

In the Matter of the Receivership of

POLYCAN HEALTH CENTRE (CANADA) INC.

of the Province of British Columbia

**Receiver's Final Report on the Affairs of the Debtor
(Subsection 246(3) of the *Bankruptcy and Insolvency Act*)**

INTRODUCTION

1. Pursuant to an Order (the "**Receivership Order**") of the Supreme Court of British Columbia (the "**Court**") dated October 26, 2023, with effect as of November 23, 2023 (the "**Date of Receivership**"), Deloitte Restructuring Inc. was appointed as receiver (in such capacity, the "**Receiver**"), without security, of all assets, undertakings and properties of PolyCan Health Centre (Canada) Inc. ("**PolyCan**"). The Court proceedings in which the Receiver was appointed are referred to herein as the "**Receivership Proceedings**".
2. A copy of the Receivership Order and other documents relating to the Receivership Proceedings can be accessed on the Receiver's website at:

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

3. This is the final report pertaining to the Receivership Proceedings, issued pursuant to subsection 246(3) of the *Bankruptcy and Insolvency Act*.

STATEMENT OF RECEIPTS AND DISBURSEMENTS

4. The Receiver's final statement of receipts and disbursements for the period from the Date of Receivership to April 23, 2025 is attached hereto as **Appendix "A"**.
5. The realization of all saleable and recoverable Property has now been completed.
6. Further details regarding the Receiver's recent activities and administration of the Receivership Proceedings are detailed in the Receiver's Second Report to Court dated March 18, 2025, which is available for viewing on the Receiver's website noted in paragraph 2 above.

DISTRIBUTION OF PROCEEDS

7. Pursuant to an Order of the Court dated March 28, 2025 (the "**Final Distribution and Discharge Order**"), the Receiver has distributed the following amounts to PolyCan's creditors:
 - a. \$2,658 to Canada Revenue Agency in respect of its deemed trust claim for unremitted source deductions;
 - b. \$551 to WorkSafeBC in respect of outstanding premiums secured by a statutory lien on all property or proceeds of property used or produced by PolyCan pursuant to section 265 of the *Workers' Compensation Act*;
 - c. \$15,000 to the Receiver for costs to be incurred in relation to the assignment into bankruptcy of PolyCan;

- d. \$254,214 to Bank of Montreal ("**BMO**") in repayment of the amounts due and owing under the Receiver's Borrowing Charge (as defined in the Receivership Order); and
 - e. \$2,789,512 to BMO as first secured creditor of PolyCan.
8. The realizations from the sale of the Property were insufficient to pay, in full, the secured claims of BMO. Accordingly, there were no funds available to distribute to the PolyCan's unsecured creditors.


RECEIVER'S DISCHARGE

9. The Receiver was discharged pursuant to the Final Distribution and Discharge Order and has completed its duties contained therein.
10. Any queries in relation to this report may be directed to Paul Chambers on 604-640-3368.

Dated at Vancouver, British Columbia this 23rd day of April, 2025.

DELOITTE RESTRUCTURING INC.

In its capacity as Court-Appointed Receiver of
PolyCan Health Centre (Canada) Inc.
and not in its personal capacity



Per: Jeff Keeble, CPA, CA, CIRP, LIT
Senior Vice-President



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

APPENDIX "A"**RECEIVER'S FINAL STATEMENT OF RECEIPTS AND DISBURSEMENTS**

In the Matter of the Receivership of
PolyCan Health Centre (Canada) Inc.

Receiver's Final Statement of Receipts and Disbursements
For the Period of November 23, 2023 to April 23, 2025

Description		
Receipts		
Cash at bank	\$	3,671
Bank interest		17,516
Pre-bankruptcy income tax and SRED refund		75,514
Insurance refund		1,004
Operating receipts		91,701
Non-refundable advance from shareholder		60,000
Sale of business		3,100,000
Lease deposit funding from purchaser		90,218
Other assets		10,000
GST refund		10,179
PST collected		9,450
Receiver borrowings / advance from secured creditors		250,000
Total receipts		3,719,253
Disbursements		
Receiver's fees and costs	\$	277,232
Trustee's fees and costs		15,000
Legal fees		86,901
Contractors		124,715
Lease deposit funded by Purchaser		90,218
Filing fee		75
Miscellaneous costs		1,409
Payroll and source deductions		15,442
Insurance		6,739
GST and PST		26,238
Bank charges		782
PST remitted		9,450
Other misc. disbursements		2,621
Appraisal fees		6,000
Computer service		4,265
Utilities		5,232
WorkSafe BC statutory lien payment		551
Deemed trust claim payment (Federal)		2,658
Repayment of Receiver's borrowings		254,214
Payments to secured creditors		2,789,512
	\$	3,719,253
Excess of receipts over disbursements	\$	-