

Province of Ontario  
Division No.: 09-Toronto  
Court No.: 31-3200410  
Estate No. : 31-3200410

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

**TRUSTEE'S PRELIMINARY REPORT**

**Barlow Reid Inc.** (the "Debtor" or the "Bankrupt") made an assignment in bankruptcy on the 19 day of March 2025.

**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 April 9, 2025, at 11:00 AM 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 regarding 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 Debtor is an Ontario corporation, incorporated in October 2007. The Debtor was formerly operating an interior design business. The company's registered office was located at 2770 Dufferin St., Unit 218, Toronto ON M6B 3R7, which was vacated on January 31st, 2024.

The Debtor ceased operations on March 10, 2025.

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

Name	Director	Shareholder
Jennifer Barlow Reid (aka Jennifer Kulchyski)	Yes	100%

## B. Causes of Insolvency

The cause of bankruptcy as advised by the officer of the Debtor is noted below and has not been verified by the Trustee for validity or accuracy.

The corporation encountered significant financial difficulties due to a combination of personal and business-related issues. The increased draws from the business to meet the growing family expenses placed considerable strain on its finances. Personal challenges, such as a separation, further exacerbated the situation. The business was not generating enough cash to cover all obligations.

The decision to lease office space and accruing interest on debts worsened the financial outlook.

The Debtor constantly struggled to meet its financial obligations and eventually filed for an assignment in bankruptcy.

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

### ❖ Assets / Leased Vehicle

The Debtor has no assets available on the date of bankruptcy. The leased 2023 Acura bearing VIN # 5J8TC2H61PL801507 was surrendered by the Debtor to a Bailiff for storage and safekeeping. The lessor has been informed, and Honda Canada Finance has filed a secured proof of claim with the Trustee and requested the Trustee to release its interest in the said vehicle.

As per the black book search conducted by the Trustee for this vehicle, the average retail value of the vehicle is approximately \$ 47,000 which is less than the outstanding lease balance for this vehicle suggesting that there is no equity in this vehicle.

The Trustee, at the first meeting of creditors, will be seeking instructions from the creditors or inspectors, if appointed regarding the release of interest requested by the lessor.

#### ❖ **Cash in the Bank**

The Debtor had approximately \$ 1,772.79 in the chequing account with the Royal Bank of Canada (“RBC”) at the date of bankruptcy. The Trustee has requested RBC to remit the available funds to the Trustee for the benefit of the estate and a response from the bank is awaited.

#### ❖ **Leased Premises**

The debtor has no active lease on leased premises or arrears at this time.

#### ❖ **Books and Records**

The officer of the Debtor has advised that the corporate tax return has been filed for the reporting period ended September 30, 2023, and the HST return has been filed for the reporting period ended December 31, 2024.

The notice of bankruptcy has been provided to CRA and proof of claim has been filed by CRA.

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 officer of the Debtor has 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 creditors.

The officer of the Debtor is aware of the pending tax returns and has advised that he will be working with his accountant to complete the compliance.

#### **D. Employees**

As advised by the officer of the Bankrupt, the Debtor The debtor had one employee in the last 6 months and the officer of the Debtor has advised that there are no arrears of wages, vacation pay or termination pay to the employee. The Trustee does not expect to be assisting any former employees under the Wage Earners Protection Program (“WEPP”).

#### **E. Legal Proceedings**

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

#### **F. Conservatory and Protective Measures**

Not applicable, 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 March 20, 2025, 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 5:00 PM, April 8, 2025, are summarized below.

Creditors Group	Statement of Affairs		Claim as Filed	
	No. of Creditors	Value (\$)	No. of Creditors	Value (\$)
Unsecured Creditors	21	198,579.17	6	\$71,559.65
Preferred Creditors	--	--	--	--
Deemed Trust Claim	1	1	1	6,430.19
Secured Creditors	1	49,773.09	1	49,773.09
<b>Total</b>	<b>22</b>	<b>248,352.26</b>	<b>8</b>	<b>127,762.93</b>

### H. Secured Creditors

The Trustee conducted a search of the Ontario Personal Property Registration on March 17, 2025 (file currency March 16, 2025) and Honda Canada Finance appears to have a registered security interest on the vehicle leased by the corporation. A secured proof of claim has already been received from the secured creditor.

The Trustee has received a deemed trust claim from CRA in the amount of \$ 6,430 for arrears of source deduction.

### I. Anticipated Realizations and Projected Distributions

There are no assets in the estate and the Trustee does not anticipate any distribution to any creditors 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. It is the intention of the Trustee to discuss the scope of such a review if required with the Inspectors, if any appointed for the estate.

## K. Other Matters

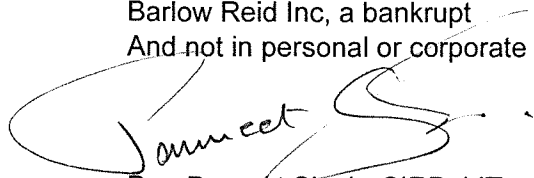
- Jennifer Barlow Reid provided a deposit in the amount of \$11,300 (inclusive of HST) on February 11, 2025, and the funds are currently being held in our third-party trust account. These are not estate funds.

This was also reported by the Trustee on the Estate Information Summary submitted to the Official Receiver at the time of initial filing.

- Documents related to the bankruptcy of Debtor are available on the Trustee's website at <https://www.Goldhar.ca/corporate-engagements/>.
- On March 25, 2025, 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 9th day of April, 2025

Goldhar & Associated Ltd. – Licensed Insolvency Trustee  
Trustee of the estate of  
Barlow Reid Inc, a bankrupt  
And not in personal or corporate capacity



Per: Parneet Singh, CIRP, LIT