

District of: Ontario  
 Court No. 08 - Waterloo  
 Court No.  
 Estate No.

- FORM 78 -  
 Statement of Affairs (Business Bankruptcy)  
 (Paragraph 158(d) of the Act)

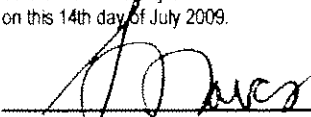
In the matter of the bankruptcy of  
 Kids Link International Adoption Agency  
 of the City of Cambridge, in the Regional Municipality of Waterloo, in the Province of Ontario


You are required to carefully and accurately complete this Form and the applicable attachments, showing the state of your affairs on the date of the bankruptcy, on the 10th day of July 2009. When completed, this Form and the applicable attached lists will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES (As stated and estimated by the officer)	ASSETS (As stated and estimated by the officer)
1. Unsecured creditors as per list "A" ..... 800,001.00	1. Inventory ..... 0.00
Balance of claims unsecured as per list "A" .. 0.00	2. Trade fixtures, etc. .... 0.00
Total unsecured creditors. .... 800,001.00	3. Accounts receivable and other receivables, as per list "E"
2. Secured creditors value of security as per list "B" ..... 90,000.00	Good ..... 122,003.00
3. Preferred creditors as per list "C" ..... 196,001.00	Doubtful ..... 0.00
4. Contingent, trust claims or other liabilities as per list "D"	Bad ..... 0.00
estimated to be reclaimable for ..... 2.00	Estimated to produce. .... 122,003.00
Total liabilities. .... 1,086,004.00	4. Bills of exchange, promissory note, etc., as per list "F" ... 0.00
Surplus. .... nil	5. Deposits in financial institutions ..... 0.00
	6. Cash ..... 500,000.00
	7. Livestock ..... 0.00
	8. Machinery, equipment and plant. .... 0.00
	9. Real property or immovable as per list "G" ..... 1.00
	10. Furniture ..... 0.00
	11. RRSP, RRIFs, Life Insurance, etc. .... 0.00
	12. Securities (shares, bonds, debentures, etc.) ..... 0.00
	13. Interests under wills ..... 0.00
	14. Vehicles ..... 80,000.00
	15. Other property, as per list "H" ..... 21,000.00
	If bankrupt is a corporation, add:
	Amount of subscribed capital ..... 0.00
	Amount paid on capital ..... 0.00
	Balance subscribed and unpaid ..... 0.00
	Estimated to produce ..... 0.00
	Total assets ..... 723,004.00
	Deficiency ..... 363,000.00

I, Chris Hughes, of the City of Kitchener in the Province of Ontario, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge a full, true and complete statement of my affairs on the 14th day of July 2009 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with section 67 of the Act.

SWORN (or SOLEMNLY DECLARED)  
 before me at the City of Kitchener in the Province of Ontario,  
 on this 14th day of July 2009.

  
 \_\_\_\_\_  
 Susan Taves, Commissioner of Oaths  
 For the province of Ontario  
 Expires Sep. 1, 2010

  
 \_\_\_\_\_  
 Chris Hughes  
 Officer

District of Ontario  
Division No. 08 - Waterloo  
Court No.  
Estate No.

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List "A"  
Unsecured Creditors

Kids Link International Adoption Agency

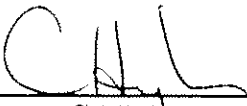
No.	Name of creditor	Address	Unsecured Claim	Balance of Claim Un	Total Claim
1	400 Families (information confidential)	Unknown Cambridge ON	800,000.00	0.00	800,000.00
2	Accounts Payable (Exhibit A)	Unknown Cambridge ON	1.00	0.00	1.00
<b>Total:</b>			<b>800,001.00</b>	<b>0.00</b>	<b>800,001.00</b>

BDO has all of the mailing information for families who have active files with the organization. They will be notified of the bankruptcy. Considering confidentiality of adoption records, these names have not been listed on this document.

It is unclear what amount is owing to each family. An estimate of the total liability was used for this document. Families, as well as all creditors, are required to file a proof of claim to support each amount being claimed as due to them by the Bankrupt.

10-Jul-2009

Date

  
Chris Hughes  
Officer

# EXHIBIT A

## Kids Link International

<u>Address</u>	<u>Fax</u>
407 ETR	
411 Directory Assistance	
AAA Air Conditioning	
Advance Printing 2 Scott Avenue PO Box 64 Paris, ON N3L 3E5	519-442-7561
Agnes E. Cato	
AMS Translations 468 Anndale Road Waterloo, Ontario N2K 1W8	(519) 886-6082
Amy, Appleby & Brennan 372 Erb Street West Waterloo, ON N2L 1W6	519-884-7390
Angela Al-Hillal 156 Dewhurst Blvd. Toronto, Ontario M4J 3T2	416-466-9725
Anna Vos	
Arlene Klie	
Author House	
Bakers At Work Furniture 545 Thompson Drive Cambridge, ON N3H 3N9	519-653-3711
Barbara Steinberg	
Barrett Communications PO Box 31094 Guelph, ON N1H 8K1	
Bell Canada P O Box 9000 Station Don Mills North York, ON M3C 2X7	
Beryl Mercer	
Big Events, 16 Charing Cross, Suite 2, Waterloo, ON N3C 4G8	519-888-7435
Borden Ladner Gervais 100 Queen St., Suite 1100 Ottawa, ON K1P 1J9	519-741-9149
Bristol Sales, 297 5th Concession East, Waterdown, ON L0R 2H1	905-689-2237
Bruce Bradford, 100 Fullarton Street, London, ON, N6A 1K1	519-663-1165
Calculated Design 55 Fleming Drive, Unit 6 Cambridge, ON N1T 2A9	519-624-1491
Cambridge Hydro 1500 Bishop Street PO Box 1060 Cambridge, ON N1R 5X6	
Cambridge Hotel & Conference Centre, 700 Hespeler Road, Cambridge, ON N3H 5L8	519-622-7026
Cambridge Pool Supplies	
Canadian Home & Renovation Team Inc., 226 St. Leger Street, Kitchener, ON, N2H 4M5	519-576-0795
Chaggares Enterprises Limited (LANDLORD for 780 King Street East)	
Chester Cross	
Computer Lynx 1659 Industrial Road Cambridge, ON N3H 5G7	(519) 650-1825
Constant Energy Inc. (LANDLORD FOR Queen Street property)	
Culligan, 265 Industrial Road, Cambridge, ON, N3H 5N3	519-650-1406
Deborah Reesor	
DHL 200 Westcreek Blvd. Brampton, ON L6T 5T7	
Dr. Anne Toth	
Egencia Canada Corp.	
Elizabeth Karry PO Box 1115 Grand Bend, ON N0M 1T0	
Elly Freund-Bell	
For His Glory	
Fundex Investments, 67 Springett Court, London, ON, N6G 4S7	519-473-9772
Furco Electric 7 - 140 McGovern Dr. Cambridge, ON N3H 4R7	519-653-7290
Globe Pequot Press, 246 Goose Lane, PO Box 480, Guilford, CT 06437	800-820-2329
Graham Mathew 150 Pinebush Road Cambridge, ON N1R 5X9	(519) 623-9490
H & B Security Services, 274 Highland Road W, Kitchener, ON N2M 3C5	519-741-1492
Halpenny Insurance 1550 Laperriere Ave. Suite 100 Ottawa, ON K1Z 7T2	
Heffner Motors Limited	
Helen Dawkes-Brown	
IAAP Grand River Chapter	
International Social Service Canada	
J. David McAuley Architect Inc., 360 Woolwich Street, Guelph, ON N1H 3W6	519-821-8140
J.A. Janitorial	
Jackie Poplack	
Janice Congram	

# EXHIBIT A

## Kids Link International

<u>Address</u>	<u>Fax</u>
Janice Smith	
Jennie Painter 162 Phillips Street Kingston, ON K7M 2Z8	
Jim MacGregor	
Joan Schettler 99 Chestnut Hills Parkway Toronto, ON M9A 3R4	
Jocelyn Bridle	
Kadris Reit Ltd. (Landlord for Hespeler Road property)	
Karen Camara	
Karen Rybko	
Ken Plotnik	
Kerry Vandergrift	
Key Point Systems, 106 Lakeshore Rd E. #209, Mississauga, ON L5G 1E3	
Klear View 77 Wellington St. S Bay 11 Kitchener, ON N2G 2E6	519-749-4022
Kristina Bunney 2151 Shady Glen Rd. Oakville, ON L6M 3N7	905-469-0584
Linda McKnight	
Lindemann Electric RR 6 - 501 Clyde Road Cambridge, ON N1R 5S7	519-623-0740
Louise Lacroix Gauthier 278 Salter Street Sturgeon Falls, ON P2B 2T6	
Lynda Young	
Marcy Lemon-Lawrence	
Marie Artt	
Marie McCallum	
Mamie Voth	
Mary Howlett Nero 33 McTague Street Guelph, ON N1H 2A7	
Maryanne King	
Matrix Marketing	
Maximizer Software Inc.	
May Howlett Nero	
MediaHouse Moving Images, 394 Fountain Street South, Cambridge, ON N3H 1J3	519-653-0408
Mews Travel 6645 Kitimat Rd. Unit 27 Mississauga, ON L5N 6J3	
Mabrak Araya	
Mister Coffee 2045 Midland Ave. Scarborough, ON M1P 3E2	519-766-1406
Murray Oppertshauer	
NACAC	
New Hope Media LLC, 39 West 37th Street, 15th Floor, New York, NY 10018	
Nissan Finance	
Paul Conlin	
Petsmart	
Pitney Bowes Canada 314 Harwood Ave. Suite 200 Ajax, ON L1S 2J1	
Pitneyworks, PO Box 280, Orangeville, ON L9W 2Z7	
Purolator Courier P.O. Box 1100 Etobicoke Postal Stn A Etobicoke, ON M9C 5K2	
Receiver General 83974 5940 RP0001 re: Kids Link International Adoption	
Region-Wide Realty, 561 Hespeler Road, Unit 21, Cambridge, ON, N1R 6J4	519-740-1956
Rogers, PO Box 9100, Don Mills, ON M3C 3P9	
Rosco Landscaping Ltd. 35 Oak Street Cambridge, ON N1R 4K8	
Rosemary Ceschan	
Ross Heating	
Sal Garofalo 27 Jacob Drive Whitby, ON L1P 1A9	
Sally Whalen	
Sharon Gollert	
Sheila Neuburger	
Shred-It 135 Pinebush Road Cambridge, ON N1R 7H8	519-650-5370
Sign Design 1000 Langs Drive Cambridge, ON N1R 6Z7	(519) 623-7009

# EXHIBIT A

## Kids Link International

<u>Address</u>	<u>Fax</u>
Standard Life, PO Box 4002, Postal Station B, Montreal QC H3B 4M2	
Staples Payment Centre PO Box 1953 - Station D Scarborough, ON M1P 5H9	
Steamatic	
Straight Edge	
Studio 66 39 McCormick Drive Cambridge, ON N3C 4C9	
Swan, 35 University Avenue E, Waterloo, ON N2J 2V9	519-746-3161
Synergi Travel	
Talk Fusion	
TangTo & Associates	
The Duplicator, 64 Casey Drive, Kitchener, ON, N2A 3P9	
The Globe Pequot Press	
The Groove Kitchener	
Therese Bergeron-Hopson	
Town & Country Fencing	
Toyota Credit	
Union Gas PO Box 2025 Chatham, ON N7M 6C7	
YFC/Youth Unlimited Cambridge	
Your Office Source 440 Phillip Street Unit 6 Waterloo, ON N2L 5R9	(519) 888-0382
Youth for Christ	
Zita Associates Inc.	

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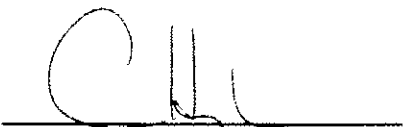
List "B"  
 Secured Creditors

Kids Link International Adoption Agency

No.	Name of creditor	Address	Amount of Claim	Particulars of Security	When given	Estimated value of security	Estimated surplus from security	Balance of claim unsecured
1	Dell Computers Financial Services Ltd Attr: 905-633-3070	5035 South Service Road P.O BOX 5060 Burlington ON L7R 4C8	10,000.00	Other - Computers	01-Jan-2009	10,000.00		
2	Lexus	unknown Cambridge ON	50,000.00	Motor Vehicles - Automobile - Lexus		50,000.00		
3	Nissan Canada Attr: c/o Bankruptcy Highway (416)253-3610	1551 The Queensway Avenue Toronto ON M8Z 1T8	30,000.00	Motor Vehicles - Automobile - Nissan - Pathfinder		30,000.00		
<b>Total:</b>			<b>90,000.00</b>			<b>90,000.00</b>	<b>0.00</b>	<b>0.00</b>

10-Jul-2009

Date

  
 Chris Hughes  
 Officer

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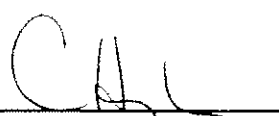
List "C"  
Preferred Creditors for Wages, Rent, etc.

Kids Link International Adoption Agency

No.	Name of creditor	Address and Occupation	Nature of Claim	Period during which claim accrued	Amount of claim	Amount payable in full	Difference ranking for dividend
1	Constant Energy Inc Attr: rent is at a rate of \$3,000 per month	382 Queen Street W Cambridge ON		-	96,000.00	0.00	96,000.00
2	Employee's (Exhibit B)	unknown Cambridge ON		-	1.00	0.00	1.00
3	Kadris Attr: rent is at a rate of \$3,000 per month	Hespeler Road Cambridge ON		-	30,000.00	0.00	30,000.00
4	Landlord 1 Attr: Rent is at a rate of \$7,000 per month	780 King Street Cambridge ON		-	70,000.00	0.00	70,000.00
<b>Total</b>					<b>196,001.00</b>	<b>0.00</b>	<b>196,001.00</b>

10-Jul-2009

Date

  
Chris Hughes  
Officer

## **EXHIBIT B**

### **Kids Link International**

Bailey, Tina  
Barber, Jo Ann  
Barker, Becky  
Durant, Donna  
Gingerich, Krystle  
Goodyear, Val  
Harrison, Erica  
Hayhow, Missy  
Hayhow, Sue  
Lebold, Julie  
McCord, Sally  
Priddle, Joanna  
Van Hemmen, Brenda  
VanderValk, Cheryl  
Wrigglesworth, Elaine  
Ysinga, Gerry



District of Ontario  
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List "D"  
 Contingent or Other Liabilities

Kids Link International Adoption Agency


No.	Name of creditor or claimant	Address and Occupation	Amount of liability or claim	Amount expected to rank for dividend	Date when liability incurred	Nature of liability
1	Ethiopia - Global Reach	Lease Obligations & Staff	1.00	0.00		
2	St. Anne's Adoption Agency	(Families Confidential)	1.00	0.00		
<b>Total</b>			<b>2.00</b>	<b>0.00</b>		

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List "E"  
 Debts Due to the Bankrupt

Kids Link International Adoption Agency

No.	Name of debtor	Address and Occupation	Nature of debt	Amount of debt (good, doubtful, bad)	Folio of ledgers or other book where particulars to be found	When contracted	Estimated to produce	Particulars of any securities held for debt
1	Global Reach			1.00 0.00 0.00			1.00	
2	Hands of Mercy			52,000.00 0.00 0.00			52,000.00	
3	Rick Hayhow			1.00 0.00 0.00			1.00	
4	St. Anne's Adoption Agency			70,000.00 0.00 0.00			70,000.00	
5	Sue Hayhow			1.00 0.00 0.00			1.00	
Total:				122,003.00 0.00 0.00			122,003.00	

10-Jul-2009

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 Chris Hughes  
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District of Ontario  
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List "F"

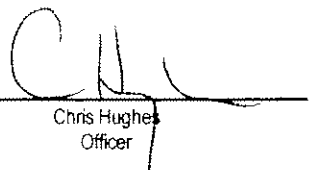
Bills of Exchange, Promissory Notes, Lien Notes, Chattel  
Mortgages, etc., Available as Assets

Kids Link International Adoption Agency

No.	Name of all promissory, acceptors, endorsers, mortgagors, and guarantors	Address	Occupations	Amount of bill or note, etc.	Date when due	Estimated to produce	Particulars of any property held as security for payment of bill or note, etc.
			Total:	0.00		0.00	

10-Jul-2009

Date

  
Chris Hughes  
Officer

District of Ontario  
Division No. 08 - Waterloo  
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- FORM 78 -- Continued -

List "G"  
Real Property or Immovable Owned by Bankrupt  
Kids Link International Adoption Agency

Description of property	Nature of bankrupts interest	In whose name does title stand	Total Value	Particulars of mortgages, hypothecs, or other encumbrances (Name, Address, Amount)	Equity or surplus
Land - Transition Facility of Global Reach	100%		1.00		0.00
Total:			1.00		0.00

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- FORM 78 - Concluded -

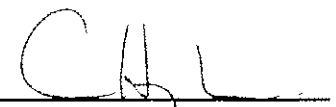
List "H"  
 Property

Kids Link International Adoption Agency  
 FULL STATEMENT OF PROPERTY

Nature of Property	Location	Details of property	Original cost	Estimated to produce
(a) Stock-in-trade			0.00	0.00
(b) Trade fixtures, etc.			0.00	0.00
(c) Cash in Financial Institution			0.00	0.00
(d) Cash on hand			250,000.00 250,000.00	250,000.00 250,000.00
(e) Livestock			0.00	0.00
(f) Machinery, equipment and plant			0.00	0.00
(g) Furniture			0.00	0.00
(h) Life insurance policies, RRSPs, etc			0.00	0.00
(i) Securities			0.00	0.00
(j) Interests under wills, etc			0.00	0.00
(k) Vehicles		Automobile - Nissan - Pathfinder Automobile - Lexus	0.00 0.00	30,000.00 50,000.00
(l) Taxes			0.00	0.00
(m) Other		Office Equipment Computers Telephone System	0.00 0.00 0.00	10,000.00 10,000.00 1,000.00
			<b>Total:</b>	<b>601,000.00</b>

10-Jul-2009

Date

  
 Chris Hughes  
 Officer