



CHRIS HORTON
ASSOCIATES

Link Warranties Limited (In Liquidation)
Company No: 2202337
Liquidator's Second Report
Pursuant to Section 255 of the Companies Act 1993

3 October 2011

Introduction:

Christopher Robert Ross Horton was appointed Liquidator of Link Warranties Limited (In Liquidation) ('the Company') by Special Resolution of the shareholders on 11th April 2011 at 3.50pm.

Prior to the appointment the liquidator made the necessary enquiries and formed the view that there was no restriction from acting as liquidator under section 280 of the Act.

This report should be read in conjunction with the Liquidator's prior reports.

Disclaimer:

This report has been prepared in accordance with and for the purpose of section 255 of the Act, relying on information supplied by the Company directors, shareholders and other parties. This report is not to be reproduced or used for any other purpose without the prior written consent of the liquidator.

It has been prepared in good faith and on the basis that all information provided is true and accurate in all material respects.

We have not independently verified the accuracy of the information provided and no audit has been undertaken. Accordingly we are unable to comment on the completeness or accuracy of the contents of this report, and cannot therefore accept any responsibility to any party whatsoever for any reliance placed on it. We reserve the right but will be under no obligation to review and if necessary amend the contents of this report should further information come to light that was unknown or was not disclosed to the liquidator as at the date of its preparation.

Conduct of the Liquidation:

Debtors:

Work is continuing to recover money being held in trust for the Company from the sale of warranty policies by several motor vehicle dealers. Where necessary legal action is being initiated to achieve recovery.

Voidable Payments:

Investigations have identified voidable payments made to suppliers in the months leading up to the liquidation and action is underway to recover these funds for the benefit of all creditors.

Assets:

Recovery and sale of company assets is continuing.

Secured Creditors:

Security registrations on the Personal Property Securities Register at the date of liquidation have been assessed and where applicable secured creditors have been repaid from the sale of assets subject to security.

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Unsecured Creditors:

All creditors and policy holders have been contacted at their last known address to advise of the liquidation and to lodge claims for their unsecured debt.

If you have not lodged your claim at the time of reading this report, please contact the liquidator's office.

Other matters of investigation:

The actions and liability of the directors and other parties are being reviewed and payments due from shareholders are being recovered.

Review and Investigation:

The liquidator is continuing with investigations into the affairs of the company, areas of specific review are:

- the flow of funds between the company and other entities;
- non cash transactions;
- any associated company and trust balances;
- preferential payments to creditors;
- remuneration paid/drawn by the Company directors; and
- Other issues as they come to the liquidators' attention.

Liquidator's Statement of Receipts & Payments:

Refer attached Statement of Receipts and Payments for funds recovered and payments made to date.

Dividend to Unsecured Creditors:

We are unable to estimate at this time the likelihood of any distribution to unsecured creditors, which will be largely determined by the success in recovering outstanding debtors and voidable payments.



Christopher Horton
Liquidator

Link Warranties Limited (In Liquidation)
Liquidators' Statement of Receipts & Payments
Period 11 April 2011 to 30 September 2011

Receipts

Asset Receipts	31,789.95	
Cash On Hand	202.51	
Debtor Receipts	24,637.01	
GST Inwards	14,007.97	
Interest Received	62.59	
Shareholder recoveries	<u>1,500.00</u>	
		72,200.03

Payments

Advertising	342.94	
Asset Storage & Sale costs	3,468.00	
Bank Charges	34.90	
Communications to creditors	2,330.92	
Computer Forensics	1,135.00	
GST Outwards	7,216.10	
Insurance	440.19	
Legal	8,286.30	
Liquidators Fees & Disbursements	32,104.00	
Resident Withholding Tax	20.64	
Secured Creditors	<u>10,428.26</u>	
		<u>65,807.26</u>
Cash on Hand		<u><u>6,392.77</u></u>