

Province of Ontario  
Division No.: 32-Hamilton  
Court No.: 32-3056849  
Estate No. : 32-3056849

**IN THE MATTER OF THE BANKRUPT CORPORATIONCY OF  
2511023 ONTARIO CORPORATION  
OF THE CITY OF NIAGARA FALLS  
IN THE PROVINCE OF ONTARIO**

**TRUSTEE'S PRELIMINARY REPORT**

**2511023 Ontario Corporation** (the "**Bankrupt Corporation**" or the "**Debtor**") made an assignment in bankruptcy on the 18<sup>th</sup> day of March, 2024.

**Goldhar & Associates Ltd.** (the "**Trustee**") has been appointed by the Office of Superintendent of Bankruptcy as the trustee of the estate of 2511023 Ontario Corporation subject to affirmation by the creditors at the first meeting of creditors.

The first meeting of creditors will be held on April 3, 2024 at 1:00 PM at the Trustee's office located at 1220 Eglinton Ave. W, Toronto, Ontario M6C 2E3 and Via Zoom

The statement of affairs, enclosed with the creditors' package, provides details on the current financial position of the Bankrupt Corporation, and lists the assets and liabilities owned by the Bankrupt Corporation.

The Trustee in this report provides its findings re the affairs of the Bankrupt Corporation and seeks instructions from creditors or inspectors, if appointed, on certain matters.

To vote at the creditors meeting or to participate in any dividend distributions, creditors must submit to the Trustee a properly completed proof of claim, together with a Statement of Account attached thereto as Schedule "A" (collectively referred to as the "Claim").

❖ **Limitation**

The information in this report is provided to assist the creditors in evaluating the affairs of the Bankrupt Corporation. The Trustee has relied on the recent draft financial statements, compiled by the management of the Bankrupt Corporation and the discussion with management. The financial information is as provided by the Bankrupt Corporation and is neither reviewed nor audited and the Trustee does not express an opinion with respect to the validity, accuracy or the reliability of the information contained herein.

Please note that any creditor/stakeholder relying on the information contained herein should do so at their sole discretion.

**A. Background**

2511023 Ontario Corporation was incorporated on March 29, 2016 as an Ontario corporation and operated a restaurant under the franchise of Crepe Delicious. The restaurant was located at 300 Taylor Rd, Niagara-on-the-Lake, ON.

The Bankrupt Corporation's registered head office was located at 11 Herefordshire Cres., East Gwillimbury, Ontario L9N 0B7 and on December 28, 2016 moved its business address to Osprey Ave., Niagara Falls, Ontario L2H 0M2.

The details of the officer/director and shareholders of the corporation are set out below :

<b>Name</b>	<b>Director</b>	<b>Shareholder</b>
Dritan Kukuqani	Yes	Yes (50%)
Rudina KuKuçani	Yes	Yes (50%)

The shareholders had acquired the company through a purchase of shares and has been operating the company thereafter.

### **B. Causes of Insolvency**

The cause of bankruptcy as advised by the president of the Bankrupt Corporation are noted below and has not been verified by the Trustee for validity or accuracy.

As advised by the officer of the Bankrupt Corporation, customer traffic was greatly reduced during the multiple waves of the COVID-19 pandemic, resulting in a drastic reduction in sales.

The company continued to service the debts and meet other operating costs but with no visibility for a revival, the company ceased operations on December 19, 2023, and eventually filed for bankruptcy.

### **C. Operations**

The Bankrupt Corporation ceased operations in December 2023 when it sold all of the assets under an Agreement of Purchase and Sale in the amount of \$ 95,000.

### **D. Conservatory and Protective Measures**

#### **❖ Leased Premises and Equipment**

The Bankrupt Corporation operated from leased premises located at 300 Taylor Rd., Niagara-on-the-Lake, ON which was taken over by the purchaser pursuant to the sale of assets of the corporation.

The Debtor does not have any leased assets, equipment or premises at the date of bankruptcy.

#### **❖ Owned Assets, Stocks/Inventory**

The Debtor sold all of its assets under the agreement of purchase and sale dated October 10, 2023 and the sale transaction was completed on December 14, 2023. The officer of the Debtor has advised that the purchaser was not related to the Debtor and that it was an arms length transaction.

The officer of Debtor has also advised that the proceeds from the sale of assets were used to pay the realtors commission and TD Bank ("**Bank**") for the HASCAP Loan which had an outstanding

amount of \$ 92,414.58, however a discharge statement from the Bank is not available with the Debtor.

There were no funds available in the chequing account maintained by the Bankrupt Corporation with TD Bank at the date of bankruptcy.

#### ❖ **Books and Records**

As advised by the officer of the Bankrupt Corporation, the corporate income tax return has been filed for the reporting period ended February, 2023. HST returns have been filed for the reporting period ending November, 2023. The debtor has advised that there are no arrears of HST or source deductions based on the returns filed.

The notice of bankruptcy has been provided to CRA and CRA has not filed a proof of claim to date.

The Trustee, at this time, does not have in its possession the entire accounting and bookkeeping backup for prior years, including the bank statement and cancelled cheques, or copies of past returns filed, as sought by the Trustee. However, the officers of the Bankrupt Corporation have indicated they will extend the necessary support and cooperation to the Trustee in providing access to available records of the corporation, as required and/or assisting in completing any pending tax returns or assisting with providing any information as may be required by the CRA or other creditor.

#### ❖ **Receivables**

There are no receivables at the date of bankruptcy.

#### ❖ **Other Assets**

##### **i. Vehicles**

There were no vehicles at the date of bankruptcy.

##### **ii. Funds in Bank**

The Trustee has informed the bank of the bankruptcy and has requested that all funds available, if any, be transferred to the Trustee and that no further transactions and withdrawals be permitted from this account. The Trustee has also requested a recent statement of account to be able to reconcile the final balance.

#### **E. Employees**

As advised by the officer of the Bankrupt Corporation, all employees were paid in full and there is no amounts owed to the employees re wages, vacation or termination pay. The Trustee does not expect to be administering WEPP

#### **F. Legal Proceedings**

There were no active litigation wherein the Bankrupt Corporation is involved as a defendant or plaintiff.

## G. Provable Claims

The Trustee sent the Notice of Bankruptcy and the First Meeting of Creditors on March 18, 2024, to all known creditors of the Bankrupt Corporation, via email, fax, or regular mail, as per the details provided by the Bankrupt Corporation.

The claims of creditors as per the Bankrupt Corporation's sworn Statement of Affairs ("SOA"), and the claims received by the Trustee as of 11:00 AM, April 3, 2024, are summarized below.

Creditors Group	Statement of Affairs		Claim as Filed	
	No. of Creditors	Value (\$)	No. of Creditors	Value (\$)
Unsecured Creditors	9	259,782.00	2	67,519.12
Preferred Creditors	--	--	--	--
Secured Creditors	--	--	--	--
<b>Total</b>	<b>9</b>	<b>259,782.00</b>	<b>2</b>	<b>67,519.12</b>

## H. Secured Creditors

The Trustee reviewed the Ontario PPSA Registration on February 20, 2024 and there appears to be two registered security charges. The first charge is registered by TD Bank and the other charge is registered by Crepe Delicious Holdings Corp, which was the franchisor for the business.

Both secured creditors have been provided with the notice of Bankruptcy, however the Trustee has not received any secured claim to date.

### Note

The Trustee is not aware of any priority or deemed trust claim at this time.

## I. Anticipated Realizations and Projected Distributions

The Trustee does not anticipate any realization or distributions to any creditors.

## J. Reviewable Transactions and Preference Payments

The Trustee has not conducted a detailed review of the books and records of the company to determine the extent, if any, of any preferences or transactions at undervalue. Also, there are no funds in the estate to cover the costs associated with a detailed investigation and the creditors are advised that per Sec. 38 of the BIA, the creditors may obtain an order from the court authorizing them to take over the proceeding in their own name and their own expense and risk.

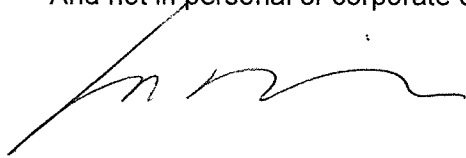
## K. Other Matters

- Dritan Kukuqani had previously engaged the services of Goldhar Consulting and Tax Services Inc. and paid a professional fee in the amount of \$11,000 plus HST on January 8, 2024. This was also reported by the Trustee on the Estate Information Summary form submitted to the Official Receiver at the time of the initial filing.

- Documents related to the bankruptcy of the Bankrupt Corporation are available on the Trustee's website at <https://www.Goldhar.ca/corporate-engagements/>.
- On March 18, 2024, a newspaper notice was placed in the Financial Post newspaper, informing creditors of the bankruptcy of the Bankrupt Corporation, and advising of the date and time of the first meeting of creditors.

Dated at the City of Toronto in the Province of Ontario, this 3<sup>rd</sup> day of April , 2024

Goldhar & Associated Ltd. – Licensed Insolvency Trustee  
Trustee of the estate of 2511023 Ontario Corporation, a Bankrupt Corporation  
And not in personal or corporate capacity



**Per: Joel Kideckel**