

District of: Ontario
Division No. 35-Kitchener
Court No. 35-3109309
Estate No. 35-3109309

TRUSTEE'S PRELIMINARY REPORT

IN THE MATTER OF THE BANKRUPTCY OF KEVIN MARA ROOFING INC.

Trustee: MNP Ltd.

SECTION A – Background

Kevin Mara Roofing Inc. (the “**Company**”) started in 2015 with Kevin Mara as the sole director. The company operated a roofing, siding, snow removal business in Kitchener Ontario and surrounding areas.

The Company cites the following financial struggles in recent years:

- It struggled with reduced sales and cashflow through the shutdowns brought on by the Covid-19 Pandemic.
- Cost of labour increases due to labour shortages during the pandemic.
- The Company took on a big contract it was not able to fulfil so money was lost on it.
- Operating equipment broke down causing loss of business and repair expenses.

It fell behind on HST and Source Deductions owing to CRA, accumulating arrears of approximately \$120,000. In the Fall of 2023 CRA froze the Company bank account and it made the decision to shut down operations.

The Company returned leased assets to the leasing company and sold two trailers and a vehicle to a related entity for fair market value.

The Company subsequently made an assignment in bankruptcy on July 26th, 2024. MNP Ltd. was appointed as Licensed Insolvency Trustee (the “**Trustee**”).

CLASS I - Stocks of merchandise

There was no inventory owned by the Company at the time of bankruptcy.

CLASS II - Plant, machinery, equipment, and office

There was no equipment owned by the Company at the time of 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

There is an outstanding receivable from Mara Roofing and Exteriors Inc. for the equipment sale. The Trustee is working to collect this amount.

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 by the Trustee.

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	\$60,000	\$nil
Preferred	\$nil	\$nil
Unsecured	\$180,000	\$nil
Total	\$240,000	\$nil

Secured Creditors

Revenue Agency will have a deemed trust claim for a portion of the unpaid source deductions. The Bank of Nova Scotia has registered security against a leased vehicle, which was released to them.

These creditors have not yet filed claims in the bankruptcy.

SECTION F - Anticipated realizations and projected distribution

It is expected CRA's deemed trust claim will exceed the funds from equipment sale. There is no distribution expected in the bankruptcy.

SECTION G - Reviewable transactions and preferential payment

The Trustee has reviewed the bank activity for the twelve months preceding bankruptcy and found no evidence of reviewable transactions or preference payments.

SECTION H - Other matters

The Trustee received a deposit of \$12,000 from Kevin Mara to cover the fees and costs of the bankruptcy.

Dated at London, Ontario this 16th of August, 2024.

MNP Ltd.

Licensed Insolvency Trustee of
Kevin Mara Roofing Inc.



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

Division No. 35-Kitchener
Court No. 35-3109309
Estate No. 35-3109309

IN THE MATTER OF THE BANKRUPTCY OF
KEVIN MARA ROOFING INC.

Carrying on business in the City of Kitchener
In the Municipality of Waterloo
in the Province of Ontario

TRUSTEE'S PRELIMINARY REPORT

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