

District of: Ontario  
Division No. 05-London  
Court No. 35-3034759  
Estate No. 35-3034759

TRUSTEE'S PRELIMINARY REPORT

IN THE MATTER OF THE BANKRUPTCY OF  
LONDON BUSINESS MACHINES INC.

Trustee: MNP Ltd.

SECTION A - Background

London Business Machines Inc. ("**London Business**" or the "**Company**") was incorporated December 30, 1971. The current registered directors are Lisa Acimovic, Scott Baker and Lori Wilkins. London sold and serviced many types of office equipment.

London Business was a second-generation family run business. It struggled with declining sales and net losses for several years prior to the pandemic. After the pandemic sales declined further due to less demand for service to office equipment as more people are working from home. Recently one of the owners responsible for sales and service was diagnosed with an illness and required to take some focus away from the business.

Being unable to cashflow the business and pay the CRA arrears the Company made the decision to cease operations in October 2023. All assets were sold at auction. London Business made an assignment in bankruptcy on January 25, 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

There was minimal equipment owned by the Company. Everything it had was sold at auction in November 2023 generating proceeds of approximately \$3,500.

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

None known.

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	\$139,555	\$120,934
<b>Total</b>	<b>\$139,555</b>	<b>\$120,934</b>

#### Secured Creditors

There are no creditors with security registered on the Ontario Personal Property Security Registry.

#### SECTION F - Anticipated realizations and projected distribution

There is not expected to be a distribution to unsecured creditors.

#### 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

The Trustee initiated the claims process under the *Wage Earner Protection Program* for unpaid vacation and termination pay owing to employees.

The Trustee has received a third-party deposit of \$12,000 from Lisa Acimovic to cover the fees and disbursements of the bankruptcy in the event asset realizations are insufficient.

Dated at London, Ontario this 14<sup>th</sup> day of February 2024.

MNP Ltd.  
Licensed Insolvency Trustee of  
London Business Machines Inc.



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



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IN THE MATTER OF THE BANKRUPTCY OF  
London Business Machines Inc.

Carrying on business in the City of London  
In the County of Middlesex  
in the Province of Ontario

TRUSTEE'S PRELIMINARY REPORT

MNP Ltd.  
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