan assumed		-	(2,492,638)
Depreciation and amortisation expense		-	(13,542)
Asset impairment write down		-	(1,138,045)
Loss from disposal of investment property		-	(41,640)
Loss from sale of business		-	(270,000)
General expenses		(1,504,325)	(3,456,580)
Finance costs		(5,000)	(110,897)
Audit fees		(3,143)	(3,143)
Profit before income tax		(1,865,256)	(5,277,290)
Income tax expense		-	-
(Loss) after tax attributable to members		(1,865,256)	(5,277,290)
Earnings per share			
Basic earnings per share (cents)	2	(9.16)	(25.93)
Diluted earnings per share (cents)		(9.16)	(25.93)

The accompanying notes form part of these financial statements

CONSOLIDATED CONDENSED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2008

Note	Dec 08	Jun-08
ASSETS		
Cash and cash equivalents	168,500	186,316
Trade and other receivables	-	26,740
Other financial assets	-	1,000,000
Plant and equipment	139,700	139,700
Intangible assets	2,610,300	2,610,300
TOTAL ASSETS	2,918,500	3,963,056
LIABILITIES		
Trade and other payables	3,760,911	2,971,005
Borrowings	10,866,720	10,431,484
Provisions	227,091	631,533
TOTAL LIABILITIES	14,854,722	14,034,022
NET LIABILITIES	(11,936,222)	(10,070,966)
EQUITY		
Issued capital	22,717,610	22,717,610
Accumulated losses	(34,653,832)	(32,788,576)
DEFICIENCY IN EQUITY	(11,936,222)	(10,070,966)

The accompanying notes form part of these financial statements

CONSOLIDATED CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2008

	Note	Issued Capital	Accumulated Losses	Total
BALANCE AT 1 JULY 2007		21,316,610	(26,028,082)	(4,711,472)
Issue of shares		101,625	-	101,625
Loss for the period		-	(5,277,290)	(5,277,290)
BALANCE AT 31 DECEMBER 2007		21,418,235	(31,305,372)	(9,887,137)
BALANCE AT 1 JULY 2008		22,717,610	(32,788,576)	(10,070,966)
Issue of shares		-	-	-
Loss for the period		-	(1,865,256)	(1,865,256)
BALANCE AT 31 DECEMBER 2008		22,717,610	(34,653,832)	(11,936,222)

The accompanying notes form part of these financial statements

CONSOLIDATED CONDENSED STATEMENT OF CASH FLOWS

FOR THE HALF YEAR ENDED 31 DECEMBER 2008

	CONSOLIDATED	
	Dec 08	Dec-07
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers (inclusive of goods and services tax)	1,147,421	4,314,247
Payments to suppliers and employees (inclusive of goods and services tax)	(2,612,784)	(5,823,487)
Interest received	-	157,126
Borrowing costs paid	(5,000)	(11,897)
NET CASH FLOWS USED IN OPERATING ACTIVITIES	(1,470,363)	(1,364,011)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of plant and equipment	-	(55,392)
Proceed from disposal of investments	-	266,000
Purchase of investment property	-	(20,000)
Proceeds from disposal of investment property	-	258,360
Proceeds from disposal of subsidiary and business unit	-	2,130,000
Acquisition of intangible assets	-	(75,464)
NET CASH FLOWS FROM INVESTING ACTIVITIES	-	2,503,504
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of ordinary shares	-	101,625
Proceeds from borrowings	2,620,792	855,647
Repayment of bank loans	(1,152,000)	(2,056,000)
NET CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES	1,468,792	(1,098,728)
NET (DECREASE) / INCREASE IN CASH HELD	(1,571)	40,765
Add opening cash brought forward	124,141	167,804
CLOSING CASH CARRIED FORWARD	122,570	208,569

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report includes the consolidated financial statements and notes of Viculus Limited and controlled entities ('Economic Group' or 'Group').

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, including AASB 134 Interim Financial Reporting and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit or loss, certain classes of property, plant and equipment and investment property.

Going concern

The Group achieved a loss after tax attributable to the members of the parent entity of \$1,865,256 for the half-year (2007: \$5,277,290 loss). At 31 December 2008 the Group's net liabilities were \$11,936,222 (31/12/2007: \$9,887,137).

This gives rise to a significant uncertainty as to whether the Group will continue as a going concern, and whether it will be able to realise its assets and settle its liabilities at the amounts stated in the financial report. No adjustments have been made to the financial report relating to the recoverability, amounts or classification of assets, and classification of liabilities that maybe necessary should the Group not continue as a going concern.

The Group's ability to settle its debt obligations and to continue to meet the cash needs of its ongoing daily operations are contingent on the support of its shareholders and the future strategy of the Group including consideration of raising funds from alternate sources. In the event that none of these eventuate, the Groups continuation as a going concern will be contingent on its ability to renegotiate terms with creditors.

The directors consider the Group to be a going concern based on the following assumptions, which the directors consider reasonable:

- The Company has no subsidiaries following deregistration of Viculus Aged Care Properties Pty Ltd, McKinnon Retirement Pty Ltd and Viculus Aged Care Services Pty Ltd.
- On 27 July 2009, the Parent Entity and its creditors entered into a deed of company arrangement (DOCA) providing for creditors' claims to be discharged upon satisfaction of certain preconditions. On 28 September 2010 these preconditions became satisfied such that the DOCA was wholly effectuated resulting in discharge of \$16,267,768 liabilities
- The Company has reduced ongoing expenditures to a minimal level.

DECEMBER 2008 - Viculus Limited - Notes to the Financial Statements (continued)

- During the accounting period of this report, the Company has been able to raise net borrowings from related parties of more than \$100,000, which have been used to pay for the Company's operating costs.
- The directors are continuing their search for new business and financing opportunities and subsequent re-quotations of the Company's ordinary shares on the Australian Securities Exchange.
- The Company has no outstanding contingent liabilities or commitments.

Whilst the outcome of all the above events cannot be presently determined with certainty, as outlined, all material matters have been resolved, and the directors are pursuing the Groups future strategy and funding options. Together, these steps are expected to ensure that the Group will be able to meet its obligations on an ongoing basis, and accordingly this financial report has been prepared on the going concern basis.

NOTE 2: EARNINGS PER SHARE

	31-Dec-2008	31-Dec-2007
Earnings used to calculate basic EPS	(1,865,256)	(5,277,290)
Weighted average number of ordinary shares	20,353,326	20,353,326
Basic earnings per share (cents)	(9.16)	(25.93)
Weighted average shares & options outstanding	20,353,326	20,353,326
Diluted earnings per share (cents)	(9.16)	(25.93)

NOTE 3: SEGMENT INFORMATION

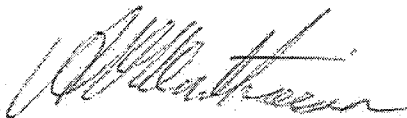
The Group operates within one geographic sector, being Australia, and has undertaken activities in one area during the year, namely the re-structuring of its activities whilst under the DOCA.

DIRECTORS' DECLARATION

The directors of the Company have exercised due care and diligence in the preparation of the financial statements. In the opinion of the directors of the Company, given the significant events described in the going concern note 1 to the Financial Statements and the lack of records, the Directors are unable to express an opinion as to whether:

- a) the financial statements and notes of the Company and of the consolidated entities are in accordance with the Corporations Act 2001, including:
 - i. complying with Accounting Standards AASB134: Interim Financial Reporting; and
 - ii. giving a true and fair view of the financial position as at 31 December 2008 and of the performance for the half-year ended on that date of the company and consolidated entities
- b) there are reasonable grounds to believe that the Company will be able to pay its debts and when they become due and payable.

On the 27 July 2009, the Company became subject to a Deed of Company Arrangement that enabled it to make arrangements with its financiers for funding to allow the continued operations while its future is being determined.



Alan Ross Mathieson, Director
Viculus limited
Date: 1 August 2011



JOHN WHELLER, F.C.A.

CHARTERED ACCOUNTANT

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Viculus Limited and Controlled Entities

Report on the Half-year Financial Report

We have reviewed the accompanying half-year financial report of Viculus Limited and controlled entities (the consolidated entities), which comprises the consolidated condensed statement of financial position as at 31 December 2008, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Half-year Financial Report

The directors of Viculus Limited (the company) are responsible for the preparation and fair presentation of the half-year financial report in accordance with the Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001 and for such controls as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of an Interim Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of Viculus Limited and its controlled entities financial position as at 31 December 2008 and its performance for the half-year ended on that date, and complying with Accounting standard AAASB 134: Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Viculus Limited and its controlled entities ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting my review, I have complied with the independence requirements of the Corporations Act 2001. I have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report.

Basis for Disclaimer of Auditor’s Conclusion

As noted in Note 1 to the financial report:

- 1. Viculus Limited was placed by Directors into Voluntary Administration pursuant to section 436A of the Corporations Act on 27 July 2009.
- 2. Viculus Aged Care Properties Pty Ltd, McKinnon Retirement Pty Ltd and Viculus Aged Care Services Pty Ltd wholly owned subsidiaries of Viculus Limited were deregistered.

As a result, certain accounting and statutory records were not available at the time of the review. As the remaining accounting and statutory records were not adequate to permit the application of necessary review procedures, we were unable to obtain all the information and explanations I required in order to form a conclusion on the financial report.

Disclaimer of Auditor’s Conclusion

In my conclusion, because of the existence of the limitation on the scope of our work, as described in the preceding paragraph, and the effects of such adjustments, if any, as might have been determined to be necessary had the limitation not existed, I was unable to and do not express a conclusion as to whether the financial report of Viculus Limited is in accordance with the Corporations Act 2001, including:

- a) giving a true and fair view of the consolidated entity’s financial position as at 31 December 2008 and of its performance for the half-year ended on that date; and
- b) complying with AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.


Material Uncertainty Regarding Continuation as a Going Concern

Without qualifying my conclusion, I draw attention to Note 1 of the financial report which indicates that the continuing viability of the company and consolidated entity and its ability to continue as a going concern is dependent on the company and consolidated entity being successful in achieving certain objectives. In the absence of achieving these objectives, there exists significant uncertainty as to whether the company and consolidated entity will continue as a going concern and whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Report on Other Legal and Regulatory Requirements

Due to the matter described in the Basis for Disclaimer of Auditor’s Conclusion, we have not been given all information, explanation and assistance necessary for the conduct of the review; and we are unable to determine whether the company has kept:

- a) financial records sufficient to enable the financial report to be prepared and reviewed; and
- b) other records and registers as required by the Corporations Act 2001.



 John Wheller
 Fellow Chartered Accountant
 Melbourne

Dated this.....1.....day of.....August.....2011

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1. Results for announcement to the market

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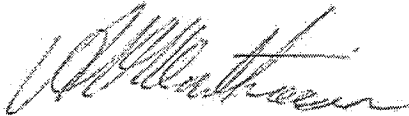
Please refer to the attached Directors Report included with this half-year financial report.

3. NTA backing

	Current Period	Corresponding Period
	2008	2007
Net tangible asset backing per fully diluted security (Cents)	(72)	(62)

4. Half Year report - financial details

Additional Appendix 4D disclosure requirements can be found in the notes to this half-year financial reports and the Executive Chairman report attached thereto. This report is based upon the consolidated half-year financial report which has been subject to a review by TWB Chartered Accountants.



Alan Ross Mathieson, Director
Viculus limited
Date: 1 August 2011