

District of: Saskatchewan
Division No.: 02 - Saskatoon
Estate No.: 23-3164039

**IN THE MATTER OF THE BANKRUPTCY OF
KRISTYN INSLEY MEDICAL PROF. CORP**

MINUTES OF THE FIRST MEETING OF CREDITORS

DATE: December 30, 2024
TIME: 10:30 AM CST
LOCATION: Conference call line
CHAIRMAN: Chelene Riendeau, Trustee, MNP Ltd.
SECRETARY: Crystal Seed, MNP Ltd.
ATTENDANCE: Per the attached list

The First Meeting of Creditors was held by Telephone. The details of the meeting were included in the Notice to Creditors dated December 10, 2024.

AUTHORITY AND CALL TO ORDER

Chelene Riendeau of MNP Ltd., Trustee, acted as Chairman under the authority of section 105 (1) of the *Bankruptcy and Insolvency Act*. The Chairman declared the meeting properly called at 10:31 AM CST.

PURPOSE OF MEETING

The purpose of the meeting as set out in section 102(5) of the *Bankruptcy and Insolvency Act* was as follows:

- to consider the affairs of the bankrupt,
- to affirm the appointment of the Trustee or to substitute another in its place,
- to appoint Inspectors, and
- to give such directions to the Trustee as the creditors may see fit with reference to the administration of the bankrupt estate.

DOCUMENTS TO TABLE

The Chairman tabled the following documents:

- Assignment
- Certificate of Appointment of Trustee
- Sworn Statement of Affairs
- Trustee's Preliminary Report
- Notice to Creditors of Bankruptcy and First Meeting of Creditors
- Proof of Publication in Local Newspaper
- Trustee's Affidavit of Mailing

QUORUM

Pursuant to section 106(2) of the *Bankruptcy and Insolvency Act*, at least one proven creditor was in attendance in person or by proxy forming a quorum.

A copy of the attendance list for the meeting is attached.

Trustee's Preliminary Report

The Trustee's Preliminary Report (the "**Trustee's Report**") was summarized for the creditors present and is attached hereto. There were no questions regarding the Trustee's Report.

OTHER BUSINESS

N/A

Affirmation of the appointment of MNP Ltd. as Trustee

The appointment of MNP Ltd. as Trustee of the bankrupt estate was deemed to be confirmed.

Appointment of Inspectors

No motion to appoint inspectors was made

MOTION PASSED

There being no further business the Chairman terminated the meeting at 10:51 AM CST.

Dated at Saskatoon, Saskatchewan this 30th day of December 2024.



Chelene Riendeau CIRP LIT
Chairman

ATTENDANCE LIST

TRUSTEE/TRUSTEE’S REPRESENTATIVE:

Chelene Riendeau, Licensed Insolvency Trustee

CREDITORS AND REPRESENTATIVES:

SIGNATURE	NAME (print)	REPRESENTING	AMOUNT
By Proxy	Christine Bunch	Affinity Credit Union	\$577,041.99

OTHER REPRESENTATIVES:

Kristyn Insley, Owner of Kristyn Insley Medical Prof. Corp, attended virtually by Teams.

District of Saskatchewan
Division No. 02 – Saskatoon
Court No. BKY-RG-
Estate No. 23-3164039

**IN THE COURT OF KING'S BENCH FOR SASKATCHEWAN
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE BANKRUPTCY OF
KRISTYN INSLEY MEDICAL PROF. CORP.
OF THE CITY OF SASKATOON, IN THE PROVINCE OF SASKATCHEWAN**

**TRUSTEE'S PRELIMINARY REPORT TO CREDITORS
DECEMBER 30, 2024**

BACKGROUND AND APPOINTMENT

1. This report has been prepared by MNP Ltd. in its capacity as Licensed Insolvency Trustee (the "**Trustee**") in the bankruptcy of Kristyn Insley Medical Prof. Corp. ("the **Corporation/Bankrupt**") to provide preliminary information to creditors on December 30, 2024.
2. The Corporation is a private company incorporated in the Province of Saskatchewan on March 8, 2013.
3. The Corporation's primary business was a medical practice, including laser and cosmetic related services, and operated as Dr. K. Insley Medical Esthetics at 622 Duchess Street in Saskatoon, Saskatchewan.
4. The sole director and shareholder of the Corporation is Dr. Kristyn Insley ("**Dr. Insley/Principal**").
5. The Corporation's medical esthetics practice was impacted significantly during the Covid-19 pandemic. The Corporation fell behind in payroll source deductions and the Canada Revenue Agency ("**CRA**") froze the Corporation's Bank account in December 2023. In addition, Dr. Insley lost her medical license for a period of three months, from December 2023 to February 2024. As a result, the Corporation was unable to generate sufficient revenue to recover financially and in October 2024, Dr. Insley made the decision to discontinue operations.
6. The Corporation filed an assignment in bankruptcy on December 10, 2024, and MNP Ltd. was appointed Trustee.
7. Further materials related to the bankruptcy of the Corporation can be located on the Trustee's website at <https://mnpdebt.ca/en/corporate/corporate-engagements/kristyn-insley-medical-prof-corp>.

ASSETS

Equipment, Office Equipment, Furniture, etc.

8. In accordance with its Statement of Affairs, the Corporation has various medical esthetic equipment related to its operations with an estimated value of \$125,000.00. The value of the assets is based on an appraisal obtained by McDougall Auctioneers dated October 10, 2024.
9. In addition to the medical esthetic equipment, the Corporation has miscellaneous office furniture with an estimated value of \$2,000.00.

10. The Trustee has engaged McDougall Auctioneers to auction the medical esthetics equipment and office furniture. The closing date of the auction is set for January 28, 2025.

Building and Real Estate:

11. The Corporation operated out an office building/condominium located at 622 Duchess Street, Saskatoon, Saskatchewan.
12. On December 18, 2024, the Trustee obtained a Comparative Market Analysis from Dave Anderson, Boyes Group Realty Inc. recommending a listing price of \$599,000.
13. It is the Trustee's intention to list the property as soon as possible.

Accounts Receivable

14. Based on information provided by the Principal of the Corporation, there are no outstanding accounts receivables.

BOOKS AND RECORDS

15. The books and records are in the possession of the Principal of the Corporation. The Trustee will follow up with the principal to obtain access to the records as needed.
16. The Trustee is in the process of obtaining the bank statements of the Corporation and will undertake a review of same.
17. The Trustee is in the process of obtaining access to the tax records of the Corporation through the authorized representative process of the Canada Revenue Agency ("CRA").

CONSERVATORY AND PROTECTIVE MEASURES

18. The Trustee has retained the services of a property management company to monitor the building and premises located at 622 Dutchess Street, Saskatoon.
19. The Trustee is in the process of placing utilities in its name.
20. The Trustee is of the opinion that no further protective measures are required.

INSURANCE

21. The Trustee received confirmation that the secured creditor, Affinity Credit Union, has obtained insurance coverage in relation to the real property.
22. The Trustee is in the process of confirming insurance coverage for the medical esthetics equipment.

LEGAL PROCEEDINGS OR OPINIONS SOUGHT

23. The Trustee does not anticipate any legal proceedings or having to obtain any legal opinions.

CREDITORS

Secured Creditors

24. Based on the Corporation's books and records, the City of Saskatoon is owed \$8,929.00 in relation to outstanding property taxes for 2024.
25. Affinity Credit Union 2013 ("**Affinity CU**") holds a security interest in all of the bankrupt's current and after acquired property by way of a General Security Agreement as well as Mortgage Security registered over the real property. Affinity CU's debt outstanding as at the date of bankruptcy is \$101,057.62 and \$475,984.37, respectively.
26. The Canada Revenue Agency ("CRA") has filed a secured claim in the amount of \$14,572.00 in relation to the deemed trust portion of unremitted payroll source deductions. There may be additional amounts owing to CRA relating to unpaid source deductions that may increase CRA's deemed trust claim with priority over all other secured claims.

Unsecured Creditors:

27. Based on the Corporation's books and records, the Trustee is aware of nine (9) unsecured creditors owed approximately \$550,000.00.
28. As at the date of this report, the Trustee has received and admitted proofs of claim from ten (10) unsecured creditors totalling \$558,350.82. There is one (1) pending unsecured claim in the amount of \$1,680.00.
29. Due to the professional responsibilities surrounding patient confidentiality, there may be several other creditors relating to pre-purchased services that were not disclosed on the Corporation's Statement of Affairs. These patients/creditors have been notified of the Corporation's bankruptcy and the Trustee is in the process of providing the required documentation and receiving Proofs of Claim. The total amount owing in relation to these creditors is unknown to the Trustee at this time.

REVIEWABLE TRANSACTIONS AND PREFERENCE PAYMENTS

30. The Trustee has conducted a preliminary review of the information available and has not identified any transactions which could be regarded as preference transactions or transfers at undervalue to date. Further investigations may be conducted which could reveal such transactions.

CONFLICT OF INTEREST

31. The Trustee is not aware of any conflicts of interest.

CONCLUSION

32. Estimated realizations and projected distributions are undetermined at this time.

Dated at Saskatoon, Saskatchewan, the 30th day of December, 2024.

MNP Ltd.

In its capacity as Trustee of the Bankruptcy of
Kristyn Insley Medical Prof. Corp.
and not in its personal capacity

A handwritten signature in blue ink, consisting of a large, stylized 'R' followed by a horizontal line and a small flourish.

Chelene Riendeau, CIRP LIT
Vice President