



Crowe Soberman Inc.

Crowe Soberman Inc.
Licensed Insolvency Trustee
Member Crowe Global

2 St. Clair Avenue East, Suite 1100
Toronto, ON M4T 2T5
416 929 2500
416 929 2555 Fax
1 877 929 2501 Toll Free
www.crowesobermaninc.com

ESTATE NO. 32-3016601

In the Matter of the Bankruptcy of
Ninjas Niagara Inc.
of the City of Burlington
in the Regional Municipality of Halton
in the Province of Ontario

TRUSTEE'S PRELIMINARY REPORT TO THE FIRST MEETING OF CREDITORS

DISCLAIMER:

One of the underlying principles of the Bankruptcy and Insolvency Act (the “Act”), is that of creditor’s control. The Act provides for a First Meeting of Creditors to discuss the collective interest of the creditors in the administration of the bankrupt’s estate.

The purpose of the First Meeting of Creditors is to consider the affairs of the bankrupt, affirm the appointment of the Trustee (or substitution of same), appointment of 1-5 inspectors and to give further direction to the Trustee as may be necessary.

Readers are cautioned that this report is only to provide creditors information gathered by the Trustee to date, so that their collective interests can be discussed at the First Meeting of Creditors. However, the Trustee has not audited or verified the information provided to it in anyway, unless noted otherwise.

The contents of this report should be considered “for general information purposes only” and not definitive.

INTRODUCTION

1. Ninjas Niagara Inc. (the “**Company**” or “**NNI**”) made an assignment in bankruptcy on November 30, 2023 (the “**Filing Date**”). Crowe Soberman Inc. (“**CSI**” or the “**Trustee**”), was appointed as Licensed Insolvency Trustee of the Estate of the Bankrupt by the Official Receiver.

BACKGROUND

2. According to the Ontario Profile Report, the Company was incorporated under the *Ontario Business Corporations Act* on July 26, 2019. Mr. Michal Bzowski (“**Mr. Bzowski**”), Ms. Kathleen Bzowski and Aaron Mendonca were listed as the Company’s Directors and Officers.
3. The Company was a Franchisee for Code Ninjas, which is a coding school for children. The Company’s operations were located at 150 Dunkirk Street, St. Catherines, Ontario (the “**Premises**”).

CAUSES OF INSOLVENCY

4. Per discussion with Mr. Bzowski, the primary reason for NNI’s insolvency was due to the COVID-19 Pandemic.
5. In the year 2019, the Company signed a franchise agreement and an Agreement to Lease the Premises so that its operations could begin in the year 2020. Government Lockdowns and Restrictions that were imposed during the years 2020 and 2021, resulted in obstacles towards growing the Company’s customer base and revenues.
6. As well, the Trustee was advised that the Company did not qualify for the various government grants and loans (CEWS, CERS, CEBA, etc.) that were offered by the government to assist Companies during the COVID-19 Pandemic. Accordingly, the Company’s financial position continued to suffer through to the Filing Date.
7. The Trustee was advised that prior to the Filing Date, the Company was consistently incurring monthly losses, and accordingly, the Directors engaged CSI to assign the Company into bankruptcy.

TRUSTEE'S ACTIONS TO DATE

8. The Trustee's actions up to the First Meeting of Creditors include, but are not limited to the following:
- a. Reviewing the Company's books and records that were provided electronically;
 - b. Securing the physical books and records of the Estate;
 - c. Notifying all known creditors of the bankruptcy, on December 4, 2023;
 - d. Assisting creditors in filling out the proof of claim forms;
 - e. Reviewing proofs of claim filed to date (if applicable);
 - f. Placing a Notice of Bankruptcy in a local newspaper (The Toronto Sun) on December 13, 2023;
 - g. Attending the Premises on December 1, 2023 and observing the inventory left on hand;
 - h. Enlisting a bailiff for the purpose of securing the Company's assets that were located at the Premises and conducting an appraisal thereof;
 - i. Maintaining the Trustee's website for these proceedings; and
 - j. All other statutory duties required under the Act.

CREDITORS

9. A listing of the creditors and the claims received up to the First Meeting of Creditors is attached as **Appendix "A"** and is summarized below:

Creditor Type	Per Statement of Affairs		Proof of Claims Filed to Date	
	#	\$	#	\$
Trust	-	-	-	-
Secured			-	-
Preferred	-	-	-	-
Unsecured	9	177,751.97	2	5,634.92
Contingent	-	-	-	-
Totals	9	177,751.97	2	5,634.92

10. In the event that the Trustee receives claims submitted by former employees of the Company, there is the potential for those claims to be entitled to a super-priority in accordance with Section 81.3 of the Act.

VALUATION OF ASSETS AND ANTICIPATED REALIZATION

11. As of the Filing Date, The Company owned furniture and equipment that were located at the Premises. Equipment consisted of used laptops, televisions, monitors and other miscellaneous items. Furniture consisted of desks, tables and chairs. As previously noted, the Trustee has arranged for an appraisal of the Company's assets.

TRANSFERS AT UNDERVALUE/PREFERENTIAL PAYMENTS

12. The Trustee is currently reviewing the books and records of the Company to determine if the Company conducted any transactions that would be considered a transfer undervalue or a preferential payment as defined under the Act. The Trustee will report to the creditors/inspectors at a later date.

LEGAL PROCEEDINGS

13. The Trustee is not aware of any legal proceedings currently ongoing against the estate of the bankrupt.

CONSERVATORY AND PROTECTIVE MEASURES

14. The Trustee has not applied conservatory and protective measures with respect to the estate of the bankrupt.

CARRYING ON BUSINESS

15. The Company ceased operating on November 30th, 2023, and accordingly the Trustee has not carried on the business.

THIRD PARTY DEPOSIT

16. Mr. Bzowski has provided a third-party deposit to the Trustee for the purpose of covering the costs of the administration of this bankruptcy.

OTHER MATTERS

17. CSI has not taken possession of the Premises. Subject to Inspector Approval, the Trustee intends on disclaiming the lease agreement with respect to the Premises.

18. The Trustee will be seeking directions from the creditors on the following matters:

- a. affirmation of the appointment of the Trustee;
- b. approval of all the Trustee's actions to date, including the actions outlined in this Preliminary Report;
- c. appointment of inspectors (if applicable); and
- d. any other matters which may arise at this First Meeting of Creditors.

DATED at the City of Toronto, in the Province of Ontario, this 20th day of December 2023.

**CROWE SOBERMAN INC.
Licensed Insolvency Trustee
of the Estate of
NINJAS NIAGARA INC.,
a Bankrupt**



Per: Hans Rizarri, LIT, CIRP

Crowe Soberman Inc., LIT**Claims Register**

In the Matter of the Bankruptcy of
 NINJAS NIAGARA INC.
 of the City of Burlington, in the Regional Municipality of Halton
 in the Province of Ontario

Insolvency Date: 30-Nov-2023

Estate Number: 32-3016601

<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>
Secured creditors						
1. RBC Royal Bank c/o BankruptcyHighway.com Attn: Razel Bowen 07512/47034880001	Yes	Admitted			162,869.60	
Total : Secured creditors					162,869.60	
Unsecured creditors						
1. Activityplex Attn: Adam Jacobson	No	Not proved		1.00		
2. Addison, George	No	Not proved		1.00		
3. Armstrong, Ryan	No	Not proved		1.00		
4. Basher, Faishal	No	Not proved		1.00		
5. Bzowski, Kathleen	No	Not proved		1.00		
6. Bzowski, Michal	No	Not proved		1.00		
7. Carlson, Ben	No	Not proved		1.00		
8. Chakraborty, Pranjal	No	Not proved		1.00		
9. Code Ninjas LLC Attn: Navin Gurnan	Yes	Admitted		455.00	3,350.00	3,350.00
10. Cortez, Gabriel	No	Not proved		1.00		
11. CRA - Tax - Ontario 779573278RT0001	No	Not proved		15,276.03		
12. Houghton, Blake	No	Not proved		1.00		
13. Insurance Market Place Attn: Kira Gretchev	No	Not proved		305.00		
14. Keyes, Evan	No	Not proved		1.00		
15. Mendonca, Aaron H	No	Not proved		1.00		
16. NRBN Attn: Meagan Jones	No	Not proved		544.00		
17. RBC Royal Bank / Banque Royale Attn: c/o BankruptcyHighway.com 00662100-527-1	Yes	Admitted			4,511.83	4,511.83
18. RBC Royal Bank c/o BankruptcyHighway.com Attn: Razel Bowen 07512/47034880001	Yes	Admitted		160,723.00		
19. RBC Royal Bank Visa c/o BankruptcyHighway.com Attn: Razel Bowen 4516073001320288	Yes	Admitted			1,123.09	1,123.09
20. RBC Royal Bank Visa c/o BankruptcyHighway.com Attn: Razel Bowen xxx4384	No	Not proved		435.94		

Claims Register for NINJAS NIAGARA INC. - Concluded

Insolvency Date: 30-Nov-2023

Estate Number: 32-3016601

<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>
21. Tabrizi, Amir	No	Not proved		1.00		
Total : Unsecured creditors				177,751.97	8,984.92	8,984.92
Grand Total:				177,751.97	171,854.52	8,984.92

Proxy Holders

Estate Name: NINJAS NIAGARA INC.
Estate Number: 32-3016601
File Name: NINJASNIAG 1033855-048100

<i>Total Liability</i>						<i>Proxy Holder</i>			
<i>Creditor Name</i>	<i>Address</i>	<i>POC?</i>	<i>SOA \$</i>	<i>Filed \$</i>	<i>Voting \$</i>	<i>Name</i>	<i>Address</i>	<i>Telephone</i>	<i>E-mail</i>
Code Ninjas LLC	200 E San Augustine St, Unit 1332 Deer Park TX 77584-4396 USA	Yes	455.00	3,350.00	3,350.00	Andrea Marrocco	McMillan LLP, Brookfield Place, 181 Bay St, Suite 4400 Toronto ON M5J 2T3	(416) 865-7924	Andrae.Marrocco@m emillan.ca
