

**Second Interim Report of the Receiver**  
(Subsection 246(2) of the *Bankruptcy and Insolvency Act*)

**In the Matter of the Receivership of  
RBD Construction Ltd.**

**INTRODUCTION**

Pursuant to an Order (the “**Receivership Order**”) granted by the Court of Queen’s Bench of Alberta (the “**Court**”) on July 20, 2021, Hudson & Company Insolvency Trustees Inc. was appointed as receiver and manager (the “**Receiver**”) of RBD Construction Ltd (“**RBD**”).

A copy of the Receivership Order as well as further information with respect to the receivership can be found on our website at [www.bankruptcycalgary.com/corporate-files](http://www.bankruptcycalgary.com/corporate-files).

**ASSETS**

The Receiver took possession and control of the RBD assets on July 20, 2021.

In our report dated July 26, 2021, a copy of which can be found on the above noted website, the Receiver outlined the intended plan of action for the receivership. The Receiver prepared the first interim report outlining the progress of the administration on January 19, 2022, a copy of which can be found on the above noted website.

Since that time, the Receiver has liquidated the physical assets of RBD and has been in ongoing discussions and negotiations with legal counsel with respect to the potential recovery of RBD lien claims for work completed on the various construction sites. The Receiver has settled lien claims on all applicable projects, excluding the claim against the general contractor of the Crowsnest Pass construction project, where attempts to collect outstanding amounts remain ongoing.

In addition, the Receiver completed the pre-filing GST returns and has held multiple

discussions with the Canada Revenue Agency (“**CRA**”) regarding their GST audit. By letter dated January 13, 2022, the CRA issued an assessment for the pre-receivership period of approximately \$73,975 owing by RBD. The Receiver received subsequent correspondence from CRA disclosing that of the total GST claim approximately \$14,000 is considered the deemed trust portion, meaning that amount is payable in priority to other creditor classes, including amounts owing to secured creditors. Based on updated information from the former management of RBD, the Receiver has recently filed amended GST returns for the April 2021 to July 2021 pre-receivership period.

### **STATEMENT OF RECEIPTS AND DISBURSEMENTS**

A Statement of Receipts and Disbursements for the period ending July 19, 2022, is attached as Appendix A.

### **NEXT STEPS**

The Receiver will continue to work towards the collection of the amounts due from the general contractor of the Crowsnest Pass site.

If and when CRA submits the amended pre-receivership GST assessments, the Receiver will complete a cost-benefit analysis to make a determination on the financial viability of filing the estate into bankruptcy.

### **HUDSON & COMPANY INSOLVENCY TRUSTEES INC.**

In its capacity as Court-Appointed Receiver and Manager of  
RBD Construction Ltd. and not in its personal capacity



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Stefan DuChene, CPA, CA, CIRP, LIT  
President

**IN THE MATTER OF THE RECEIVERSHIP OF  
RBD Construction Ltd.  
Hudson & Company Insolvency Trustees Inc., Receiver  
Statement of Receipts and Disbursements  
For the period of July 20, 2021 to July 19, 2022**

**RECEIPTS**

**Totals**

Equipment sale - auction proceeds (net of auction costs)	\$	113,144.34
Sale of 2016 Ford F550		38,375.00
Inventory Sale - Emcee Construction		15,000.00
Lien Claims Settled		12,500.00
Sale of 2018 F150 - net of lease buyout		11,815.65
Recovery of shares - (net 1/2 interest)		2,367.30
GST collected		2,300.00
Sale of used computers		2,000.00
Interest		30.15

**TOTAL RECEIPTS**

**\$ 197,532.44**

**DISBURSEMENTS**

Legal Fees - BLG	\$	47,711.88
CRA - Deemed trust payroll claim		18,524.77
Legal Fees - Parlee Law		14,153.77
Lease buyout Ford F550		9,671.01
GST Paid		3,096.10
Ascend License Fee		275.00
Streamline I.T (RBD network support)		236.70
Search Fees		194.00
Filing Fees		72.97

**TOTAL DISBURSEMENTS**

**\$ 93,936.20**

**Funds on Hand - July 19, 2022**

**\$ 103,596.24**

**EXPECTED DISBURSEMENTS**

Receiver fees - Estimate		35,000.00
CRA - Deemed trust GST - estimate		14,000.00
Legal fees - estimate (liens, discharge)		5,000.00
WEPPA 81.4 - Priority Portion		4,570.37

**\$ 58,570.37**

**EXPECTED NET REALIZATIONS**

**\$ 45,025.87**