

Division of: Ontario
Division No.: 09 - Toronto
Estate Number: 31-2976440
Court Number: 31-2976440

**IN THE MATTER OF THE BANKRUPTCY OF
YUKON EVENTS INC.
OF THE CITY OF TORONTO
IN THE PROVINCE OF ONTARIO**

**REPORT OF THE TRUSTEE'S PRELIMINARY ADMINISTRATION
OF THE ESTATE OF YUKON EVENTS INC. OF TORONTO**

Introduction

1. Yukon Events Inc., also known as Harold's Tableware Rental's Limited, ("**Yukon**" or the "**Company**") is a privately owned company that served the greater Toronto special event market initially providing tent installations for both the residential and commercial customer. Over the years the business gradually expanded and began offering lounge furniture, lighting services, flooring and event décor pieces. In 2009, Yukon acquired Harold's Tableware Rentals, a full-service party rental company which offered a complementary service offering of tables, chairs, dishware, glassware, cutlery and a full linen service complete with in-house laundry facilities (collectively the "**Inventory**").
2. On August 17, 2023, the date of the bankruptcy ("**Date of Bankruptcy**"), Yukon had ceased operations and assigned itself into bankruptcy and Dodick Landau Inc. was appointed as Trustee in Bankruptcy of the estate of Yukon (the "**Trustee**").

Background

3. Yukon operated out of leased premises located at 1460 Whitehorse Road in Toronto ("**Premises**").
4. The Company experienced significant cash flow challenges following the onset of the COVID-19 pandemic. The business was shut down because of the various orders issued by the provincial government. Despite being unable to open or earn revenue for almost 18 months the Company's expenses continued including its requirement to pay rent, utilities and insurance.
5. The Company's owner further advised that even as the gathering restrictions brought about by the pandemic eased, the Company's challenges continued. Although special events recommenced, they did so on a smaller scale than prior to the pandemic. As well, certain revenue which the Company had previously earned by servicing large scale downtown Toronto corporate clients, including law firms, largely did not return as many office workers have

continued to work from home at least on a part-time basis and in-office events were scaled back or eliminated.

6. The Company's lease for its Premises expires at the end of August 2023 and its landlord advised that to renew its lease it would be for almost double its existing rent, which the Company could not afford, and moving to new smaller and less expensive premises would be very costly.
7. As Yukon was already struggling to meeting its cash flow needs, to commit to paying almost twice the amount in rent was simply not feasible. As Yukon's owner saw no feasible path forward, he decided to cease operations and assign the Company into bankruptcy to wind down the Company's affairs in an orderly fashion.

Insolvency Proceeding

8. Following its appointment, the Trustee distributed a Notice of Bankruptcy, a copy of the Statement of Affairs and a Proof of Claim form with instructions to all known creditors and shareholders, as well as placed a Notice of Bankruptcy ad in the Toronto Sun.

Assets

9. Yukon's assets as summarized in the Statement of Affairs are comprised of inventory with an estimated value of \$32,000 net of selling costs and accounts receivable with an estimated value of approximately \$4,500.
10. The Trustee has engaged Danbury Global Limited ("**Danbury**") to liquidate the Inventory by way of public auction ("**Auction**"). The Auction will take place at the Premises and online in September 2023.

Books and Records

11. The Trustee has received the books and records but has not yet had an opportunity to review all of them.

Conservatory and Protective Measures

12. The Trustee has entered into an occupation agreement with the Landlord of the Premises to enable Danbury to prepare for and complete the Auction.

Provable Claims

13. At the date of this report, the Trustee has received three proofs of claim totalling \$6,259.61.
14. The Statement of Affairs lists eleven unsecured creditors with potential provable claims totalling \$148,452.

Anticipated Realizations and Projected Distribution

15. It is unknown at time whether there will be a distribution available for the unsecured creditors.

Transfers at Undervalue and Preferential Payments

16. To date, the Trustee has not commenced a review of Yukon's records in the Trustee's possession to determine if there are any potential transfers at undervalue or preferential transactions.

Third-Party Deposit


17. Prior to the commencement of the Bankruptcy proceeding, the Trustee obtained a retainer deposit totalling \$10,000 as security for a portion of the costs of the Bankruptcy administration.

Dated at Toronto, Ontario, this 5th day of September 2023.

DODICK LANDAU INC.

Acting solely as Trustee in Bankruptcy
of the Estate of Yukon Events Inc.
and not in its personal or corporate capacity.

Per:



Rahn Dodick CPA, CA, CIRP, LIT
President