

District of: Ontario  
Division No. 05 - London  
Court No. 35-2763476  
Estate No. 35-2763476

**TRUSTEE'S PRELIMINARY REPORT**  
**IN THE MATTER OF THE BANKRUPTCY OF**  
**D&S Auto Ltd.**

**Trustee:** MNP Ltd.

**SECTION A - Background**

D&S Auto Ltd. (the “Company”) was incorporated on September 12, 2007. It was an owner managed business and was operating from its leased premises at 90 Bessemer Road, Unit 6, London, Ontario. The registered Director of the Company is Dan Durnez. The Company had 2 employees.

The Company was engaged in the business of servicing and repairing automobiles. The Company struggled with low sales for a number of years, which management attributes to poor location. The onset of the Covid - 19 pandemic caused increased hardship to the business (customers were using their cars less during the lockdowns, so required less repairs), forcing the Company to cease operations.

The Company made an assignment in bankruptcy on September 01, 2021 and MNP Ltd. was appointed as trustee. (the “Trustee”).

**CLASS I - Stocks of merchandise**

The Company did not have any inventory.

**CLASS II - Plant, machinery, equipment, and office**

The Company had some auto repair equipment, including an air compressor, hand tools, shelving and computers. This equipment was removed by a liquidator prior to the bankruptcy and is set to be sold at auction.

**CLASS III - Buildings and real estate**

The Company did not own real estate.

**CLASS IV - Books and records**

The Trustee has taken possession of 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

The business was shut down prior to bankruptcy. The Trustee has taken no conservatory or protective measures.

### 2. Carrying on business

The Company's operations ceased prior to bankruptcy.

## SECTION C - Legal proceedings

There are no legal proceedings the Trustee is aware of.

## SECTION D - Provable claims

	As per Statement of Affairs	Claims Received to Date
Unsecured	\$69,316	\$56,263
Preferred	Nil	Nil
Secured	Nil	Nil
Deemed trust	\$10,483	Nil
<b>Total</b>	<b>\$79,799</b>	<b>\$56,263</b>

## SECTION E - Secured creditors

There are no creditors with registered security.

## SECTION F - Anticipated realizations and projected distribution

Net realizations after selling costs are expected to be nominal. There is no distribution expected in this estate.

## SECTION G - Reviewable transactions and preferential payment

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

**SECTION H - Other matters**

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

The Trustee has received a third party deposit of \$8,475 from Cathy Durnez to cover the fees and disbursements of the bankruptcy in the event asset realizations are insufficient.

Dated at London, Ontario this 20<sup>th</sup> day of September 2021.

MNP Ltd.  
Licensed Insolvency Trustee of  
D&S Auto Ltd.



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

London  
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IN THE MATTER OF THE BANKRUPTCY OF  
D&S Auto Ltd.

Carrying on business in the City of London,  
in the Province of Ontario

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TRUSTEE'S PRELIMINARY REPORT

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MNP Ltd.  
1002 - 148 Fullarton Street  
London, ON N6A 5P3