

Division of: Ontario
Division No.: 09-Toronto
Estate Number: 31-2810193
Court Number: 31-2810193

**IN THE MATTER OF THE BANKRUPTCY OF
VISION INSTITUTE OF CANADA
OF THE CITY OF TORONTO,
IN THE PROVINCE OF ONTARIO**

**REPORT OF THE TRUSTEE'S PRELIMINARY ADMINISTRATION
OF THE ESTATE OF
VISION INSTITUTE OF CANADA**

Background

1. Vision Institute of Canada ("VIC") was formally incorporated in August 1981, as a non-profit charitable organization. Initial service programs were aimed at providing vision care for those most in need. A low vision service began in the fall of 1982. In early 1983, services were extended to include house-calls to seniors and institutions such as nursing homes, seniors' residences and hospitals. At the main facility, services expanded to include care for children and adults with learning, cognitive or physical disabilities, for individuals with neurological impairments and for those with other special vision needs. A small portion of the practice also provided regular eye care services to the public. VIC generated revenues through OHIP billings, direct patient billings and various fundraising initiatives.
2. VIC operated from leased premises at 16 York Mills Road Suite 205 and 207, Toronto, Ontario (the "Premises").

Insolvency Proceedings

3. According to discussions with members of the board of directors, VIC, as is the case for many non-profit charities, has always had to navigate challenging financial circumstances to be able to balance its budget. Its financial struggles, however, were exacerbated by the onset of the COVID-19 Pandemic. Due to the evolving nature of the pandemic, in 2020 VIC had to cancel its major in person fundraiser (an annual three-day conference and exhibition). This financial loss combined with the closure of the institute's clinic for 14 weeks, placed VIC in serious financial distress. For its calendar year 2020, VIC was able to meet its obligations through the government support that became available after the onset of the pandemic but with these programs ending VIC has been unable to cover its monthly operating costs. Among the financial challenges identified was VIC's obligations in respect of its lease for its Premises, which it could not afford. VIC attempted to negotiate a lower rent and looked into breaking its lease but was unable to obtain any relief. As a cost saving measure, VIC negotiated certain salary reductions from its staff but was cognizant that such reductions were not sustainable in

the long term. As the cost saving measures it implemented were insufficient and its increased fundraising efforts were not successful enough, VIC determined that it would begin to wind down its operations and liquidate its assets, which included, among other things, optometric equipment, office furniture, and dispensary contents in order to satisfy its obligations to its unsecured creditors. Despite its best efforts to wind down in an orderly manner, and satisfy its obligations in full, VIC was unable to do so and determined that it was insolvent.

4. On March 7, 2022, VIC filed an assignment in Bankruptcy. Dodick Landau Inc. was appointed as Trustee in Bankruptcy of the Estate (the “Trustee”).
5. Following its appointment, the Trustee distributed to all known creditors a Notice of Bankruptcy, a copy of the Statement of Affairs and a Proof of Claim form with instructions as well as placed a Notice of Bankruptcy advertisement in the Toronto Sun.
6. As part of the wind down of its affairs, VIC has transferred all of its patient records to Finch Avenue Optometry as successor custodian of its patient records.

Assets

7. The Statement of Affairs lists accounts receivable totaling \$1,000, cash on hand of approximately \$30,000, term deposits of \$7,500 and a GIC of \$46,400.

Books and Records

8. The Trustee has received the corporate books and records and has reviewed them.

Conservatory and Protective Measures

9. The Trustee has taken the following conservatory measures since its appointment:
 - i. Redirected all of VIC’s mail to the Trustee’s office;
 - ii. As noted above VIC has approximately \$84,000 in cash and marketable securities on hand. The Trustee is in the process of transferring these monies into its Estate accounts from VIC’s bank accounts; and
 - iii. Obtained VIC’s corporate books and records.

Legal Proceedings

10. There are no known legal proceedings against VIC.

Provable Claims

11. At the date of this report, three proofs of claim have been filed with the Trustee totalling \$118,649.04.

12. The Statement of Affairs includes 22 unsecured creditors with potential provable claims totalling \$508,102.50.

Secured Creditors

13. The Statement of Affairs includes no balances owing to secured creditors.

Anticipated Realizations and Projected Distribution

14. At this time, it is unknown what, if any, will be the net realizations from the assets available for distribution to the unsecured creditors, after costs of administration.

Transfers at Undervalue and Preferential Payments

15. To date, the Trustee has not commenced a review of VIC's records in the Trustee's possession to determine if there are any potential transfers at undervalue or preferential transactions. The Trustee will discuss these matters in more detail with any inspectors appointed at the meeting of creditors.

Dated at Toronto, Ontario, this 24th day of March 2022.

DODICK LANDAU INC.

Trustee of the Estate of
Vision Institute of Canada
and not in its personal or corporate capacity.

Per:



Rahn Dodick CPA, CA, CIRP, LIT
President