

**IN THE COURT OF KING'S BENCH OF ALBERTA  
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE BANKRUPTCY OF  
GO TECHNOLOGIES LTD.**

**TRUSTEE'S REPORT TO CREDITORS**

**JANUARY 7, 2025**

**BACKGROUND AND INSOLVENCY EVENTS**

This report has been prepared by MNP Ltd., in its capacity as Licensed Insolvency Trustee (the "Trustee") of the bankrupt estate of Go Technologies Ltd. (the "Company" or "Go Tech") to provide preliminary information to the creditors as at the date of this report.

The Company was incorporated in Alberta on April 5, 2011, and the Company's directors as at the date of bankruptcy were Mr. Scott Pratt ("**S. Pratt**") and Mr. Greg O'Hare. The Company owned and operated an agricultural innovation company focused on grain drying technology based out of leased premises in Lloydminster, Alberta.

We understand the Company ran into financial difficulties due to ongoing litigation with a creditor and a lack of available working capital. We understand the Company ceased operations in or around July 2024.

The Company made an assignment into bankruptcy on December 17, 2024. MNP Ltd. consented to act as the Licensed Insolvency Trustee.

**FINANCIAL SITUATION**

The Company's last set of complete financial statements was for the fiscal year ending March 31, 2022. Table 1 summarizes the statement of operations for this fiscal year. We note the financial statements were prepared by an independent, external accountant.

<b>Table 1</b>	
<b>Year Ended Mar. 31, 2022</b>	
Revenue	3,628,461
Cost of sales	<u>(3,232,926)</u>
	395,535
Expenses <sup>*1</sup>	<u>(1,235,694)</u>
Net income for the year	<b>(1,235,694)</b>
Other income	<u>29,341</u>
<b>Net Income (loss)</b>	<b><u><u>(810,818)</u></u></b>

<sup>\*1</sup> Expenses include advertising, amortization, automotive expenses, bad debts, consulting fees, freight, fuel, insurance, interest, various licenses and memberships, office expenses, professional fees, property taxes, office rental, and salaries.

The Company incurred net losses of \$810,818 for the fiscal year ended March 31, 2022.

The Company's management prepared financial statements show net losses of \$333,147 and \$466,550 for the fiscal years ending March 31, 2023, and March 31, 2024, respectively. We note the year end adjustments for these years are incomplete and as such these numbers may not be accurate.

Table 2 summarizes the balance sheet for the fiscal year ending March 31, 2022.

**Table 2**

<b>Year Ended Mar. 31, 2022</b>
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**Assets**

Cash and cash equivalent	73,052
Accounts receivable	190,687
Accrued interest receivable	27,967
Inventory	501,317
Prepaid expenses	35,547
	<u>828,570</u>

Debenture receivable	150,000
Advances to related parties	2,002
Property, plant and equipment	49,335
Intangible assets	5,209
Goodwill	50,000
Other assets	6,541
	<u>263,087</u>

**Total Assets**

<u><u>1,091,657</u></u>
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**Liabilities and Shareholders' Deficiency**

Accounts payable	1,402,833
Short term debt	27,254
Deposits received	63,068
Current portion of long term debt	118,371
	<u>1,611,526</u>

Debentures	1,002,879
Long term debt	253,544
Advances from related parties	170,578
Advances from Shareholders	45,529
Related party debt	320,000
	<u>1,792,530</u>

Capital	20
Deficit	(2,312,419)
	<u>(2,312,399)</u>

**Total Liabilites and Equity**

<u><u>1,091,657</u></u>
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## **CONSERVATORY AND PROTECTIVE MEASURES**

The Trustee understands the Company ceased all business activities and vacated its premises in or around July 2024.

The Company had no employees as at the date of bankruptcy and there are no outstanding salaries, wages, vacation pay, or severance amounts owed to employees. 2024 T4s have been prepared and sent to all prior employees.

The Trustee sent correspondence to the Royal Bank of Canada ("**RBC**") and Servus Credit Union ("**Servus**") requesting the Company's bank accounts be frozen and any funds remaining be forwarded to the Trustee. RBC has confirmed the account has been closed. We understand there was a balance of \$247 in the bank account at the date of bankruptcy. Servus has also confirmed the account has been closed and that there is a nil balance.

The Company's assets in the 12 months prior to bankruptcy included accounts receivable, inventory, miscellaneous equipment, vehicles, and intellectual property.

The Company has confirmed it collected all of its collectible outstanding accounts receivable prior to bankruptcy.

The Company has confirmed it sold any remaining inventory and minimal equipment in 2024 in an attempt to manage cash flow restraints.

The Company had two vehicles prior to bankruptcy; a 2017 Ram 1500 and a 2023 Ford F150. The 2023 Ford F150 was leased, and the lease has been assumed by a related company as there was no equity available to the estate. The 2017 Ram 1500 was sold to a related party in July of 2024 for \$10,000.

The Trustee is working with the Company to determine if the intellectual property has any resale value.

The Trustee is in the process of reviewing these transactions further and will seek instructions from the Inspector, or creditors of the estate, in the event transactions are identified above that could be regarded as preference payments or transfers undervalue in accordance with the *Bankruptcy and Insolvency Act*.

## **BOOKS AND RECORDS**

The Trustee has taken possession of certain books and records of the Company, including financial statements, employee records, and bank statements.

The Trustee is in the process of obtaining access to the tax records of the Company through the authorized representative process of the Canada Revenue Agency (“**CRA**”).

## **SECURED CREDITORS**

Table 3 provides a listing of the secured creditors, according to the books and records of the Company and the Alberta Personal Property Registry, that may have priority over the claims of unsecured creditors.

<b>Table 3</b>
<b>Creditor</b>
Accord Small Business Finance Corp. C T Corporation System Ford Credit Canada Company Sallyport Commercial Finance ULC

## **UNSECURED CREDITORS**

Based on the Company’s books and records, the Trustee is aware of 59 unsecured creditors owed approximately \$1,363,772. Table 4 outlines the major unsecured creditors.

<b>Creditor</b>	<b>Table 4 Estimated Claim</b>
Autonomous	525,409
Five Star	126,244
SWP Electric	98,648
UAP Canada	95,033
Paradise Hill RA	73,778
Eecol Electric	64,346
Servus Credit Union	60,000
Kristian Holden	54,113
Clews Management Ltd.	50,702
Mark Wilkinson	44,518

The Company's books and records indicate there are amounts owing to CRA for payroll source deductions, GST, and corporate income tax. CRA has not filed a proof of claim as of the date of this report. Any amounts owing to CRA related to unpaid payroll source deductions may constitute a deemed trust claim with priority over all other secured claims.

#### **IDENTIFICATION AND VALUATION OF ASSETS**

Based on discussions with management and a review of the books and records, the Company has no assets available for realization by the Trustee. Accordingly, we estimate there will be no recovery to the unsecured creditors.

#### **LEGAL ACTIONS**

United Agri Products Canada Inc. ("**UAP**") has a Judgement against the Company in respect of outstanding amounts owing. The action is stayed as a result of the bankruptcy and UAP may file a claim in the bankruptcy.

The Trustee is not aware of any additional ongoing litigation against or by the Company.

#### **REVIEW OF RECORDS & CONDUCT OF THE DEBTOR**

The Trustee is in the process of reviewing the books and records of the Company that were made available, including bank statements for the period of January 1, 2024, to December 17, 2024, and the accounting general ledger for 2024.

The Trustee will seek instructions from the Inspector, or creditors of the estate, in the event transactions are identified that could be regarded as preference payments or transfers undervalued in accordance with the *Bankruptcy and Insolvency Act*.


A third-party retainer in the amount of \$6,835 was provided to the Trustee by the Company to cover the costs and professional fees of the bankruptcy.

## **CONCLUSION**

The Trustee estimates there will be no recovery to the unsecured creditors.

### **MNP Ltd.**

Licensed Insolvency Trustee of Go Technologies Ltd.

Per:   
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Kristin Gray, CPA, CA, CIRP, LIT  
Senior Vice President