Province of Ontario
Division No.:10 Peterborough
Court No.: 31-3374138
Estate No.: 31-3374138

In the Matter of the Bankruptcy of
Document Conversion Management Inc.
of the Community of Lindsay, in the Province of Ontario

TRUSTEE'S PRELIMINARY REPORT

A bankruptcy order was made against **Document Conversion Management Inc.** (the "**Debtor**" or "**DCM Inc**") on Mau 12, 2026. **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 June 2, 2026 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 Debtor, and lists the assets and liabilities owned by the Debtor. The trustee is working with the director of DCM Inc to get an Amended Statement of Affairs with more accurate information of the corporation estate of affairs on the date of the bankruptcy.

The Trustee in this report provides its findings related to the affairs of the Debtor 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 creditors in evaluating the affairs of the Debtor. The Trustee has been provided financial statements for the fiscal year ending September 30th 2023 by the Debtor. The Trustee has relied on these statements, limited discussions with the Debtor's management, and other available documentation in preparing this report.

The financial information included herein has not been reviewed or audited, and the Trustee makes no representations and expresses no opinion as to its accuracy, completeness, or reliability.

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

A. Background

The Debtor was incorporated on February 8, 2005, having its registered office in 232 Kent St. West Suite 2/226 in Lindsay, Ontario. The registration became inactive on May 6, 2026.

DCM primarily operated as a service-based company specializing in scanning, auditing drawings into drawing online storage systems and related professional services. We have identified three different business addresses from the documents provided by the Director and the Personal Property Security Act (PPSA) search and we are seeking clarification as to which location was the Debtor's last operating address:

1. 232 Kent Street West, Suite 2/226, Lindsay, ON, K9V 6A4
2. 86 Russell Street, Units 6/7, Lindsay, ON, K9V 6A5
3. 55 Mary Street West, Unit 112A/200, Lindsay, ON, K9V 4Z6

The details of the officer/director and shareholders of the corporation are set out below as per our Corporate profile search dated May 15, 2026:

Name	Director	Shareholder
Darryl Mitchell	Yes	Yes
Julie Mitchell	Yes	Yes

Darryl Mitchell provided the information below about the structure of DCM

" *To clarify the ownership timeline, Document Conversion Management Inc. was originally founded in 2005 and owned by Darrell Mitchell and Cindy Mitchell. Effective October 21, 2022, ownership transitioned to Darryl Mitchell and Julie Mitchell, at which time Darrell Mitchell and Cindy Mitchell were bought out of the company. A payment arrangement was established as part of the ownership transition; however, the agreed payments were not fully completed. This statement is provided for background and context regarding the ownership history and related financial obligations prior to the current bankruptcy proceedings.*"

B. Causes of Insolvency

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

The company experienced ongoing financial difficulties due to significant debt obligations, increasing CRA payroll and HST liabilities, rising operating costs, and persistent cash flow challenges. Despite efforts by the directors to restructure operations, reduce costs, and negotiate repayment arrangements with creditors, the company was unable to achieve a viable solution and ceased operations on November 1, 2024.

At the time operations ceased, the company had no significant realizable assets and substantial secured and statutory liabilities remained outstanding. Following the closure, the directors worked with a Licensed Insolvency Trustee to explore restructuring and repayment options; however, these efforts were unsuccessful, and both directors subsequently filed personal bankruptcies in August 2025.

C. Operations

The Debtor did not have any operations on the date of bankruptcy.

D. Assets

The following information regarding the company's assets as at the date of bankruptcy was provided by the Debtor and has not been independently verified by the Trustee:

" The company had no material realizable assets at the date of bankruptcy. Operations ceased on November 1, 2024.
The business operated from leased premises and utilized leased scanning, computer, and office equipment. Remaining office furnishings consisted of used desks, tables, and chairs with negligible resale value. The company did not own inventory, manufacturing equipment, or other significant tangible assets.
DCM operated as a service-based business specializing in document scanning, auditing, and online document management services. The company's value was primarily derived from its ongoing operations, client relationships, employee expertise, and managed services rather than physical assets.
Although the company had developed proprietary software platforms, including Echo 6.3 and the unfinished Echo 7 system, these platforms required ongoing administration, hosting, maintenance, and specialized employee knowledge. As such, the software did not represent a readily realizable asset for liquidation purposes.
At the time operations ceased, the company had no cash on hand and its bank accounts were overdrawn. Accounts receivable totaled approximately $91,000; however, collectability was uncertain due to client disputes, aged balances, project completion issues, and the cessation of operations."

As per the financial statement ending September 30, 2023 unaudited report, the assets were as follows:

- Cash	$26,000
- Accounts Receivable	$796,165
- Prepaid Expenses and deposits	$13,681
- Capital Assets	$630,912

Given the age of the last financial statements, the current assets may significantly vary in value and may no longer exist. The Trustee will be seeking instructions from the creditors or the inspectors, if appointed to the estate regarding the way forward for the potential receivables.

- **Bank Account**

The Trustee has also requested bank statements for the past 12 months from the debtor.

- **Other Assets**

There are no known assets in the corporation except for those noted above.

- **Books and Records**

The Trustee, at this time, does not have in its possession the entire accounting and bookkeeping backup records for prior years, including bank statements or copies of past returns filed, as sought by the Trustee. The trustee has requested the information.

As per the officer of the Debtor:
" The company is unable to provide the most current interim financial statements, including Balance Sheet, Statement of Income & Expenses, detailed Trial Balance, cancelled cheques, and complete bank statements for the final (12) months of operations.
Following the cessation of operations and subsequent insolvency proceedings, the company no longer has access to certain historical banking records, accounting systems, and QuickBooks files necessary to generate or retrieve this information. Any additional information that becomes accessible will be provided if available.
Certain payroll filings and CRA- related records are currently in the process of being produced by the Canada Revenue Agency (CRA). The company is awaiting access to this information and will provide additional payroll reporting details and CRA documentation once received and available"

E. Employees

As advised by the officer of the Debtor, the Debtor did not have any employees in the six months prior to bankruptcy.

The Trustee at this time, does not expect to be assisting any former employees with claims under the Wage Earner Protection Program **("WEPP").**

F. Conservatory and Protective Measures

The Trustee will review with the Inspectors, if any are appointed, on possible options in determining the Debtor's assets.

G. Provable Claims

The Trustee delivered the Notice of Bankruptcy and the First Meeting of Creditors on May 19, 2026, to all known creditors of the Debtor, through email, fax, or regular mail, as per the details at hand from the Court order and the Personal Property Security Act (PPSA) search. .

The claims received by the Trustee as of 5:00 PM, June 1, 2026, are summarized below.

Creditors Group	Statement of Affairs	Claim as Filed

	No. of Creditors	Value ($)	No. of Creditors	Value ($)
Unsecured Creditors	1	$325,256.94		
Preferred Creditors	-	-	-	-
Secured Creditors	4	$1.00	1	$5,066.26
Deferred Creditors			-	-
Deemed Trust Claim			-	-
Total				**$5,066.266**

H. Secured Creditors

The Trustee conducted a search of the Ontario Personal Property Registration on May 15, 2026, (file currency up to May 14, 2026) and the following creditors appear to have a registered security interest against the Debtor:

Creditor	Collateral Classification
Royal Bank of Canada	Inventory, equipment, account and other
Ministry of Finance	Inventory, equipment, account and other
Kawartha Lakes Community Futures Development Corp.	General Security agreement and promissory notes executed by the debtor
CWB National Leasing Inc	All scanner of every nature or kind described in agreement number 3078640, between questor financial corp., as original secured party and the debtor, which agreement was assigned by the original secured

The Trustee has received a secured proof of claim from CWB National Leasing Inc. The claims have not been reviewed for their validity or enforceability.

The Trustee is aware that CRA has a potential trust claim. A notice of bankruptcy has been provided to CRA, a proof of claim from CRA is currently awaited.

I. Anticipated Realizations and Projected Distributions

The Trustee is unable to provide a comment on the tentative distribution at this time.

J. Reviewable Transactions and Preference Payments

The Trustee has not received the necessary documentation in order to review transactions and or preferential payments at this moment.

In addition, 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 are appointed for the estate.

K. Other Matters

- Kawartha Lakes Community Futures Development Corporation (KLCFDC) provided the Trustee with a third-party deposit of $16,950.00 to cover the costs of administration of these proceedings. The funds are held in our third-party trust account. These are not estate funds.

  All funds, including the third-party deposit were 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 May 22, 2026, a newspaper advertisement was placed in the Financial Post newspaper, informing creditors of the bankruptcy of the Debtor, and advising of the date and time of the first meeting of creditors.

Dated at the City of Toronto in the Province of Ontario, the 1st day of June 2026.

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

Per: Richard Goldhar, CIRP, LIT