



Crowe Soberman Inc.

**Crowe Soberman Inc.**  
**Licensed Insolvency Trustee**  
**Member Crowe Global**

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## **ESTATE NO. 31-3020469**

In the Matter of the Bankruptcy of  
**Illapath Entertainment Inc.**  
of the City of Markham  
in the Regional Municipality of York  
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. Illapath Entertainment Inc. (the “**Company**” or “**Illapath**”) made an assignment in bankruptcy on December 12, 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 *Corporations Information Act* on March 14, 2008. Kevin Appiah (“**Mr. Appiah**”) was listed as the Company’s Director.
3. The Company specialized in hosting and coordinating events, including photoshoots, concerts, and club events. The Company’s head office and operations were located at 7030 Woodbine Ave Suite 500, Markham, Ontario.

## **CAUSES OF INSOLVENCY**

4. Per discussion with Mr. Appiah, the primary reason for Illapath’s insolvency was due to the COVID-19 Pandemic.
5. Given the Lockdowns and Restrictions that were imposed by the Provincial Government, the Company could not generate revenues throughout the years 2020 and 2021 to cover operating expenses. Although, the Company continued to operate after restrictions eased, it was not able to recover from the losses incurred during the Pandemic. Accordingly, Mr. Appiah engaged CSI to assign the Company into bankruptcy.

## **TRUSTEE'S ACTIONS TO DATE**

6. 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. Notifying all known creditors of the bankruptcy on December 15, 2023;
  - c. Placing a Notice of Bankruptcy in a local newspaper (The Toronto Sun) on December 21, 2023;
  - d. Maintaining the Trustee’s website for these proceedings; and
  - e. All other statutory duties required under the Act.

## CREDITORS

7. 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	3	52,567.94	2	13,123.24
Contingent	-	-	-	-
<b>Totals</b>	<b>3</b>	<b>52,567.94</b>	<b>2</b>	<b>13,123.24</b>

## VALUATION OF ASSETS AND ANTICIPATED REALIZATION

8. As of the Filing date, the Trustee was not aware of any assets of value belonging to the estate of the bankrupt.

## TRANSFERS AT UNDERVALUE/PREFERENTIAL PAYMENTS

9. 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

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

## CONSERVATORY AND PROTECTIVE MEASURES

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

### **CARRYING ON BUSINESS**

12. The Company ceased operating on January 15<sup>th</sup>, 2023, and accordingly the Trustee has not carried on the business.

### **THIRD PARTY DEPOSIT**

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

### **OTHER MATTERS**

14. 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 3<sup>rd</sup> day of January 2024.**

**CROWE SOBERMAN INC.  
Licensed Insolvency Trustee  
of the Estate of  
Illapath Entertainment INC.,  
a Bankrupt**

*Daniel Posner*

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**Per: Daniel Posner, LIT, CIRP**

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

In the Matter of the Bankruptcy of  
 ILLAPATH ENTERTAINMENT INC  
 of the City of Markham, in the Regional Municipality of York  
 in the Province of Ontario

Insolvency Date: 12-Dec-2023

Estate Number: 31-3020469

<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>
<b>Unsecured creditors</b>						
1. TD Canada Trust C/O FCT Default Solutions 0667-5247919	Yes	Admitted		9,987.08	10,340.51	
2. TD Canada Trust C/O FCT Default Solutions 7247922-34	No	Not proved		40,000.00		
3. TD Canada Trust Visa C/O FCT Default Solutions 4520-3972	Yes	Admitted		2,580.86	2,782.73	
Total : Unsecured creditors				52,567.94	13,123.24	
				Grand Total:	52,567.94	13,123.24