

**IN THE MATTER OF THE RECEIVERSHIP OF  
TALSMA'S WELDING LTD.**

#24-115176

**SECOND INTERIM REPORT OF RECEIVER**  
(Subsection 246(2) of the Bankruptcy and Insolvency Act)

**BACKGROUND**

Meyers Norris Penny Limited was appointed as Interim Receiver (the "Interim Receiver") of Talsma's Welding Ltd. ("Talsma's" or the "Company") pursuant to an Order granted by the Court on March 17, 2009 (the "Interim Receivership Order").

The Interim Receiver's appointment was expanded by an Order of the Court granted May 27, 2009 (the "Receivership Order") such that Meyers Norris Penny Limited was appointed as Receiver (the "Receiver") of Talsma's property as defined in paragraph 2 of the Interim Receivership Order.

Subsequently, the Company made an assignment in bankruptcy effective May 29, 2009 and Meyers Norris Penny Limited was appointed as Trustee of the Estate (the "Trustee").

**STATEMENT OF RECEIPTS AND DISBURSEMENTS**

The Receiver's Interim Statement of Receipts and Disbursements for the period March 17, 2009 to May 7, 2010 is attached hereto as Schedule 1.

**STATEMENT OF PROPERTY**

The Receiver has determined that there is no realizable value attributable to the Company's prepaids and deposit account.

The Receiver has not yet realized on the following property:

- Certain accounts receivable (approximately \$885,000);
- Real property located in Bentley, Alberta;

Collection action with respect to certain of the remaining accounts receivable (approximately \$765,000) will be handled by the Trustee in conjunction with the various investigative powers afforded to the Trustee under the *Bankruptcy and Insolvency Act*.

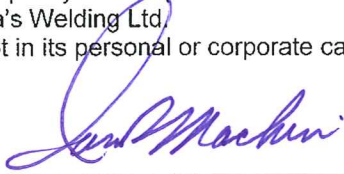
Talsma's Welding Ltd. – In Receivership  
Second Interim Report of Receiver  
May 10, 2010  
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Dated at Calgary, Alberta, this 10th day of May, 2010.

**MEYERS NORRIS PENNY LIMITED**

In its capacity as Receiver of  
Talsma's Welding Ltd.  
And not in its personal or corporate capacity



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Ian Mackin, CA • CIRP  
Senior Vice President

**Talsma's Welding Ltd. - Receivership**  
**Interim Statement of Receipts and Disbursements**  
**For the Period March 17, 2009 to May 7, 2010**

	Mar. 17/09 to Dec. 4/09	Activity During Period	Mar. 17/09 to May 7/10
<b>Receipts</b>			
Sale of Assets	\$ 590,058.50	\$ 21,500.00	\$ 611,558.50
Accounts Receivable	107,206.63	23,000.00	130,206.63
Insurance Proceeds	15,590.00	-	15,590.00
GST Refund	12,569.08	-	12,569.08
Miscellaneous Refund	1,311.81	481.37	1,793.18
<b>Total Receipts</b>	<u>726,736.02</u>	<u>44,981.37</u>	<u>771,717.39</u>
<b>Disbursements</b>			
General and Administrative	-	70.00	70.00
Stocktaking, Inventory, Possession and Security	9,864.54	3,933.90	13,798.44
Repairs and Maintenance	-	965.90	965.90
Insurance	19,806.00	6,000.00	25,806.00
Consulting Services	3,150.00	640.00	3,790.00
GST Paid	7,292.06	1,566.93	8,858.99
Utilities	15,226.98	9,623.16	24,850.14
Auctioneer Expenses			
Commission	51,368.23	2,150.00	53,518.23
Auctioneer Expenses	25,969.96	652.25	26,622.21
Auction Expenses	8,492.81	-	8,492.81
Property Taxes	16,612.59	-	16,612.59
Legal Fees and Disbursements	5,790.30	1,363.06	7,153.36
Professional Fees and Disbursements (Note 1)			
Interim Receiver's Fees and Disbursements	64,975.09	-	64,975.09
Receiver's Fees and Disbursements	50,515.82	17,631.29	68,147.11
Transfer to Bankrupt Estate	11,230.00	-	11,230.00
<b>Total Disbursements</b>	<u>290,294.38</u>	<u>44,596.49</u>	<u>334,890.87</u>
<b>Excess of Receipts Over Disbursements</b>	<u>\$ 436,441.64</u>	<u>\$ 384.88</u>	<u>\$ 436,826.52</u>
<b>Represented by:</b>			
Payment of Deemed Trust Claim - Canada Revenue Agency	157,196.09	-	157,196.09
Payment to Secured Creditor - Servus Credit Union Limited	260,000.00	-	260,000.00
Retained by Receiver (Note 2)	19,245.55	384.88	19,630.43
<b>Total</b>	<u>\$ 436,441.64</u>	<u>\$ 384.88</u>	<u>\$ 436,826.52</u>

**Notes:**

1. A schedule of these amounts is attached as Appendix 1.

2. Includes an amount of \$9,290.63 held in trust to satisfy payment of the deemed trust portion of the claims filed under the *Wage Earners' Protection Program Act*.

Talsma's Welding Ltd. - In Receivership  
 Interim Statement of Receipts and Disbursements  
 For the Period March 17, 2009 to May 7, 2010

Schedule of Professional Fees and Disbursements

	Fees	Disbursements	Sub Total	GST	Total
<b>Interim Receivership</b>					
March 2, 2009 to May 25, 2009	\$ 60,638.00	\$ 4,337.09	\$ 64,975.09	\$ 3,248.75	\$ 68,223.84
<b>Receivership</b>					
May 26, 2009 to June 30, 2009	16,209.30	810.47	17,019.77	850.99	17,870.76
July 1, 2009 to September 23, 2009	31,715.30	1,780.75	33,496.05	1,674.80	35,170.85
September 24, 2009 to December 16, 2009	16,791.70	839.59	17,631.29	881.56	18,512.85
<b>Total</b>	<b>\$ 125,354.30</b>	<b>\$ 7,767.90</b>	<b>\$ 133,122.20</b>	<b>\$ 6,656.10</b>	<b>\$ 139,778.30</b>