



# Civil Resolution Tribunal

Date Issued: June 11, 2021

File: SC-2020-006456

Type: Small Claims

Civil Resolution Tribunal

Indexed as: *Rangi Construction Ltd. v. Busy Boys Finishing Ltd.*, 2021 BCCRT 651

B E T W E E N :

RANGI CONSTRUCTION LTD.

**APPLICANT**

A N D :

BUSY BOYS FINISHING LTD. and HARBHAJAN KAHLON

**RESPONDENTS**

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## REASONS FOR DECISION

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Tribunal Member:

Chad McCarthy

## INTRODUCTION

1. This dispute is about payment for finishing carpentry work. The respondent Busy Boys Finishing Ltd. (Busy Boys) agreed to do a residential finishing carpentry job for a third party, MLH. The respondent Harbhajan Kahlon is Busy Boys' owner and

principal. Busy Boys subcontracted at least some of its MLH work to the applicant Rangi Construction Ltd. (Rangi).

2. Rangi says the respondents have not paid the full balance of Rangi's invoices, and claims \$3,151 for unpaid work. The respondents say that Busy Boys paid Rangi for all of the work Rangi finished, so nothing further is owed.
3. In this dispute, Rangi is represented by its director, Kulwinder Rangi. Paramjit Malhi, a lawyer, represents both respondents.

## **JURISDICTION AND PROCEDURE**

4. These are the formal written reasons of the Civil Resolution Tribunal (CRT). The CRT has jurisdiction over small claims brought under section 118 of the *Civil Resolution Tribunal Act* (CRTA). Section 2 of the CRTA states that the CRT's mandate is to provide dispute resolution services accessibly, quickly, economically, informally, and flexibly. In resolving disputes, the CRT must apply principles of law and fairness, and recognize any relationships between the dispute's parties that will likely continue after the CRT process has ended.
5. Section 39 of the CRTA says the CRT has discretion to decide the format of the hearing, including by writing, telephone, videoconferencing, email, or a combination of these. Here, I find that I am properly able to assess and weigh the documentary evidence and submissions before me. Further, bearing in mind the CRT's mandate that includes proportionality and a speedy resolution of disputes, I find that an oral hearing is not necessary in the interests of justice.
6. Section 42 of the CRTA says the CRT may accept as evidence information that it considers relevant, necessary, and appropriate, whether or not the information would be admissible in a court of law. The CRT may also ask questions of the parties and witnesses and inform itself in any other way it considers appropriate.

7. Where permitted by section 118 of the CRTA, in resolving this dispute the CRT may order a party to do or stop doing something, pay money or make an order that includes any terms or conditions the CRT considers appropriate.

## **ISSUE**

8. Whether Rangī completed the invoiced work for the respondents, and if so, do the respondents owe an additional \$3,151 to Rangī?

## **EVIDENCE AND ANALYSIS**

9. In a civil proceeding like this one, as the applicant Rangī must prove its claims on a balance of probabilities. I have read all the parties' submissions but refer only to the evidence and arguments that I find relevant and necessary to provide context for my decision.
10. It is undisputed that Busy Boys agreed to perform a finishing carpentry job for MLH. An undated Busy Boys holdback invoice and an undated Busy Boys account statement in evidence show that the total price of the contracted work was \$128,450 plus GST. There is no further description of what work Busy Boys and MLH agreed to, and there is no contract or other evidence before me describing the terms of their agreement. It is unclear how much of the contracted work Busy Boys completed itself.
11. It is also undisputed that Busy Boys subcontracted at least some of its MLH finishing carpentry work to Rangī. The parties' agreement was verbal. There is no written contract or other objective evidence before me showing exactly what work Busy Boys and Rangī agreed to, the price of the work or rates to be charged, or any payment terms. The respondents submitted undated scans from a book that they say was a list of Rangī's cost estimates for the work. These scans appeared to be excerpts from a longer document that showed prices for various items such as doors, windows, and locks, without further explanation. I find the evidence fails to show that the parties agreed to these prices for the MLH work, as the document lacks other detail and its

purpose is unclear. Based on the parties' submissions, I find that Busy Boys likely paid Rangi out of money Busy Boys received from MLH as work was completed.

12. Mr. Kahlon is a principal and owner of Busy Boys. Rangi says that Mr. Kahlon assured Rangi that he would "take care for the whole payments of" Busy Boys for the subcontracted work (quote reproduced as written). I find this means Rangi says that Mr. Kahlon agreed to guarantee Busy Boys' payments to Rangi. However, I find the evidence before me fails to support a finding that Mr. Kahlon agreed to be personally responsible for Busy Boys' debts to Rangi. Further, Rangi's invoices were all addressed to Busy Boys, and all invoice payments were made by Busy Boys cheques. I find the evidence fails to show that Mr. Kahlon himself was a party to the agreement between Rangi and Busy Boys, or that Mr. Kahlon agreed to be responsible for Busy Boys' payments under that agreement. So, I dismiss Rangi's claims against Mr. Kahlon personally. When I refer to the "parties" below, I mean Rangi and Busy Boys.
13. Rangi issued 4 invoices to Busy Boys. Each invoice was written on a pre-printed form that had check boxes beside descriptions of work tasks. The only work descriptions on each invoice were check marks beside the pre-printed descriptions "Window Sill with Casing" and "Door Installation & Casing", and on one of the invoices an additional check mark beside the pre-printed description "Locks". There was 1 total amount charged on each invoice, without any further breakdown, explanation, or description of the work performed. Rangi submitted unexplained photographs of rooms in a house under construction, which I assume show some of the work it performed. I find the photos do not help prove what work Rangi completed or how much it was worth. Overall, I find it is impossible to determine what work Rangi performed, how long that work took, or how Rangi calculated the amounts it charged, from the invoices and the other submitted evidence.
14. Despite this lack of detail, Busy Boys made a payment to Rangi after each of the first 3 invoices were issued in August 2019, September 2019, and October 2019. The last invoice, dated November 1, 2019, was for \$1,365 plus a previous balance \$3,286.85,

which totalled \$4,651.85. There is no evidence of any payment for many months following the final invoice.

15. A year later, Busy Boys paid Rangī \$1,500 by a cheque dated November 1, 2020. I find a stamped bank copy of the cheque in evidence shows it was debited on November 3, 2020. The parties do not explain the reason for the payment delay. The difference between the final invoice and the cheque amount is \$3,151.85, and Rangī claims \$3,151 in this dispute.
16. The memo field of the November 1, 2020 cheque said “Final payment.” Busy Boys says that by accepting this payment, Rangī agreed that it had been paid in full for its work. Rangī disagrees, and says this cheque memo was a “trick,” and that it continued to seek payment of the remaining balance. Text messages in evidence show that Rangī asked to be given its “pending balance” for the work on November 11, 2020 and on more than 20 other days in the approximately 2 months that followed, with no text message responses from Busy Boys.
17. I find the evidence fails to show that the parties discussed or agreed to a reduction of the invoiced balance before Rangī issued the November 1, 2020 cheque. On the evidence and submissions before me, I find that first and only indication that Busy Boys might have wanted to pay a reduced amount was the “Final payment” notation on the cheque. In the circumstances, given the lack of evidence of disagreement or other discussions about the invoiced balance in the year following the final invoice, I find that Rangī’s deposit of the \$1,500 cheque was not an acceptance of a reduced amount for its invoiced work.
18. Having said that, I find the evidence before me does not sufficiently prove that Rangī performed work for which it remains unpaid. In its submissions, Rangī suggests that it was not “able to keep” records of its work and admits that its invoices did not contain “minute details” of its work. I find the invoices contain almost no work details at all. Further, despite having an opportunity do to so, Rangī does not explain what work it did for the amounts charged on its invoices. I find the evidence fails to show that

Rangi completed any particular work tasks, provided a certain number of hours of labour, or purchased any materials, for which Busy Boys did not pay.

19. Having weighed the submitted evidence and considered the parties' arguments, I find Rangi has not met its burden of proving that any of its completed work remains unpaid. So, I find that Busy Boys did not breach the parties' verbal contract by not paying an additional \$3,151 for the balance of Rangi's invoices. I also find, contrary to Rangi's argument, that Busy Boys was not "unjustly enriched" by failing to pay more, because the evidence fails to show Rangi performed any unpaid work. I dismiss Rangi's claims.

## **CRT FEES AND EXPENSES**

20. Under section 49 of the CRTA and CRT rules, the CRT will generally order an unsuccessful party to reimburse a successful party for CRT fees and reasonable dispute-related expenses. I see no reason in this case not to follow that general rule. Rangi was unsuccessful in its claims, but the respondents paid no CRT fees and claimed no CRT dispute-related expenses. So, I order no reimbursements.

## **ORDER**

21. I dismiss Rangi's claims, and this dispute.

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Chad McCarthy, Tribunal Member