

Province of Ontario
Division No.: 09 Toronto
Court No.: 31-3212395
Estate No. : 31-3206639

**IN THE MATTER OF THE BANKRUPTCY OF
2588947 ONTARIO INC.
OF THE CITY OF TORONTO,
IN THE PROVINCE OF ONTARIO**

TRUSTEE'S PRELIMINARY REPORT

2588947 Ontario Inc. (the “Debtor” or the “Bankrupt”) made an assignment in bankruptcy on April 16, 2025.

Goldhar & Associates Ltd. (the “Trustee”) has been appointed by the Office of Superintendent of Bankruptcy (“OSB”) 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 6, 2025, at 3:00 PM at the Trustee's office located at 1220 Eglinton Avenue West, Toronto, Ontario 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.

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 24, 2017. The Bankrupt was formerly operating a sushi restaurant. The company's registered office is located at 30 Eglinton Avenue East, Toronto, Ontario where it formerly operated from.

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

Name	Director	Shareholder
Bong Ko	Yes	Yes (50%)
Oi-Suk Kim	Yes	Yes (50%)

B. Causes of Insolvency

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

The restaurant was heavily impacted by long-term construction related to the Eglinton Crosstown LRT, which made it difficult for customers to access the location and led to a steady drop in sales. This situation was made worse by the COVID-19 pandemic, which caused extended closures, reduced capacity, and fewer customers overall. Despite attempts to continue operating through takeout and delivery, the business could not recover and was no longer able to pay its debts.

With no hopes for a revival of the business, the Debtor eventually made an assignment in bankruptcy.

C. Operations

As advised by the officer of the Bankrupt, the corporation ceased operations prior to the date of making the assignment in bankruptcy.

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

❖ Leased Premises and Assets

As advised by the officer of the Bankrupt, there is no active lease agreement in place. The premises at 30 Eglinton Avenue East, Toronto, Ontario were abandoned, with rent arrears reflected in the statement of affairs. Upon abandonment of leased premises, the lessor retained possession of all assets remaining on the premises.

❖ Books and Records

The officer of the Bankrupt has advised that the Corporate Income Tax Return has been filed for the reporting period ended December 31, 2024 and advised the HST Return has been filed up to the reporting period ended December 31, 2024.

The Trustee, at this time, does not have in its possession the entire accounting and bookkeeping records for prior years, including cancelled cheques, or copies of past returns filed. However, the officers of the Bankrupt 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.

❖ Assets

The Bankrupt does not have any assets at the date of bankruptcy.

❖ Bank Account

The officer of the Debtor corporation advised the account is in arrears. A letter to the bank was sent on April 22, 2025, by regular mail.

E. Employees

The debtor had approximately 20 employees in the last six months and there are no arrears to any of the former employees for wages, vacation or termination pay. The Trustee does not expect to be administering Wage Earners Protection Program ("WEPP").

F. Legal Proceedings

There are no active litigation matters wherein the Bankrupt is involved as a defendant or plaintiff.

G. Conservatory and Protective Measures

There were no assets at the date of bankruptcy, no conservatory or protective measures were taken.

H. Provable Claims

The Trustee delivered the Notice of Bankruptcy and the First Meeting of Creditors on April 2, 2025, to all known creditors of the Bankrupt, 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, May 5, 2025, are summarized below.

Creditors Group	Statement of Affairs		Claim as Filed	
	No. of Creditors	Value (\$)	No. of Creditors	Value (\$)
Unsecured Creditors	20	1,013,596.74	2	32,716.97
Preferred Creditors	--	--	--	--
Secured Creditors	-	--	--	--
Total	20	1,013,596.74	2	32,716.97

I. Secured Creditors

The Trustee conducted a search of the Ontario Personal Property Registration on April 9, 2024 (file currency up to April 8, 2024) and there appears to be no registered security interest.

The Bankrupt had leased a Mercedes vehicle and has informed the Trustee that it was returned to the dealership after the business ceased operations and that there is no amounts owing to the dealership for said vehicle.

Royal bank of Canada has registered a general security agreement against the Company and has not yet filed a proof of claim.

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

J. Anticipated Realizations and Projected Distributions

The Trustee does not anticipate any realization for any creditors as there are no assets in the estate.

K. 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.

L. Other Matters

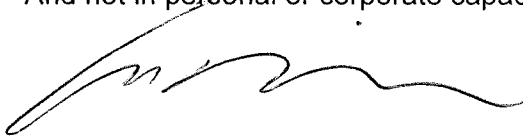
- Bong Soo Ko provided a third party deposit in the amount of \$11,300 on April 7, 2025, and the funds are currently being held in our third-party trust account. These are not estate funds.

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 April 24, 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 6th day of May, 2025

Goldhar & Associated Ltd. – Licensed Insolvency Trustee
Trustee of the estate of 2588947 Ontario Inc.
And not in personal or corporate capacity



Per: Joel Kideckel, CIRP, LIT

