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LIQUIDATOR'S FIRST REPORT

(pursuant to section 255 of the Companies Act 1993)

to the Creditors and Shareholders of

LINK COMMUNICATIONS (2001) Limited (In Liquidation)

Gerard Hulst, Chartered Accountant of Auckland, was appointed Liquidator of the above company by pursuant to an order of the High Court at Auckland on 7 November 2002. The order was timed at 10.35 am.

The Liquidator takes no responsibility for any misinformation contained in this report that has been supplied by the company, its officers or other persons.

COMPANY INFORMATION

Company Number :	1172085
Date of Incorporation :	16 November 2001
Trading Address :	Bush Road, Albany
Type of Business :	Infrastructure cabling installations
Date trading ceased :	31 March 2002
Share Capital :	1,000 shares
Share parcels :	Integrated Technologies Group Limited 1,000 shares
Directors :	Warren John HURST
High Court Reference :	M1098-IM02
Petitioning Creditor :	The company was placed in Liquidation on the petition of The Commissioner of Inland Revenue for \$44,008.65 being outstanding GST & PAYE together with additional taxes and penalties. Costs of \$1,820.00 plus disbursements of \$1,317.90 were awarded.

A statement of the company's financial position (assets and liabilities) at the date of liquidation is included with this report.

OBSERVATIONS

The shareholder purchased the assets from Link Communications Limited. The objective was to incorporate the business into the Integrated Technologies Group.

Two months after acquisition the Director noted from the monthly management reports that the company was struggling. The company was trading as represented at due diligence.

In early 2002 the Company's bank lost confidence in the Group. In February 2002 the bank made suggestions as to the restructuring of the group.

The Directors did not restructure along the Bank's suggestion, however unprofitable subsidiaries were closed. Link Communications (2001) Ltd was one of the subsidiaries that was closed.

The company's assets were transferred to the shareholder.

COMPANIES WITH WHICH THE DIRECTORS HAVE AN ASSOCIATION

A search of the Companies Office Internet site reveals that Warren John HURST is a director of the following companies :

Eurosport Limited
Voice Edge Limited
Total Technology Solutions Limited
Electronic Transaction Networks Limited
Integrated Technologies Group Limited
Fast Rent Limited
Semple Investments Limited
Enigmatic Enterprises Limited

FINANCIAL INFORMATION

The last set of financial accounts for the company were for the year ended 31 March 2002 and were completed in house. The accounts are management accounts only. The company utilised the services of the Group Finance Manager.

Assets and Liabilities identified by the Liquidator are :

	Estimated Realisable Value
<u>Assets</u>	
Nil	Nil
<u>Liabilities</u>	
IRD – petitioning creditor costs	3,137.90
IRD – preferential claim	37,594.52
13 x unsecured creditors	26,744.63
Intercompany (unsecured) advances	171,757.00
	<u>\$ 239,234.05</u>

PROPOSALS FOR CONDUCTING THE LIQUIDATION

DISPOSAL OF ASSETS

There are no known assets to dispose.

OTHER ACTIONS OF THE LIQUIDATOR

I will conduct an investigation into the affairs of the company;

- a) To determine the date of insolvency
- b) To determine the conduct of the Directors
- c) To establish whether the directors owe any money to the company and to pursue recovery thereof.
- d) To determine if there are any voidable transactions and to pursue recovery thereof.

ESTIMATED COMPLETION DATE

The administration is expected to be completed by 30 October 2003, subject to any court actions.

PROSPECT OF DIVIDEND

It is unlikely that there will be a dividend to unsecured creditors.

NOTICE REGARDING MEETINGS

Having regard to the assets and liabilities of the company, the likely result of the liquidation and other relevant matters, the Liquidator considers in accordance with section 245 of the Companies Act 1993 that no meeting of creditors should be held at this time.

Consequently, a meeting of creditors will not be held unless within 14 days after receiving this notice a creditor gives notice in writing to the Liquidator requiring a meeting to be called.

LIQUIDATION COMMITTEE

At any time during the liquidation, any creditor may in writing request the Liquidator to call a meeting of creditors to consider whether a Liquidation Committee should be appointed, and if so, to choose the members of the committee.

A Liquidation Committee has certain powers set out in s315 of the Companies Act 1993, including to assist the Liquidator as appropriate in the conduct of the liquidation.

In the absence of a liquidation committee, the Liquidator will work closely with the petitioning creditor.

Gerard Hulst

Gerard Hulst
Liquidator

Dated this 5th day of December 2002

UNSECURED CREDITOR'S CLAIM

Section 304(1) Companies Act 1993

Link Communications (2001) Limited (In Liquidation)

P.O Box 6901 Wellesley Street, Auckland 1

Name and postal address of creditor in full:

Telephone Number:

Facsimile Number:

Amount Claimed:

\$

I, _____

(title if claim is not on behalf of an individual) _____
 claim that the company was at the date it was put into liquidation indebted to the above named creditor for the amount claimed. We hold no security for the amount claimed.

PARTICULARS OF CLAIM

Invoice Date	Invoice Number	Brief Description of Goods or Services Provided	Invoice Amount

Attach separate sheet if space is insufficient

You are not required to attach any supporting documents at this stage, but you may attach them now, if you think it would expedite the processing of the claim. The liquidator may require the production of all documents.

WARNING: It is an offence under the Companies Act to make or authorise the making of, a claim that is false or misleading in a material particular knowing it to be false or misleading; or Omit, or authorise the omission from a claim of any matter knowing that the omission makes the claim false or misleading in a material particular.

Signed:

Date:

RESERVED FOR LIQUIDATOR'S DECISION

CLAIM ADMITTED FOR PAYMENT

OR

CLAIM REJECTED FOR PAYMENT

Preferential Claim

Ordinary Claim

Deferred Claim

\$

\$

\$

Signed Liquidator:

Dated: