

District of: Ontario
Division No. 05-London
Court No. 35-2880974
Estate No. 35-2880974

TRUSTEE'S PRELIMINARY REPORT

IN THE MATTER OF THE BANKRUPTCY OF
ROBSON RESTORATION INC.

Trustee: MNP Ltd.

SECTION A - Background

Robson Restoration Inc. ("**Robson**" or the "**Company**") offered full-service property restorations, specializing in wind, water, fire, storm mould and asbestos. The Company was incorporated in April 2020. Greg Robson ("**Greg**") was the owner-manager, sole director and signing authority on the bank account. Greg passed away in late 2021. As there was no other signing authority on the Company bank account, or director who could pass a resolution to appoint a one, the operations of the Company ground to a halt. Employees were terminated and all jobs in progress stopped. Greg's son-in-law stepped in to facilitate job transitions and communication to stakeholders. All cheques received to settle accounts receivable were deposited to the Company bank account.

Robson operated from leased premises. The Company was unable to pay rent, so the premises had to be vacated before the landlord distrained. All tools and equipment owned by the Company were sold to six different unrelated parties in early 2022. Equipment sales totalled \$71,806. To date all but one customer has paid. GTA's finest purchased assets for \$37,290 and has not paid due to a significant amount due to it from Robson.

On application brought by 24/7 (London) Inc., the Ontario Superior Court of Justice issued an order adjudging Robson bankrupt as of October 12, 2022. MNP Ltd. was appointed as Licensed Insolvency Trustee (the "**Trustee**").

The Trustee's investigation of the books and records of Robson is ongoing. The Trustee is pursuing possible realizations on the following assets:

- Cash in bank
- Vehicles
- Accounts receivable

CLASS I - Stocks of merchandise

The Company had no inventory at the date of bankruptcy.

CLASS II - Plant, machinery, equipment, and office

As previously stated, all equipment was sold prior to the bankruptcy.

CLASS III - Buildings and real estate

The Company did not own real estate.

CLASS IV - Books and records

The Trustee has taken possession of the books and records of the Company including a laptop and access to the online QuickBooks software.

CLASS V - Other assets

Cash in Bank

The Trustee has written to the Royal Bank of Canada (“RBC”) to confirm the balance in Robson’s bank account. RBC has advised the account will be transferred to its insolvency group and we must wait until an insolvency team member takes carriage of the file. Once done the Trustee will seize whatever funds are in the account.

Accounts Receivable

The Trustee is reviewing accounts receivable according to the records of Robson. The latest receivable list is as at December 2021 and does not reflect collections since that date. The Trustee will request bank statements from RBC so the list can be updated and will then send demands to any customers with unpaid balances.

The Trustee is also reviewing jobs that were in progress to determine any amounts due to Robson that were not invoiced, and any trust claims against those receivables. That review is ongoing.

Vehicles

There are five vehicles owned by Robson currently stored at Courtesy Ford. All vehicles have secured balances owing to Ford Canada. Courtesy Ford has made an offer to purchase the vehicles that will be reviewed with inspectors appointed at today’s meeting.

Property of Bankruptcy not divisible amongst creditors by virtue of Section 67(b), of the Bankruptcy and Insolvency Act

None known.

Property placed under the guardianship of the Company

None known.

SECTION B

1. Conservatory and protective measures

The Trustee has written to RBC to ensure the bank account is frozen.

2. Carrying on business

The Company's operations ceased prior to bankruptcy.

SECTION C - Legal proceedings

There are no legal proceedings the Trustee is aware of.

SECTION D - Provable claims

Creditor Class	Per Statement of Affairs	Proven
Deemed Trust	\$nil	\$nil
Secured	\$184,479	\$nil
Preferred	\$nil	\$2,907
Unsecured	\$504,456	\$378,994
Total	\$688,935	\$381,901

Secured creditors

RBC has registered a general security agreement against all assets of the Company. The bank has not yet filed a proof of claim.

Ford Canada has registered specific security against the vehicles owned by the Company. Ford Canada has not yet filed a proof of claim

SECTION F - Anticipated realizations and projected distribution

The Trustee is not yet able to predict the likelihood of a dividend in this estate. This will depend on the Trustee's ability to determine and collect on any outstanding receivables (including the receivable from GTA's Finest for the equipment sale) and seize any funds remaining in the Robson bank account.

SECTION G - Reviewable transactions and preferential payment

The Trustee does not yet have bank statement for the twelve month's preceding bankruptcy. These will be requested from RBC once an insolvency team member has carriage of the file.

SECTION H - Other matters

The Trustee has received a third-party deposit of \$5,000 from 24/7 Rentals (London) Inc. to cover the fees and disbursements of the bankruptcy in the event asset realizations are insufficient.

Dated at London, Ontario this 16th day of November 2022.

MNP Ltd.
Licensed Insolvency Trustee of
Robson Restoration Inc.



Per: Rob Smith CPA, CA, CIRP, LIT
Senior Vice-President



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ROBSON RESTORATION INC.

Carrying on business in the City of London,
in the Province of Ontario

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MNP Ltd.
557 Southdale Road East, Suite 201
London, ON N6E 1A2



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LICENSED INSOLVENCY TRUSTEES
201 – 577 SOUTHDAL ROAD EAST, LONDON ON N6E 1A2
P: 519-964-2200 F: 519-964-2210 **MNPdebt.ca**