

Province of Ontario
Division No.: 09-Mississauga
Court No.: 32-3189477
Estate No. : 32-3189477

**IN THE MATTER OF THE BANKRUPTCY OF
2635477 ONTARIO INC.
OF THE CITY OF MISSISSAUGA
IN THE PROVINCE OF ONTARIO**

TRUSTEE'S PRELIMINARY REPORT

2635477 Ontario Inc. (the “Debtor” or the “Bankrupt”) made an assignment in bankruptcy on the 21st day of February 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 March 13, 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 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 Debtor is an Ontario corporation, incorporated in May 2018. The Debtor formerly operated a Countertop and Backsplash installation business.

The Debtor's registered address was located at 5456 Tomken Road, Suite 7, Mississauga, Ontario, a leased premise that was vacated when the Debtor ceased operations. .

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

Name	Director	Shareholder
Dai Nghia Nguyen	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 company faced financial difficulties due to increased competition, rising material costs, and a slowdown in the real estate market.

These factors resulted in a reduced demand for countertop and granite installation services, adversely affecting the revenue.

The reduced revenue coupled with constantly increasing operating expenses made it difficult for the business to remain competitive and the business started falling behind on meeting its payment obligations.

The Debtor eventually filed for an assignment in bankruptcy.

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

❖ Leased Premises and Assets

The leased premises in Mississauga was vacated when debtor ceased operations and there is no active lease at the date of bankruptcy.

The Debtor has no assets available on the date of bankruptcy.

The assets reported on the previous financial statements upto 2023 were the book value of assets including some inventory, tools, and equipment which were not depreciated over the years and continued to be reported at book value.

The old tools, equipment and some inventory of granite pieces did not have any realizable value and were discarded when the company ceased operations.

The financial statements for the reporting period ended December 2024 have been updated to reflect that there are no assets.

❖ Cash in the Bank

There were nominal funds available in Debtor's bank account maintained with Royal Bank of Canada ("RBC") at the date of bankruptcy. The Trustee has requested RBC to remit any funds available in the bank account to the Trustee for the benefit of the estate. The bank's response is awaited.

❖ **Books and Records**

The officer of the Debtor 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 notice of bankruptcy has been provided to CRA and CRA has not filed proof of claim to this 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 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.

The officer of the Debtor is aware about 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 did not have any employees in the six months prior to the date of Bankruptcy. The Trustee does not expect to be assisting any former employees under the Wage Earners Protection Program ("WEPP").

E. Legal Proceedings

The officer of the 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 February 21, 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, March 12, 2025, are summarized below.

Creditors Group	Statement of Affairs		Claim as Filed	
	No. of Creditors	Value (\$)	No. of Creditors	Value (\$)
Unsecured Creditors	8	225,601.44	--	--
Preferred Creditors	--	--	--	--
Deemed Trust Claim	--	--	--	--

Secured Creditors	--	--	--	--
Total	8	225,601.44	--	--

H. Secured Creditors

The Trustee conducted a search of the Ontario Personal Property Registration on January 13, 2025 (file currency January 12, 2025) and there appears to be no registered security interest.

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

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.

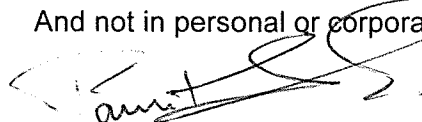
Also, there are no funds in the estate to cover the costs associated with a detailed investigation. It is the intention of the Trustee to discuss the scope of such a review if required with the Inspectors, if any appointed for the estate.

K. Other Matters

- Dai Nghia Nguyen retained the services of Goldhar Consulting & Tax Services Inc. and paid \$15,000 (inclusive of HST) on November 5, 2024 and later referred the debtor. 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 February 26, 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 12th day of March, 2025

Goldhar & Associated Ltd. – Licensed Insolvency Trustee
Trustee of the estate of
2635477 Ontario Inc., a bankrupt
And not in personal or corporate capacity



Per: Parneet Singh, CIRP, LIT