

District of: Ontario
Division No. 08-Waterloo
Court No. 35-3053210
Estate No. 35-3053210

TRUSTEE'S PRELIMINARY REPORT

IN THE MATTER OF THE BANKRUPTCY OF
ESCOT CUSTOM FAB INC.

Trustee: MNP Ltd.

SECTION A - Background

Escot Custom Fab Inc. (the "**Company**") operated a metal fabrication and welding business in Ayr, Ontario. The Company was incorporated in August 2014 and Brandon Cotter ("**Cotter**") is the sole director.

The Company struggled with low sales from 2020 through 2023 due to the economic slowdown brought on by the Covid-19 pandemic and fell behind on remittances of HST to CRA. In November 2023 CRA froze the Company's bank account and it was forced to shut down.

Cotter collected all outstanding accounts receivable, totalling \$13,600, and liquidated all assets of the Company through online sales realizing \$36,010.

The Company made an assignment in bankruptcy on March 8, 2024. MNP Ltd. was appointed as trustee. (the "**Trustee**").

CLASS I - Stocks of merchandise

There was no inventory owned by the Company.

CLASS II - Plant, machinery, equipment, and office

All assets were liquidated 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 received the books and records required to administer the bankruptcy.

CLASS V - Other assets

A total of \$49,610 in cash and cheques from the receivable collection and asset realization was remitted to the Trustee.

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

There are no conservatory and protective measures to be taken.

2. Carrying on business

The Company's operations ceased prior to bankruptcy.

SECTION C - Legal proceedings

None known.

SECTION D - Provable claims

Creditor Class	Per Statement of Affairs	Proven
Deemed Trust	\$nil	\$nil
Secured	\$nil	\$nil
Preferred	\$nil	\$nil
Unsecured	\$80,755	\$93,513
Total	\$80,755	\$93,513

Secured Creditors

The Toronto-Dominion Bank (“TD”) has registered general security against the Company’s assets. The Trustee advised there is nothing owing to TD on its secured debt.

SECTION F - Anticipated realizations and projected distribution

The Trustee anticipates there will be a distribution of approximately \$35,000 - \$38,000 in this estate.

SECTION G - Reviewable transactions and preferential payment

The Trustee has reviewed the bank statements for the twelve months preceding bankruptcy and did not find any evidence of preferences or reviewable transactions.

SECTION H - Other matters

None known.



Dated at London, Ontario this 4th day of April 2024.

MNP Ltd.
Licensed Insolvency Trustee of
Escot Custom Fab Inc

A handwritten signature in black ink, appearing to read 'Rob Smith'.

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



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IN THE MATTER OF THE BANKRUPTCY OF
Escot Custom Fab Inc.

Carrying on business in the City of
In the Town of Ayr
In the Region of Waterloo
in the Province of Ontario

TRUSTEE'S PRELIMINARY REPORT

MNP Ltd.
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