

Province of Ontario
Division No.: 09-Toronto
Court No.: 31-3078203
Estate No. : 31-3078203

**IN THE MATTER OF THE BANKRUPTCY OF
2178235 ONTARIO INC.
OF THE CITY OF TORONTO,
IN THE PROVINCE OF ONTARIO**

Minutes of First Meeting of Creditors held on May 28, 2024.

The first meeting of creditors will be held on May 28, 2024 at 1:00 PM at the Trustee's office located at 1220 Eglinton Ave. W., Toronto, Ontario and Via Zoom

Trustee opened the Zoom Call and welcomed the participants.

The meeting was Chaired by Joel Kideckel, CIRP, LIT, CPA. Parneet Singh from the Trustee's office acted as Secretary for the meeting.

1. Participants Present for the Meeting:

Name	Representing	Presence
Joel Kideckel	Trustee and chair for the meeting	Zoom Video Conference
Parneet Singh	Trustee's staff and Secretary for the meeting	Zoom Video Conference
Judith Vent	Director of Debtor Corporation	Zoom Video Conference
Don Plewes	Accountant of the Corporation	Zoom Video Conference
Patrick Murphy	Proxy for Eastham Contracting Inc.	Zoom Video Conference

2. The secretary completed the roll call for all participants present for the meeting.
3. The Trustee reviewed the proof of claims filed immediately prior to the meeting and called the meeting to order at 1:05 PM
4. The Chairperson outlined his authority under Section 105.1 of the Bankruptcy and Insolvency Act (BIA):

"The official receiver or his nominee shall be the Chairperson at the first meeting of the creditors and shall decide any questions or disputes arising at the meeting and from any such decision any creditor may appeal to the court".

5. The Chairperson tabled the following documents:
 - i) The Assignment
 - ii) The sworn Statement of Affairs of the debtor
 - iii) Trustee's Preliminary Report
 - iv) The Official Receiver's Certificate of Appointment
 - v) Notice of Bankruptcy in Local Paper

6. Quorum

The Chair declared that there was one creditor present at the meeting who has filed a proof of claim, that there was a quorum, and that the meeting having been properly called, was competent to carry on business.

7. Trustee's Preliminary Report

Mr Singh from the Trustee's office presented the Trustee's preliminary report. The Trustee's Preliminary Report is annexed to these minutes as "**Appendix A**".

8. AFFIRMATION OF THE TRUSTEE

The Trustee inquired of the participants if they intended to make a motion for substitution of Trustee or if they wanted to affirm the appointment of Goldhar & Associates Ltd as the trustee.

On a motion by Mr. Patrick Murphy the appointment of Goldhar & Associates Ltd as the Trustee of the estate of 2178235 Ontario Inc. was affirmed

9. APPOINTMENT OF INSPECTORS

The Trustee advised that creditors can appoint 1-5 inspectors that act similar to a board of directors of a company. They provide oversight and instructions to the Trustee for matter including, but not limited to,

- i. administration of the bankrupt estate.
- ii. providing directions to the Trustee on matters related to the estate;
- iii. matters to be investigated.
- iv. reporting to creditors as a whole.
- v. assisting the Trustee with the realization of the assets, etc.

The Trustee also noted that if inspectors are not appointed, then under section 30 (3) of the BIA, the Trustee may do all or any of the things referred to in subsection (1).

Mr. Murphy expressed his intent to act as an Inspector. There were no objections to it from any participant and the appointment of Mr. Murphy as an inspector to the estate of 2178235 Ontario Inc. was approved.

10. QUESTION AND DISCUSSION PERIOD

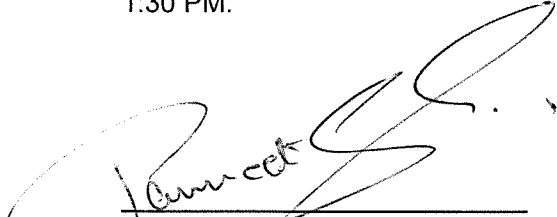
The Chair asked the participants if they had any questions relating to the administration, to which to which there were none.

11. DIRECTIONS TO THE TRUSTEE

There were no instructions provided to the Trustee at this time.

12. ADJOURNMENT OR CLOSING OF MEETING

The Chair adjourned the meeting without setting a date. The meeting was adjourned at 1:30 PM.



Parneet Singh, Secretary



Joel Kideckel, Chairman

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IN THE PROVINCE OF ONTARIO**

TRUSTEE'S PRELIMINARY REPORT

2178235 ONTARIO INC. (the "Debtor" or the "Bankrupt") made an assignment in bankruptcy on the 9th day of May 2024.

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

The first meeting of creditors will be held on May 28, 2024 at 1:00 PM at the Trustee's office located at 1220 Eglinton Ave. W., Toronto, ON and Via Zoom

The statement of affairs, enclosed with the creditors' package, provides details on the current financial position of the Bankrupt, 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 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"). The completed Claim can be delivered to the Trustee's office by mail, courier, facsimile, electronic mail, or in person.

Creditors are encouraged to attend the creditors meeting. Creditors can also appoint a person to represent them at the creditors' meeting by submitting a properly completed proxy form with the proof of claim form. All corporations must name a proxy.

❖ **Limitation**

The information in this report is provided to assist the creditors in evaluating the affairs of the Bankrupt. The Trustee has relied on the recent draft financial statements, compiled by the management of the Bankrupt and the discussion with management. The financial information is as provided by the Bankrupt 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

The Bankrupt was incorporated on July 4, 2008 under the Canada Business Corporation Act.

The registered head office of the Bankrupt was located at Lookout St., Fonthill, Ontario. The Bankrupt Corporation was a fast-food business under Harvey's franchise. The business was formerly operating at 200 Bay St. Toronto, ON and the business has been inactive since May 28, 2023.

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

Name	Director	Shareholder
Judith Vent	Yes	No
Dennis Torrecampo	Yes	No
2176085 Ontario Inc.	Not Applicable	Yes (100%)

B. Causes of Insolvency

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

The Bankrupt formerly operated a fast-food business under the Harvey's franchise in Toronto. Due to the multiple waves of Covid pandemic, the business was affected as many people were working from home resulting in a significant reduction in sales.

The Bankrupt continued to service the debts and meet other operating costs but with the increased costs in rent over the past year, the Bankrupt did not foresee any ability for a revival and closed the business in May 2023 and subsequently filed an assignment in bankruptcy.

C. The Trustee's Duties under Section 16(3) of the Bankruptcy and Insolvency Act

❖ Leased Premises and Equipment

There are no leased premises or equipment at the date of bankruptcy.

❖ Books and Records

The officer of the Bankrupt has advised that the corporate tax return has been filed for the reporting period ended December 31, 2023, and the HST return has been filed for the reporting period ended December 31, 2023.

The officer of the Bankrupt has advised that to the best of her knowledge there are no arrears of HST or Employee Source Deductions with CRA at the date of bankruptcy.

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 Debtor 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.

❖ **Owned Assets**

Description	Amount (CAD)	Estimated Realizable Value
Cash in Bank	36.61	See Note 1 Below
Cash on Hand	17,713.65	See Note 2 Below

Note 1: As advised by the Officer of the Bankrupt, the cash in Bank of \$36.61 reflected on the Statement of Affairs was an error. It pertains to the personal bank account of the Officer of the Bankrupt, which was erroneously reported on the Statement of Affairs as the Debtor's bank account.

Note 2: The officer of the Bankrupt has advised that funds totaling \$17,713.65 reflected on the Statement of Affairs were held in Trust. These funds have been transferred to the Trustee pursuant to the assignment in bankruptcy and are currently held in the estate bank account for the benefit of the estate.

The officer of the Bankrupt has advised that the equipment was sold on May 26, 2023, for \$15,000 plus HST to Amir Salama, who is not related to the officer of the Bankrupt. The proceeds from the sales were used to pay the arrears of rent and settle the debt owed to Recipe Unlimited, the Franchisor.

D. Employees

As advised by the officer of the Bankrupt, the services of all employees were terminated at the time operations ceased. The Bankrupt did not have any employees in the past six months prior to the date of Bankruptcy. The Trustee does not expect to be administering WEPP.

E. Legal Proceedings

The officer of the Bankrupt has advised that the Bankrupt was not involved in any active litigation as a defendant or plaintiff.

F. Conservatory and Protective Measures

There were no assets at the date of Bankruptcy.

G. Provable Claims

The Trustee sent out the Notice of Bankruptcy and the First Meeting of Creditors on May 9, 2024, to all known creditors of the Corporation, through email, fax, or regular mail, as per the details provided by the debtor.

The claims of creditors as per the debtor's sworn Statement of Affairs ("SOA"), and the claims received by the Trustee as of 1:00 PM, May 16, 2024, are summarized below.

Creditors Group	Statement of Affairs		Claim as Filed	
	No. of Creditors	Value (\$)	No. of Creditors	Value (\$)
Unsecured Creditors	6	126,120.24	2	116,631.00
Preferred Creditors	--	--	--	--
Secured Creditors	--	--	--	--
Total	6	126,120.24	-	116,631.00

H. Secured Creditors

The Trustee has reviewed the PPSA Registration via search conducted on March 19, 2024 (file currency March 18, 2024), and the charge registered by Recipe Unlimited Corporation is reflected in the said search results.

The Trustee has provided the notice of bankruptcy to the secured creditors but has not received a proof of claim from them to date.

I. Anticipated Realizations and Projected Distributions

The Trustee is unable to provide a comment on the anticipated realization or projected distributions at this time.

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.

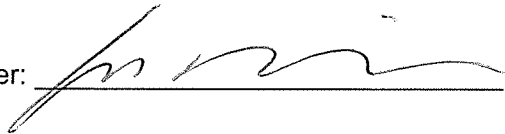
K. Other Matters

- 2227291 Ontario Inc. paid \$3,955 plus HST to Goldhar & Associates Ltd. on March 19, 2024, and the funds are currently being held in our third-party bank account. This was also reported by the Trustee on the Estate Information Summary submitted to the Office of the Superintendent in Bankruptcy.
- Documents related to the bankruptcy of Debtor are available on the Trustee's website at <https://www.Goldhar.ca/corporate-engagements/>.

- On May 14, 2024, a newspaper advertisement was placed in the Financial Post newspaper, informing creditors of the bankruptcy of the Bankrupt, 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 27th day of May, 2024

Goldhar & Associated Ltd. – Licensed Insolvency Trustee
Trustee of the estate of
2178235 Ontario Inc., a Bankrupt
And not in personal or corporate capacity

Per:  _____

Goldhar & Associates Ltd.

Claims Register

In the Matter of the Bankruptcy of
2178235 ONTARIO INC.
of the City of Toronto,
In the Province of Ontario

Insolvency Date: 09-May-2024

Estate Number: 31-3078203

<i>Creditor Name</i>	<i>Proof of Claim?</i>	<i>Claim Status</i>	<i>Rank / Class</i>	<i>SOA Amount</i>	<i>Amount Filed</i>	<i>Admitted for Dividend</i>
Unsecured creditors						
1. Eastham Contracting Inc. 209993	Yes	Admitted		56,631.48	56,631.48	56,631.48
2. TD Canada Trust C/O FCT Default Solutions 8144 - 9223065001	Yes	Admitted		60,000.00	60,000.00	60,000.00
Total : Unsecured creditors				116,631.48	116,631.48	116,631.48
Grand Total:				116,631.48	116,631.48	116,631.48