



District of	British Columbia
Division	03 - Vancouver
Estate No.	11-3210497
Court No.	S-234092

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

**IN THE MATTER OF THE BANKRUPTCY OF  
POLYCAN HEALTH CARE CENTRE (CANADA) INC.**

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**TRUSTEE'S PRELIMINARY REPORT**

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**APRIL 28, 2025**

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## INTRODUCTION

### Receivership proceedings

- 1) On November 23, 2023 ("**Date of the Receivership**"), Deloitte Restructuring Inc. ("**Deloitte**") was appointed by the Supreme Court of British Columbia (the "**Court**") as the Receiver and Manager (in such capacity, the "**Receiver**") of the property of PolyCan Health Centre (Canada) Inc. (the "**Company**" or "**PolyCan**") including, without limitation, all of the Company's assets, undertakings and properties of every nature and kind whatsoever, and wherever situated, including proceeds thereof of the Company. The Court proceedings in which the Receiver was appointed are referred to herein as the "**Receivership Proceedings**".
- 2) On February 26, 2024, the Court granted an order in the Receivership Proceedings approving the sale of substantially all of the Company's assets to 1461890 B.C. Ltd., and this transaction was closed on February 29, 2024.
- 3) On March 28, 2025, the Court granted a further Order (the "**Distribution and Discharge Order**") authorizing the Receiver to distribute the remaining net proceeds from the receivership estate (the "**Final Distribution**") and assign the Company into bankruptcy for the general benefit of creditors.

### Bankruptcy proceedings

- 4) On April 10, 2025, the Company was assigned into bankruptcy by the Receiver pursuant to the provisions of the *Bankruptcy and Insolvency Act* (the "**BIA**"), RSC 1985 c. B-3, as amended.
- 5) On April 11, 2025 (the "**Date of Bankruptcy**"), Deloitte was appointed as licensed insolvency trustee (in such capacity, the "**Trustee**") of the estate of PolyCan by the Official Receiver, subject to affirmation by the creditors of the Trustee's appointment or substitution of another trustee by the creditors at the first meeting of creditors to be held on April 29, 2025 (the "**Meeting**").
- 6) Further information and materials regarding these proceedings may be obtained from the Trustee's website at:

<https://www.insolvencies.deloitte.ca/en-ca/Pages/PolyCan.aspx>

### Purpose of the Report

- 7) The purpose of the Trustee's Preliminary Report (the "**Report**" or "**this Report**") is to:
  - a. Provide background information concerning the Company's affairs and the causes of its financial difficulties;
  - b. Outline the key activities of the Trustee since its appointment; and
  - c. Provide the Trustee's preliminary evaluation of the assets and liabilities of PolyCan.
- 8) In preparing this report, the Trustee has relied upon unaudited financial information and other data prepared using the Company's books and records obtained in the Receivership Proceedings.

- 9) The Trustee has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Trustee expresses no opinion or other form of assurance in respect of this information.
- 10) All dollar amounts in this Report are expressed in Canadian dollars, unless otherwise indicated.

## **OVERVIEW OF POLYCAN**

- 11) PolyCan was incorporated in British Columbia under the *Business Corporations Act of British Columbia* on April 10, 2016. The sole director and officer of PolyCan was Mr. Andrew Mai ("**Mr. Mai**").
- 12) PolyCan was engaged in the business of operating a health care centre and a walk-in clinic. The Company invested substantial sums in the setting up of the health centre including investments in fixtures, leasehold improvements, medical equipment, and the construction of a partially completed surgical facility. The COVID-19 pandemic adversely impacted PolyCan's ability to expand its patient base, and the resulting revenues of the Company were not sufficient to cover its operating costs and debt obligations.
- 13) Following various events of default under the Bank of Montreal ("**BMO**") financing facilities starting in October 2020, PolyCan tried to obtain alternative financing for the Company. On October 26, 2022, the Honourable Mr. Justice Gomery granted the Receivership Order that provided the Company until November 22, 2023 to repay the indebtedness of BMO. Ultimately, the Company failed to find alternative financing to repay BMO, and the Receivership Order became effective on the Date of Receivership.

## **CONSERVATORY AND PROTECTIVE MEASURES**

- 14) No conservatory measures were necessary as PolyCan had no realizable assets as of the Date of Bankruptcy.
- 15) The Trustee obtained a copy of all available books and records of PolyCan during the Receivership Proceedings.
- 16) The Trustee has prepared the Statement of Affairs of PolyCan as of the Date of Bankruptcy, and a copy is attached hereto as **Appendix "A"**.
- 17) The Trustee arranged for a notice of bankruptcy and the Meeting to be published in the Vancouver Sun on April 12, 2025.
- 18) On April 16, 2025, the Trustee sent to all known creditors a notice of bankruptcy and of the Meeting, a list of creditors, a proof of claim form and a proxy form.

## **ASSETS**

- 19) As explained above, there are no realizable assets in the Company's bankruptcy estate.

## **CREDITORS**

### **CRA claims**

- 20) Canada Revenue Agency ("**CRA**") submitted a property claim in the amount of \$2,657 in respect of outstanding deemed trust payroll deductions, and this amount was paid during the Receivership Proceedings.
- 21) CRA also submitted a property claim in the amount of \$69,720 in respect of outstanding GST. Due to the bankruptcy of PolyCan, this claim no longer retains its deemed trust status under the *Excise Tax Act*. Pursuant to Section 67(2) of the BIA, this claim is treated as an unsecured liability.

### **WorkSafeBC claim**

- 22) WorkSafeBC was owed \$551 in respect of outstanding pre-receivership premiums. WorkSafeBC claimed a statutory lien on all property or proceeds of property used or produced by PolyCan pursuant to section 265 of the *Workers' Compensation Act* and this claim was paid during the Receivership Proceedings.

### **BMO indebtedness**

- 23) BMO was the principal secured creditor of the Company, and at the Date of Receivership was owed a total of approximately \$4.5 million by PolyCan plus accrued interest pursuant to various credit facilities provided to the Company.
- 24) BMO received a total distribution of \$2,789,512 in the Receivership Proceedings. BMO's remaining indebtedness of approximately \$1.7 million plus accrued interest is an unsecured claim in the bankruptcy estate of the Company.

### **Unsecured creditors**

- 25) As at the Date of Bankruptcy, the Company's available books and records reported unsecured creditors with claims totaling approximately \$4.3 million.

## **PROVABLE CLAIMS**

- 26) At the time of finalizing this Report, the Trustee has received no proofs of claim.

## **ANTICIPATED REALIZATION AND PROJECTED DISTRIBUTION**

- 27) The Company has no realizable assets and there will be no distribution to the creditors of the Company's bankruptcy estate.
- 28) BMO has provided the Trustee with a third party deposit in the amount of \$15,000 to be held in trust by the Trustee which will be used for the payment of the reasonable costs of administering the estate, including payment of the Trustee's fees and disbursements. This deposit was provided by way of an advance from the receivership estate as authorized by paragraph 7 of the Distribution and Discharge Order.

## **LEGAL PROCEEDINGS, REVIEWABLE TRANSACTIONS AND TRANSFERS**

- 29) At the time of this Report, the Trustee is not aware of any legal proceedings against the Company.

Dated at Vancouver, this 28<sup>th</sup> day of April, 2025.

### **DELOITTE RESTRUCTURING INC.**

In its capacity as Licensed Insolvency Trustee of  
PolyCan Health Care Centre (Canada) Inc.  
and not in its personal capacity



Per: Paul Chambers, FCA (UK), CIRP, LIT  
Senior Vice-President

## **Appendix A**

### **Statement of Affairs of PolyCan Health Centre (Canada) Inc. dated April 10, 2025**

District of: British Columbia  
Division No. 03 - Vancouver  
Court No. S-234092  
Estate No.

☒ Original ☐ Amended

-- Form 78 --

Statement of Affairs (Corporate Bankruptcy)  
(Subsection 49(2) and Paragraph 158(d) of the Act / subsections 50(2) and 62(1) of the Act)

In the Matter of the Bankruptcy of  
PolyCan Health Centre (Canada) Inc.  
of the City of Burnaby, in the Province of British Columbia

To the bankrupt:

You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the bankruptcy, on the 11th day of April 2025. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration by a duly authorized director, if the bankrupt is a corporation, or by yourself, in other cases.

Give reasons for the bankrupt's/debtor's financial difficulty (Select all that apply and provide details):

☐ Negative market conditions; ☐ Foreign Exchange Fluctuations; ☐ Economic Downturn; ☐ Poor Financial Performance; ☐ Legal Matters (Provide details);  
☐ Lack of Working Capital/Funding; ☐ Competition; ☐ Legislated or Regulatory Restrictions; ☐ Natural Disaster; ☐ Increased Cost of Doing Business;  
☐ Overhead Increasing; ☐ Faulty Infrastructure or Business Model; ☐ Unsuccessful Marketing Initiatives; ☐ Personal Issues; ☐ Poor Management;  
☐ Faulty Accounting; ☐ Tax Liabilities; ☐ Labour; ☒ Other (Please specify).

Provide relevant details:

[ Other ] Business failure

ASSETS		LIABILITIES	
(totals from the list of assets as stated and estimated by bankrupt/debtor)		(totals from the list of liabilities as stated and estimated by bankrupt/debtor)	
1. Cash on hand	0.01	1. Secured creditors	0.00
2. Deposits in financial institutions	0.00	2. Preferred creditors, securities, and priorities	0.00
3. Accounts receivable and other receivables		3. Unsecured creditors	4,340,300.94
Total amount	0.00	4. Contingent, trust claims or other liabilities estimated to be provable for	0.00
Estimated realizable value	0.00		
4. Inventory	0.00	Total liabilities	4,340,300.94
5. Trade fixtures, etc.	0.00		
6. Livestock	0.00	Surplus	4,340,300.93
7. Machinery and equipment	0.00		
8. Real property or immovables	0.00		
9. Furniture	0.00		
10. Intangible assets (intellectual properties, licences, cryptocurrencies, digital tokens, etc.)	0.00		
11. Vehicles	0.00		
12. Securities (shares, bonds, debentures, etc.)	0.00		
13. Other property	0.00		
Total of lines 1 to 13	0.01		
If bankrupt is a corporation, add:			
Amount of subscribed capital	0.00		
Amount paid on capital	0.00		
Balance subscribed and unpaid	0.00		
Estimated to produce	0.00		
Total assets	0.01		
Deficiency	-4,340,300.93		
Total value of assets located outside Canada included in lines 1 to 13	0.00		



List of Assets

Arrange by Nature of asset and number consecutively

No.	Nature of asset <sup>1</sup>	Address/Location	Asset located outside Canada	Details	Percentage of bankrupt's/debtor's interest	Total value of the bankrupt's/debtor's interest	Estimated realizable value	Equity or Surplus	Placeholder (values on this line are for notification)
101	Cash on hand	n/a	<input type="checkbox"/>	Cash on Hand - Cash on hand	100.00	0.01	0.01	0.01	<input type="checkbox"/>
Total						0.01	0.01		

<sup>1</sup> Choose one option for each item: Cash on hand; Deposits in financial institutions; Accounts receivable and other receivables; Inventory; Trade fixtures, etc.; Livestock; Machinery and equipment; Residential rental property; Commercial building; Industrial building; Land; Immovable industrial equipment; Other real property; Furniture; Intangible assets (intellectual properties, licences, cryptocurrencies, digital tokens, etc.); Vehicles; Securities (shares, bonds, debentures, etc.); Bills of exchange, promissory note, etc.; Tax refunds; Other personal property.

## List of Liabilities

No.	Name of creditor or claimant	Address	Nature of liability <sup>2</sup>	Details	Date given/ incurred	Amount of Claim					Asset securing the liability	Ground for the right to a priority <sup>3</sup>	Estimated surplus or (deficit) from security	Placeholder (values on this line are for notification only)
						Unsecured	Secured	Preferred/Priorities	Contingent, trust claims or other liabilities	Total amount of claim				
1	1249847 BC Ltd. (Renovation Construction Flooring Carpentry)	7010 Hastings St Burnaby BC V5A 1G4	Other	Business		15,522.50	0.00	0.00	0.00	15,522.50			0.00	<input type="checkbox"/>
2	AMPM Project Management Inc.	13488 95 Ave Surrey BC V3V 1P5	Other	Business		86,602.90	0.00	0.00	0.00	86,602.90			0.00	<input type="checkbox"/>
3	ASCP Wealth Investment and Consultants Inc.	901 - 555 Jervis Street Vancouver BC V6E 4N1	Other	Business		210,000.00	0.00	0.00	0.00	210,000.00			0.00	<input type="checkbox"/>
4	Bank of Montreal	595 Burrard St. Vancouver BC V7X 1L7	Other	Business		1,712,868.75	0.00	0.00	0.00	1,712,868.75			0.00	<input type="checkbox"/>
5	Canada Emergency Business Account	90 Elgin Street Ottawa ON K1A 0G5	Other	Business		60,000.00	0.00	0.00	0.00	60,000.00			0.00	<input type="checkbox"/>
6	Canada HD International Investment	3584 W 40 Ave Vancouver BC V6N 3B8	Other	Business		225,969.00	0.00	0.00	0.00	225,969.00			0.00	<input type="checkbox"/>
7	Canada Revenue Agency	Surrey National Verification and Collections Centre, 9755 King George Boulevard Surrey BC V3T 5E1	Other	Business		93,160.85	0.00	0.00	0.00	93,160.85			0.00	<input type="checkbox"/>
8	CWB National Leasing Inc.	1525 Buffalo Place Winnipeg MB R3T 1L9	Other	Business		134,158.43	0.00	0.00	0.00	134,158.43			0.00	<input type="checkbox"/>
9	Danner Laboratory	#150 13500 Maycrest Way Richmond BC V6V 2N8	Other	Business		84,850.70	0.00	0.00	0.00	84,850.70			0.00	<input type="checkbox"/>

10-Apr-2025

Paul Chambers

Date

## List of Liabilities

No.	Name of creditor or claimant	Address	Nature of liability <sup>2</sup>	Details	Date given/ incurred	Amount of Claim					Asset securing the liability	Ground for the right to a priority <sup>3</sup>	Estimated surplus or (deficit) from security	Place-holder (values on this line are for notification only)
						Unsecured	Secured	Preferred/Priorities	Contingent, trust claims or other liabilities	Total amount of claim				
10	Dr. Raj Attariwala	2886 W 28th Ave Vancouver BC V6L 1W9	Other	Business		50,000.00	0.00	0.00	0.00	50,000.00			0.00	<input type="checkbox"/>
11	Dr. Vee Lail	8340 Claybrook Road Richmond BC V7C 2L5	Other	Business		150.00	0.00	0.00	0.00	150.00			0.00	<input type="checkbox"/>
12	Ethos CPA LLP	603 - 4538 Kingsway Burnaby BC V5H 4T9	Other	Business		1,680.00	0.00	0.00	0.00	1,680.00			0.00	<input type="checkbox"/>
13	His Majesty the King in right of the Province of BC (Minister of Finance)	PO Box 9048 Stn Prov Govt Victoria BC V8W 9E2	Other	Business		1,121.94	0.00	0.00	0.00	1,121.94			0.00	<input type="checkbox"/>
14	Leyton Canada Inc.	409 Granville St Vancouver BC V6C 1T2	Other	Business		29,396.19	0.00	0.00	0.00	29,396.19			0.00	<input type="checkbox"/>
15	MS Canada Holdings Ltd.	Suite 500 250 Dundas Street West Toronto ON M5T 2Z5	Other	Business		168,000.00	0.00	0.00	0.00	168,000.00			0.00	<input type="checkbox"/>
16	MS Healthcare Management Group	901 - 555 Jarvis Street Vancouver BC V6E 4N1	Other	Business		901,735.00	0.00	0.00	0.00	901,735.00			0.00	<input type="checkbox"/>
17	Omega Laboratories, Inc.	110-42 Fawcett Road Coquitlam BC V3K 6X9	Other	Business		206,092.75	0.00	0.00	0.00	206,092.75			0.00	<input type="checkbox"/>
18	Pantel Medical	415-1641 Lonsdale Ave. North Vancouver BC V7M 2J5	Other	Business		1.00	0.00	0.00	0.00	1.00			0.00	<input type="checkbox"/>

10-Apr-2025

Paul Chambers

Date

## List of Liabilities

No.	Name of creditor or claimant	Address	Nature of liability <sup>2</sup>	Details	Date given/ incurred	Amount of Claim					Asset securing the liability	Ground for the right to a priority <sup>3</sup>	Estimated surplus or (deficit) from security	Place-holder (values on this line are for notification only)
						Unsecured	Secured	Preferred/Priorities	Contingent, trust claims or other liabilities	Total amount of claim				
19	PolyCanada Capital Holdings Ltd.	901 - 555 Jervis Street Vancouver BC V6E 4N1	Other	Business		259,371.00	0.00	0.00	0.00	259,371.00			0.00	<input type="checkbox"/>
20	Sui Zhang	901 - 555 Jervis Street Vancouver BC V6E 4N1	Other	Business		15,618.93	0.00	0.00	0.00	15,618.93			0.00	<input type="checkbox"/>
21	Wellerman Consulting Group Inc.	Suite 2100-1055 West Georgia St. Vancouver BC V6E 3P3	Other	Business		84,000.00	0.00	0.00	0.00	84,000.00			0.00	<input type="checkbox"/>
22	Workers Compensation Board	6951 Westminster Hwy Richmond BC V7C 1C6	Other	Business		1.00	0.00	0.00	0.00	1.00			0.00	<input type="checkbox"/>
<b>Total</b>						<b>4,340,300.94</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>4,340,300.94</b>				

<sup>2</sup> Choose one option for each item: Accounts payable; Owed rent; Owed wages; Severance pay; Corporate taxes; Sales taxes; Employee source deductions; Litigation/legal costs and awards; Subordinated debenture; Bills of exchange; Promissory notes; Lien notes; Mortgages or hypothec on real or immovable property; Chattel mortgages or movable hypothec; General Security Agreement; Intercompany loans; Bank loans (except real property mortgage); Finance company loans; Shareholder loans; Shares and subscribed capital; Other claim or liability.

<sup>3</sup> Choose one option for each item with a preferred or priority amount: Unpaid supplier; Farmer, fisherman or aquaculturist; Owed wages; Unpaid amount regarding pension plan; Municipal taxes; Rent; Customer of a bankrupt securities firm; Deemed trust in favour of the Crown; Priming charges and interim financing; Environmental liabilities; Other.

I, Paul Chambers, of the City of Vancouver in the Province of British Columbia, do swear (or solemnly declare) that this statement and the attached lists are, to the best of my knowledge, a full, true and complete statement of the affairs of the Corporation on the 10th day of April 2025 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)

before me at the City of Vancouver in the Province of British Columbia, on this 10th day of April 2025.

Paul Chambers, Senior VicePresident,  
Deloitte Restructuring Inc., Court-appointed  
Receiver of PolyCan Health Care Centre  
(Canada) Inc.