

HOP COMPOST LTD. - IN RECEIVERSHIP
25-095070
FIRST INTERIM REPORT OF RECEIVER
Subsection 246(2) of the *Bankruptcy and Insolvency Act*

BACKGROUND

On November 20, 2019, Hop Compost Ltd. ("Hop") filed a notice of intention to make a proposal with MNP Ltd. named as the Proposal Trustee. After a material adverse change report filed on December 2, 2019 by the Proposal Trustee, MNP Ltd. was appointed as Receiver of Hop on December 5, 2019 pursuant to an Order (the "Receivership Order") granted by the Court of Queen's Bench of Alberta (the "Court"). The Receivership Order was granted pursuant to an application by BDC Capital Inc., who was owed approximately \$1.3 million on the Filing Date.

A copy of the Receivership Order and other publicly available documents in these proceedings can be found on our website at <https://mnpdebt.ca/en/corporate/corporate-engagements/hop-compost-ltd-bkr> (the "Receiver's Website"). The most recent report of the Receiver, being the First Report of the Receiver dated March 6, 2020 (the "First Report"), and other publicly available documents are also posted on the Receiver's Website.

Hop's primary operation was composting.

STATEMENT OF RECEIPTS AND DISBURSEMENTS

The Receiver's Interim Statement of Receipts and Disbursements for the period ended June 4, 2020 is attached as "Schedule 1" to this report.

ASSETS

Hop's assets have all been sold and funds have been obtained as of June 4, 2020. The assets were sold for \$355,000 plus additional GST. As of June 4, 2020, the Receiver continued to hold approximately \$329,000 in trust.

NEXT STEPS

The next steps of the Receiver are to continue to facilitate the CRA Trust Examination of Hop. Following this, steps towards being discharged will be taken subject to making final distributions from the estate.

Prepared at Calgary, Alberta as at the 29th day of November 2021.

**MNP Ltd., in its capacity as Receiver of Hop Compost Ltd.
and not in its personal or corporate capacity**



Rick Anderson, CPA, CMA, CIRP, LIT, CFE
Vice President

Hop Compost Ltd. - In Receivership
Interim Statement of Receipts and Disbursements
For the Period December 5, 2019 to June 4, 2020

Receipts:

Sale of assets enbloc	\$ 355,000.00
Cash on hand	147,504.36
Accounts Receivable	94,593.68
Receiver's Certificate	175,000.00
GST collected	18,050.00
Refunds- miscellaneous	1,339.82

Total receipts: 791,487.86

Disbursements:

Occupation Rent	185,452.44
Receiver's Fees and Disbursements	185,602.23
Receiver's legal counsel Fees and Disbursements	19,430.39
Insurance	23,151.44
GST/HST paid	15,254.13
Utilities	10,919.97
Net operating expenses	10,390.00
Clean up costs	9,036.09
Local paper	1,687.99
Appraisal Fees	1,000.00
Change of Locks	147.00
Security	100.53
Bank Charges	15.00

Total disbursements: 462,187.21

Excess of receipts over disbursements represented by cash in bank: 329,300.65