OS4 Schedule 4

Ontario loss continuity

Part 5 - Listed personal property loss

Continuity of listed personal property loss and request for a carrybac	:k
Listed personal property losses at end of preceding taxation year	
Deduct: Listed personal property losses expired after seven taxation years	
Listed personal property losses at beginning of taxation year	
Current-year listed personal property loss	
Deduct - Request to carry back listed personal property loss to:	
First preceding taxation year to reduce listed personal property gains	
Second preceding taxation year to reduce listed personal property gains	
Third preceding taxation year to reduce listed personal property gains	
Listed personal property losses net of carryback	+
Subtota	al =
Deduct:	
Amount applied against listed personal property gain	_
Other adjustments	-
Limited personal property losses - Closing balance	=

Part 6 - Analysis of balance of losses by year of origin

Year of origin	Non-capital losses *	Farm losses	Restricted farm losses	Listed personal property losses
				
2000/12/31				
2001/12/31	65,444			
2002/12/31	511,805			
2003/12/31	163,487			
2004/12/31	9,035			
Total	749,771			

^{*} The carryforward period for non-capital losses arising in a taxation year ending after March 22, 2004, is changed from 7 to 10 taxation years.

Part 7 - Continuity of limited partnership losses

Partnership identifier	Losses at end of preceding taxation year	Losses transferred from amalgamation or windup of subsidiary	Current-year limited partnership loss	Limited partnership losses applied	Limited partnership losses closing balance
	То	tal (enter this amount or	n line 754 of the CT23)		

File: West Perth Power Inc. CRA Business # 869229377 Year-end: 2003/12/31 Printed: 2004/08/06 11:31

NON-CAPITAL LOSS CONTINUITY AND CARRY BACK

Part 2 - Farm loss

Farm loss continuity by year

			aiiii 1033 coi	iciniality by you			
Year of origin	Balance at end of prior year	Transfers on amalgamation or wind-up	Section 80 adjustments	Other adjustments	Current year loss net of carry-back	Applied	Ending balance
		Expired					
					1		
					 		
					-		
					_		
2000/12/31							
2001/12/31							
2001/12/31 2002/12/31					7		
2003/12/31							
2003/12/31 Totals							

Farm loss continuity and c	arry-back reques	t ———————
Farm losses at end of preceding taxation year		
Losses expired after 10 years	300-	
Farm losses - beginning balance	302=	
Transfers from wind-up of wholly-owned subsidiary and amalgamation		305+
Current year farm loss	310	
Deduct - Farm loss carry back to:		
1st preceding taxation year against taxable income	921	
2nd preceding taxation year against taxable income	922	
3rd preceding taxation year against taxable income	923	
1st preceding taxation year against taxable dividends subject to Part IV tax	931	
2nd preceding taxation year against taxable dividends subject to Part IV tax	932	
3rd preceding taxation year against taxable dividends subject to Part IV tax	933	
	Subtotal	
Current year farm loss net of carry-back		+
		Subtotal =
Deduct:		
Amount applied against taxable income (enter on line 334 of T2 return)	330	
Amount applied against dividends subject to Part IV tax	335	
Section 80 adjustments	340	
Other adjustments	350	
		-
Farm losses - ending balance		380=

File: West Perth Power Inc. CRA Business # 869229377 Year-end: 2003/12/31 Printed: 2004/08/06 11:31

NON-CAPITAL LOSS CONTINUITY AND CARRY BACK

Part 3 - Restricted farm loss

Restricted	farm	loss	continuity	by	year	
------------	------	------	------------	----	------	--

		Restr	icted farm ios	5 Continuity N	yycai		
Year of origin	Balance at end of prior year	Transfers on amalgamation or wind-up	Section 80 adjustments	Other adjustments	Current year loss net of carry-back	Applied	Ending balance
		Expired					
					1		
					_		
					_		
					⊣		
2000/12/31					_		
2001/12/31					_		
2002/12/31							
2003/12/31							
Totals							

Net loss from farming business	r restricted farm loss		485
Deductible farm loss:			
Net loss from above		2.500	
\$2,500 plus 1/2 (A - \$2,500)	В	2,500	
Maximum deduction	C	8,750	
Deductible farm loss (lesser of A, B, and C)			-
Current year restricted farm loss			

Restricted farm losses at end of preceding taxation year	400-	
Losses expired after 10 years		
Restricted farm losses - beginning balance	402=	405 +
Transfers from wind-up of wholly-owned subsidiary and amalgamation		405+
Current year restricted farm loss (enter on line 233 of Schedule 1)	410	
Deduct - Restricted farm loss carry back to:	941	
1st preceding taxation year against farming income	942	
2nd preceding taxation year against farming income		
3rd preceding taxation year against farming income	943	
Current year restricted farm loss net of carry-back		+
Deduct: Amount applied against taxable income (enter on line 333 of T2 return)	430	
	440	
Section 80 adjustments	450	
Other adjustments	400	
Restricted farm losses - ending balance		480=

Agence des douanes et du revenu du Canada

Canada Customs and Revenue Agency

CAPITAL LOSS CONTINUITY AND CARRY BACK

Schedule 4

Part 1 - Capital loss

Capital loss cont	inuity and carry-back request ————————————————————————————————————
Actual capital losses at end of preceding taxation year	200
Transfers from wind-up of wholly-owned subsidiary and amalgama	ation 205
Current year capital loss	210
	Subtotal
Allowable business investment loss expired as a non-capital loss	X 4/3
	Subtotal
Deduct:	
Amount applied against current year capital gain (see note 1)	225
Section 80 adjustments	240
Other adjustments	250
Deduct - capital loss carry back to: (see note 2) Net loss applied Inclusion	Subtotal rate Actual
1st preceding taxation year ÷ 50.0	0000 % = 951
2nd preceding taxation year ÷	% = 952
3rd preceding taxation year ÷	% = 953
	Subtotal
Capital losses - ending balance	280
Note 1 On line 332 of the T2 return, enter the amount from line 225 multiple Note 2 Enter on lines 225, 951, 952, or 953, whichever is applicable, the the net capital loss amount will be calculated at the inclusion rate	actual amount of the loss. At the time of the application of the loss carryback,
Part 2 - Lietad nareanal property loce	

rart 2 - Listed personal property loss

Year of origin	Balance at end of prior year	Adjustments	Applied	Current year loss net of carry-back	Ending balance
		Expired			
2000/12/31					
2001/12/31					
2002/12/31					
2003/12/31					
Totals					

Listed personal prope	erty loss	s continuity and ca	arry-bac	k request -	
Listed personal property losses at end of preceding taxation y			,		
Deduct: Listed personal property losses expired after seven t		years	500		
Listed personal property losses - beginning of taxation year			502		
Current year listed personal property loss (from Schedule 6)			510		
Deduct - Listed personal property loss carry back to:					
1st preceding taxation year	961		,		
2nd preceding taxation year	962				
3rd preceding taxation year	963_		-		
Listed personal property losses net of carry-back					+
				Subtotal	=
Deduct:					
Amount applied against listed personal property gain (enter	er on line	e 655 of Schedule 6	5)	530) _
Other adjustments				550)-
Listed personal property losses - closing balance				580)=



Canada Customs

Agence des douanes and Revenue Agency et du revenu du Canada

LIMITED PARTNERSHIP LOSSES

Schedule 4

		Current year lin	nited partners	nip losses		
1	2	3	4	5	6	7
Partnership identifier	Fiscal period ending	Corporation's share of limited partnership loss	Corporation's at risk amount	Corp's share of partnership ITC, farming losses and resource expenses	Column 4 - 5 if negative, enter "0"	Current year limited partnership losses Column 3 - 6
600	602	604	606	608		620
				Total (enter this amou	unt on Schedule 1)	

	Limited partnership losses from prior taxation years that may applied in the current year								
2	3	4	5	6	7				
Fiscal period	Limited	Corporation's at	Corp's share of	Column 4 - 5	Limited				
ending	partnership	risk amount	partnership ITC,	if negative,	partnership losse				
	losses at end of		business/property	enter "0"	that may be				
	preceding taxation		losses & resource		applied in the year				
	year		expenses		The lesser of				
					columns 3 and 6				
632	634	636	638		650				
	ending	ending partnership losses at end of preceding taxation year	ending partnership risk amount losses at end of preceding taxation year	ending partnership risk amount partnership ITC, business/property losses & resource expenses	ending partnership risk amount partnership ITC, business/property losses & resource expenses				

Continuity	of limited partne	rship losses that ca	an be carried forw	ard to future taxati	on years
Partnership identifier	Losses at end of preceding taxation year	Losses transferred from amalgamation or wind-up of subsidiary	Current year limited partnership loss (from column 620)	Limited partnership losses applied (cannot exceed 650)	Limited partnership losses closing balance
660	662	664	670	675	680

Canada Customs and Revenue Agency Agence des douanes et du revenu du Canada

NON-CAPITAL LOSS CONTINUITY AND CARRY BACK

Schedule 4

Part 1 - Non-capital loss

Non-capital loss continuity by year

				outlined by	J our		
Year of origin	Balance at end of prior year	Transfers on amalgamation or wind-up	Section 80 adjustments	Other adjustments	Current year loss net of carry-back	Applied	Ending balance
		Expired					
2000/12/31							
2001/12/31	65,444						65,444
2002/12/31	236,734						236,734
2003/12/31					146,898		146,898
Totals	302,178				146,898		449,076

Totals	302,178		146,898		
		nt year non-capital loss			
	ss) for income tax purposes				(146,898)
Deduct:					
Net capital l	osses deducted in the year				
Taxable divi	dends deductible under sections 112, 113 or s	subsection 138(6)			
Amount of F	art VI.1 tax deductible				
Amount ded	uctible as prospector's and grubstaker's share	es - Paragraph 110(1)(d.2)			
		Subtotal - if p	ositive, enter "0"		(146,898)
Deduct: Sect	ion 110.5 - addition for foreign tax credits		•		
	ent year farm loss				
	on-capital loss (if positive, enter "0")				(146,898)
	Non-capital loss	continuity and carry-back re	auest —		
Non-capital los	ses at end of preceding taxation year	ooning and outry back to	302,178		
Losses expired	after 7 years	100-			
Non-capital los	ses - beginning balance	102=	302,178		302,178
	wind-up of wholly-owned subsidiary and amal	gamation		105+	
Current year no	on-capital loss from above	110	146,898		
Deduct - Non-	capital loss carry back to:				

Non-capital losses - beginning balance	102=	302,178		302,178
Transfers from wind-up of wholly-owned subsidiary and amalgamation			105+	
Current year non-capital loss from above	110	146,898		
Deduct - Non-capital loss carry back to:				
1st preceding taxation year against taxable income	901			
2nd preceding taxation year against taxable income	902			
3rd preceding taxation year against taxable income	903			
1st preceding taxation year against taxable dividends subject to Part IV tax	911			
2nd preceding taxation year against taxable dividends subject to Part IV tax	912			
3rd preceding taxation year against taxable dividends subject to Part IV tax	913			
Current year non-capital loss net of carryback		146,898	+	146,898
		Subtotal	=	449,076
Deduct:				
Amount applied against taxable income (enter on line 331 of T2 return)	130			
Amount applied against dividends subject to Part IV tax	135			
Section 80 adjustments	140			
Other adjustments	150			
Non-capital losses - ending balance	-		180=	449,076

Election under	paragraph 88(1.1)(f) ———————————————————————————————————
Paragraph 88(1.1)(f) election indicator	190 Yes
Loss from a wholly-owned subsidiary deemed to be a loss of the pare	ent from its immediately preceding taxation year.

File: West Perth Power Inc. CRA Business # 869229377 Year-end: 2002/12/31 Printed: 2005/08/10 10:38

NON-CAPITAL LOSS CONTINUITY AND CARRY BACK

Part 2 - Farm loss

Farm loss continuity by year

	7		u1111 1033 COI	itilituity by yea	31		
Year of origin	Balance at end of prior year	Transfers on amalgamation or wind-up	Section 80 adjustments	Other	Current year loss net of carry-back	Applied	Ending balance
		Expired					
	· ·						T
					-		
					-		
	-						
					-		
2000/12/31		 			-		
2001/12/31		 					
2001/12/01							
2002/12/31							
Totals							

Farm loss continuity and	carry-back request	
Farm losses at end of preceding taxation year		
Losses expired after 10 years	300 -	
Farm losses - beginning balance	302=	
Transfers from wind-up of wholly-owned subsidiary and amalgamation		305+
Current year farm loss	310	
Deduct - Farm loss carry back to:		
1st preceding taxation year against taxable income	921	
2nd preceding taxation year against taxable income	922	
3rd preceding taxation year against taxable income	923	
1st preceding taxation year against taxable dividends subject to Part IV tax	931	
2nd preceding taxation year against taxable dividends subject to Part IV tax	932	
3rd preceding taxation year against taxable dividends subject to Part IV tax	933	
	Subtotal	
Current year farm loss net of carry-back		+
Deduct:		Subtotal =
Amount applied against taxable income (enter on line 334 of T2 return)	330	
Amount applied against dividends subject to Part IV tax	335	
Section 80 adjustments	340	
Other adjustments		
Farm losses - ending balance		380=

File: West Perth Power Inc. CRA Business # 869229377 Year-end: 2002/12/31 Printed: 2005/08/10 10 38

NON-CAPITAL LOSS CONTINUITY AND CARRY BACK

Part 3 - Restricted farm loss

		Restr	icted farm los	s continuity I	oy year		
Year of origin	Balance at end of prior year	Transfore on	Section 80 adjustments		Current year loss net of carry-back	Applied	Ending balance
		Expired					
	3.						
					-		
		 					
	 				_		
		-			_		
		 					
2000/40/04		<u> </u>					
2000/12/31							
2001/12/31							
2002/12/31							
Totals							

•	r restricted farm loss
Net loss from farming business	485
Deductible farm loss:	
Net loss from above	Α
\$2,500 plus 1/2 (A - \$2,500)	B 2,500
Maximum deduction	C 8,750
Deductible farm loss (lesser of A, B, and C)	
Current year restricted farm loss	
Restricted farm loss co	ontinuity and carry-back request
Restricted farm losses at end of preceding taxation year	
Losses expired after 10 years	400 -
Restricted farm losses - beginning balance	402=

Restricted farm loss continuity	and carry-back requ	est
Restricted farm losses at end of preceding taxation year		
Losses expired after 10 years	400 -	
Restricted farm losses - beginning balance	402=	
Transfers from wind-up of wholly-owned subsidiary and amalgamation		405+
Current year restricted farm loss (enter on line 233 of Schedule 1)	410	
Deduct - Restricted farm loss carry back to:		
1st preceding taxation year against farming income	941	
2nd preceding taxation year against farming income	942	
3rd preceding taxation year against farming income	943	
Current year restricted farm loss net of carry-back		+
Deduct:		
Amount applied against taxable income (enter on line 333 of T2 return)	430	
Section 80 adjustments	440	
Other adjustments	450	
Restricted farm losses - ending balance		480 =

Agence des douanes et du revenu du Canada

Canada Customs and Revenue Agency

CAPITAL LOSS CONTINUITY AND CARRY BACK

Schedule 4

Part 1 - Capital loss

rait i - Capit		Canital loss	continuity	and carry hac	k rooms	ct		
			Continuity	and carry-bac	k reque	St		
and the state of t	sses at end of preceding t	*			200			
	vind-up of wholly-owned su	ubsidiary and amal	gamation		205			
Current year cap	ital loss				210			
Allanda la la contra a		1 - 7 1				Subtotal		
Allowable busine	ess investment loss expire	d as a non-capital	loss		X 4		220	
Doduct						Subtotal		
Deduct:	ed against current year ca	nital agin (see not	0.11		225			
Section 80 ad		pitai yairi (See not	e 1)		225 240			
Other adjustm								
Other adjustii	ICITIS				250_	Subtotal		
Deduct - capital	loss carry back to: (see	note 2)				Subtotal	-	
	Net loss		usion rate		Actu	ıal		
1st preceding tax	kation year	÷	9	6 = 951				
2nd preceding ta	xation year	÷	9,	6 = 952				
3rd preceding tax	xation year	÷	9	6 = 953				
			Su	btotal				
Capital losses - 6	ending balance						280	
Note 1								
On line 332 of th	e T2 return, enter the amo	ount from line 225	multiplied by	the current ve	ar inclu	sion rate (see Schod	ulo 6)	
Note 2	e 12 letuin, enter the anno	Juli Holli IIIIC 225	multiplied by	the current ye	ai iiiciu	Sion rate (see Sched	ule o.)	
	25, 951, 952, or 953, which	never is annlicable	the actual	amount of the l	loce At	the time of the applic	ation	of the lone carrybook
	ss amount will be calculat							of the loss carryback,
						apital 1000 it io applio	<u> </u>	
Part 2 - Liste	d personal property	loss						
Year of origin	Balance at end of prior	Adjustment	S	Applied		Current year loss ne	t of	Ending balance
	year					carry-back		Litaling balance
		Expired						
							-	
2000/12/31								
2001/12/31								
2002/12/31								
Totals								
	List	ed personal prop	erty loss co	ontinuity and	carry-ba	ack request		
Listed personal	property losses at end of p			•				
Deduct: Listed p	ersonal property losses ex	xpired after seven	taxation yea	rs	500			
Listed personal	property losses - beginnin	g of taxation year			502			
Current year list	ed personal property loss	(from Schodulo 6)			510			
	personal property loss				310_			
THE THE THE TOTAL	taxation year	ourry back to.	961					
200	g taxation year		962					
the second secon	taxation year		963					
J. J. P. J.	, tantation your							
Listed nersonal	property losses net of carr	ry-back						
Elotod porsonal	proporty rooses not or can	, 500				Subtotal	_	
Deduct:						Subtotal		
	ied against listed personal	property gain (ent	er on line 6	55 of Schedule	6)		530 -	
Other adjustr	nents	p. sps, gam (one		o. Jonesia	-,			
Listed personal	property losses - closing b	palance						

Canada Customs and Revenue Agency

Agence des douanes et du revenu du Canada

LIMITED PARTNERSHIP LOSSES

Schedule 4

		Current year lin	nited partners	hip losses		
1	2	3	4	5	6	7
Partnership identifier	Fiscal period ending	Corporation's share of limited partnership loss	Corporation's at risk amount	Corp's share of partnership ITC, farming losses and resource expenses	Column 4 - 5 if negative, enter "0"	Current year limited partnershi losses Column 3 - 6
600	602	604	606	608		620
				Total (enter this amou	int on Schedule 1)	

1	2	3	4	5	6	7
Partnership identifier	Fiscal period ending	Limited partnership losses at end of preceding taxation year	Corporation's at risk amount	Corp's share of partnership ITC, business/property losses & resource expenses	Column 4 - 5 if negative, enter "0"	Limited partnership losse that may be applied in the yea The lesser of columns 3 and 6
630	632	634	636	638		650

	of limited partne	ership losses that ca	an be carried forw	ard to future taxat	ion years
Partnership identifier	Losses at end of preceding taxation year	Losses transferred from amalgamation or wind-up of subsidiary	Current year limited partnership loss (from column 620)	Limited partnership losses applied (cannot exceed 650)	Limited partnership losses closing balance
660	662	664	670	675	680
	Tota	al (enter this amount on lin	ne 335 of the T2 return)		

Canada Customs and Revenue Agency

Agence des douanes et du revenu du Canada

NON-CAPITAL LOSS CONTINUITY AND CARRY BACK

Schedule 4

Part 1 - Non-capital loss

Non-capital loss continuity by year

		1401	1-capital 1055	Continuity by	year		
Year of origin	Balance at end of prior year	Transfers on amalgamation or wind-up	Section 80 adjustments	Other adjustments	Current year loss net of carry-back	Applied	Ending balance
		Expired					
					-		
2000/12/31					-		
2001/12/31	65,444				-		CE AAA
2002/12/31					217,381		65,444
Totals	65,444						217,381
Totals	65,444				217,381		

Current year n	on-capital loss	
Net income (loss) for income tax purposes Deduct: Net capital losses deducted in the year Taxable dividends deductible under sections 112, 113 or subsection Amount of Part VI.1 tax deductible Amount deductible as prospector's and grubstaker's shares - Paragra	138(6)	(217,381)
Deduct: Section 110.5 - addition for foreign tax credits Add: Current year farm loss Current year non-capital loss (if positive, enter "0")	Subtotal - if positive, enter "0"	(217,381)

Non-capital loss continuity and ca	arry-back re	quest -		
Non-capital losses at end of preceding taxation year		65,444		
Losses expired after 7 years	100 -			
Non-capital losses - beginning balance	102=	65,444		65.444
Transfers from wind-up of wholly-owned subsidiary and amalgamation			105+	00,111
Current year non-capital loss from above	110	217,381		
Deduct - Non-capital loss carry back to:				
1st preceding taxation year against taxable income	901			
2nd preceding taxation year against taxable income	902			
3rd preceding taxation year against taxable income	903			
1st preceding taxation year against taxable dividends subject to Part IV tax	911			
2nd preceding taxation year against taxable dividends subject to Part IV tax	912			
3rd preceding taxation year against taxable dividends subject to Part IV tax	913			
Current year non-capital loss net of carryback		217,381	+	217,381
		Subtota		
Deduct:		Subtota		282,825
Amount applied against taxable income (enter on line 331 of T2 return)	130			
Amount applied against dividends subject to Part IV tax	135			
Section 80 adjustments	140			
Other adjustments	150			
Non-capital losses - ending balance			180=	282.825

Election under p	aragraph 88(1.1)(f)
Paragraph 88(1.1)(f) election indicator	190 Yes
Loss from a wholly-owned subsidiary deemed to be a loss of the parent	from its immediately preceding taxation year.

West Perth Power Inc.
Tax Return Adjustments Required

S(1) Add back required for Statutory Assets S(1) Deduction required for Satutory Assets Total (increase) decrease to loss
Opening Balance of Loss Carryforward Loss for the year as filed Adjustment required - regulatory assets Adjustment required - CCA claim Adjusted ending Loss Carryforward Balance
Loss applicable to current year

2002	2003	2004
23,473 (317,897) (294,424)	317,897 (380,707) (62,810)	380,707 (360,983) 19,724
65,444 217,381 294,424	577,249 100,677 62,810	740,736 28,759 (19,724)
577,249	740,736	749,771
511,805	163,487	9,035

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Canada Customs and Revenue Agency et du revenu du Canada

Agence des douanes

NET INCOME (LOSS) FOR INCOME TAX PURPOSES Schedule 1

The purpose of this schedule is to provide a reconciliation between the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes.

Net income (loss) after taxes and extraordinary iten	ns per financial statements		Α	(88,697)
Add:				
Amortization of tangible assets	10	148,933	_	
Income/loss for tax purposes - joint ventures/par	tnerships 10	1,754		
Total of fields 201 to 294	19	23,473	_	
	Total of fields 101 to 199 50	174,160	>	174,160
Deduct:				
Capital cost allowance - Schedule 8	40	279,371		
Total of fields 300 to 394	49	317,897	_	
	Total of fields 401 to 499 51	597,268	•	597,268
Net income (loss) for income tax purposes (ent	er on line 300 of the T2 return)			(511,805)
Add:				
Other additions:				
603 Regulatory Assets - Opening 2001	CLOSING		293	23,473
	Total of fields 201 to 294 (Enter t	his amount at line 199)		23,473
Deduct:				
Other deductions:				
702 Regulatory Assets - Closed 2003	(2017011		392	317,897
	Total of fields 300 to 394 (Enter t	his amount at line 499)		317,897

Canada Customs

Agence des douanes and Revenue Agency et du revenu du Canada

NON-CAPITAL LOSS CONTINUITY AND CARRY BACK

Schedule 4

Year of origin	Balance at end of prior year	Transfers on amalgamation or wind-up	Section 80 adjustments	Other adjustments	Current year loss net of carry-back	Applied	Ending balance
		Expired					
		 					
000/12/31							
001/12/31	65,444						65,444
002/12/31					511,805		511,808
otals	65,444	1			511,805		5//,249
			urrent year n	on-capital le	220		
Net income (lo	ss) for income tax		differit year i	on capital i			(511,805)
Deduct:	ooj ioi mioomio iam	parpood					
Net capital I	osses deducted in	the year					
		under sections 112	, 113 or subsecti	on 138(6)			
	Part VI.1 tax deduc			1 440(4)(4)	0\		
Amount dec	luctible as prosper	ctor's and grubstake	er's shares - Para	agraph 110(1)(d	.2)		
				Suk	ototal - if positive, en	ter "0"	(511,805)
Deduct: Sect	ion 110 5 - additio	n for foreign tax cre	edits	Sur	ototai - ii positive, eii	LCI U	(011,000)
	ent year farm loss		Julio				
Current year r							
the state of the s	ton-capital 1033 (ii positive, enter o	')				(511,805)
	Ton-capital 1033 (ii positive, enter o	')				(511,805)
	TOTT-Capital 1033 (ity and carry	hack roquest -		(511,805)
Non-capital los		- Non-capital	loss continu	ity and carry	-back request	444	(511,805)
	sses at end of pred		loss continu		8 //	444	(511,805)
Losses expired	sses at end of pred d after 7 years	Non-capital ceding taxation year	loss continu		100-	444	(511,805)
Losses expired Non-capital los	sses at end of pred d after 7 years sses - beginning b	Non-capital ceding taxation year	loss continu		100-		(511,805)
Losses expired Non-capital los Transfers from	sses at end of pred d after 7 years sses - beginning b	Non-capital ceding taxation year alance cowned subsidiary	loss continu		100-	105+	(511,805)
Losses expired Non-capital los Transfers from Current year n	sses at end of pred d after 7 years sses - beginning b wind-up of wholly on-capital loss fro	Non-capital ceding taxation year alance -owned subsidiary m above	loss continu		65, 100- 102= 65,	105+	(511,805)
Non-capital los Transfers from Current year n Deduct - Non-	sses at end of pred d after 7 years sses - beginning b wind-up of wholly on-capital loss fro	Non-capital ceding taxation year alance -owned subsidiary m above	loss continu		65, 100- 102= 65,	105+	(511,805)
Non-capital los Transfers from Current year n 1st precedir	sses at end of pred d after 7 years sses - beginning by wind-up of wholly on-capital loss from	— Non-capital ceding taxation year alance -owned subsidiary m above y back to:	loss continuer and amalgamatic		65, 100- 102 = 65, 110 511,	105+	(511,805)
Losses expired Non-capital los Transfers from Current year n Deduct - Non- 1st precedir 2nd precedir 3rd precedir	ses at end of pred d after 7 years ses - beginning be wind-up of wholly on-capital loss from capital loss carry ng taxation year ag ing taxation year ag ng taxation year ag	Non-capital ceding taxation year alance when above y back to: gainst taxable incorpainst taxable incorpain	loss continuer and amalgamatic		65, 100- 102 = 65, 110 511, 901	105+	(511,805)
Losses expired Non-capital los Transfers from Current year n Deduct - Non- 1st precedir 2nd precedir 3rd precedir 1st precedir	ses at end of pred d after 7 years ses - beginning be wind-up of wholly on-capital loss from capital loss carry ng taxation year ag ing taxation year ag ng taxation year ag	— Non-capital ceding taxation year alance youned subsidiary m above gainst taxable incorpainst taxable incorpainst taxable incorpainst taxable divide	ne me ends subject to P	art IV tax	65, 100- 102 = 65, 110 _ 511, 901 _ 902 _ 903 _ 911	105+	(511,805)
Losses expired Non-capital los Transfers from Current year n Deduct - Non- 1st precedir 2nd precedir 3rd precedir 1st precedir 2nd precedir	sses at end of pred d after 7 years sses - beginning be wind-up of wholly on-capital loss from capital loss carry ng taxation year ag ing taxation year ag ing taxation year ag ing taxation year ag	— Non-capital ceding taxation year alance youned subsidiary m above y back to: gainst taxable incorpainst taxable incorpainst taxable incorpainst taxable dividing ainst taxable dividing ainst taxable dividing a second content of the second content of taxable dividing a	ne me ends subject to P dends subject to P	art IV tax	65, 100- 102= 65, 110 511, 901 902 903 911 912	105+	(511,805)
Losses expired Non-capital los Transfers from Current year n Deduct - Non- 1st precedir 2nd precedir 3rd precedir 1st precedir 2nd precedir	sses at end of pred d after 7 years sses - beginning be wind-up of wholly on-capital loss from capital loss carry ng taxation year ag ing taxation year ag ing taxation year ag ing taxation year ag	— Non-capital ceding taxation year alance youned subsidiary m above gainst taxable incorpainst taxable incorpainst taxable incorpainst taxable divide	ne me ends subject to P dends subject to P	art IV tax	65, 100- 102 = 65, 110 _ 511, 901 _ 902 _ 903 _ 911	105+	65,444
Non-capital los Transfers from Current year n Deduct - Non- 1st precedir 2nd precedir 1st precedir 2nd precedir 2nd precedir 3rd precedir 3rd precedir	sses at end of pred d after 7 years sses - beginning be wind-up of wholly on-capital loss from capital loss carry ng taxation year ag ing taxation year ag	Mon-capital ceding taxation year alance cowned subsidiary m above gainst taxable incorpainst taxable incorpainst taxable dividing ainst taxable ainst ai	ne me ends subject to P dends subject to P	art IV tax	65, 100- 102 = 65, 110	105+	
Losses expired Non-capital los Transfers from Current year n Deduct - Non- 1st precedir 2nd precedir 1st precedir 2nd precedir 2nd precedir 3rd precedir 3rd precedir	sses at end of pred d after 7 years sses - beginning be wind-up of wholly on-capital loss from capital loss carry ng taxation year ag ing taxation year ag ing taxation year ag ing taxation year ag	Mon-capital ceding taxation year alance cowned subsidiary m above gainst taxable incorpainst taxable incorpainst taxable dividing ainst taxable ainst ai	ne me ends subject to P dends subject to P	art IV tax	65, 100- 102 = 65, 110	105+	(511,805) 65,444 511,805 577,249
Losses expired Non-capital los Transfers from Current year n Deduct - Non- 1st precedir 2nd precedir 3rd precedir 2nd precedir 3rd precedir 2nd precedir Current year n Current year n	sses at end of pred d after 7 years sses - beginning be wind-up of wholly on-capital loss from capital loss carry ng taxation year ag ing taxation year ag	Mon-capital ceding taxation year alance cowned subsidiary m above gainst taxable incorpainst taxable incorpainst taxable dividing ainst taxable ainst ai	ne me ends subject to P dends subject to P	art IV tax	65, 100- 102 = 65, 110	105 + 805 +	511,805
Losses expired Non-capital los Transfers from Current year n Deduct - Non- 1st precedir 2nd precedir 3rd precedir 2nd precedir 3rd precedir 2nd precedir Current year n Current year n	sses at end of pred d after 7 years sses - beginning be wind-up of wholly on-capital loss from capital loss carry ng taxation year ag ing taxation year ag on-capital loss ne	Non-capital ceding taxation year alance rowned subsidiary m above gainst taxable incorpainst taxable incorpainst taxable incorpainst taxable dividing ainst taxable ainst	ne me ends subject to P dends subject to P ends subject to P	art IV tax Part IV tax Part IV tax	65, 100- 102 = 65, 110	105 + 805 +	511,805
Losses expired Non-capital los Transfers from Current year n Deduct - Non- 1st precedir 2nd precedir 3rd precedir 2nd precedir 3rd precedir 2nd precedir Current year n Current year n Deduct: Amount app	sses at end of pred d after 7 years sses - beginning be wind-up of wholly on-capital loss from capital loss carry ng taxation year ag ing taxation year ag on-capital loss ne	Mon-capital ceding taxation year alance cowned subsidiary m above gainst taxable incorpainst taxable incorpainst taxable dividing ainst taxable ainst ai	ne me ends subject to P dends subject to P dends subject to P ends subject to P	art IV tax Part IV tax Part IV tax	65, 100- 102 = 65, 110	105 + 805 +	511,805
Losses expired Non-capital los Transfers from Current year n Deduct - Non- 1st precedir 2nd precedir 3rd precedir 2nd precedir 3rd precedir 2nd precedir Current year n Current year n Deduct: Amount app Amount app	sses at end of pred d after 7 years sses - beginning be wind-up of wholly on-capital loss from capital loss carry ng taxation year ag ing taxation year ag on-capital loss ne	Non-capital ceding taxation year alance rowned subsidiary m above y back to: gainst taxable incorgainst taxable incorgainst taxable dividing ainst taxable ainst a	ne me ends subject to P dends subject to P dends subject to P ends subject to P	art IV tax Part IV tax Part IV tax	65, 100- 102 = 65, 110	105 + 805 +	511,805
Losses expired Non-capital los Transfers from Current year n Deduct - Non- 1st precedir 2nd precedir 3rd precedir 2nd precedir 3rd precedir 2nd precedir 2nd precedir Amount app Amount app	sses at end of pred d after 7 years sses - beginning be wind-up of wholly on-capital loss from capital loss carry ng taxation year ag ing taxation year ag on-capital loss new olied against taxab olied against divide adjustments	Non-capital ceding taxation year alance rowned subsidiary m above y back to: gainst taxable incorgainst taxable incorgainst taxable dividing ainst taxable ainst a	ne me ends subject to P dends subject to P dends subject to P ends subject to P	art IV tax Part IV tax Part IV tax	65, 100- 102 = 65, 110	105 + 805 +	511,805
Losses expired Non-capital los Transfers from Current year n Deduct - Non- 1st precedir 2nd precedir 3rd precedir 2nd precedir 3rd precedir 2nd precedir 2nd precedir 2nd precedir Amount app Amount app Section 80	sses at end of pred d after 7 years sses - beginning be wind-up of wholly on-capital loss from capital loss carry ng taxation year ag ing taxation year ag on-capital loss new olied against taxab olied against divide adjustments	Non-capital ceding taxation year alance rowned subsidiary m above y back to: gainst taxable incorgainst taxable incorgainst taxable dividing ainst taxable ainst a	ne me ends subject to P dends subject to P dends subject to P ends subject to P	art IV tax Part IV tax Part IV tax	65, 100- 102 = 65, 110	105 + 805 +	511,805

Loss from a wholly-owned subsidiary deemed to be a loss of the parent from its immediately preceding taxation year.

Paragraph 88(1.1)(f) election indicator

190 Yes

West Perth Power Inc. CRA Business # 869229377 Year-end: 2002/12/31 Printed: 2006/09/29 13:25

NON-CAPITAL LOSS CONTINUITY AND CARRY BACK

Part 2 - Farm loss

Farm loss continuity by year

			41111 1000 001				
Year of origin	Balance at end of prior year	Transfers on amalgamation or wind-up	Section 80 adjustments	Other adjustments	Current year loss net of carry-back	Applied	Ending balance
		Expired					
					-		
		ļ					
2000/12/31							
2001/12/31							
2002/12/31							
Totals		T T					
Totals							

Farm loss continuity and ca	irry-back reque	st	
Farm losses at end of preceding taxation year			
Losses expired after 10 years	300-		
Farm losses - beginning balance	302=		
Transfers from wind-up of wholly-owned subsidiary and amalgamation		3	305+
Current year farm loss	310		
Deduct - Farm loss carry back to:			
1st preceding taxation year against taxable income	921	n	
2nd preceding taxation year against taxable income	922		
3rd preceding taxation year against taxable income	923		
1st preceding taxation year against taxable dividends subject to Part IV tax	931		
2nd preceding taxation year against taxable dividends subject to Part IV tax	932		
3rd preceding taxation year against taxable dividends subject to Part IV tax	933		
5	Subtotal		
Current year farm loss net of carry-back			+
		Subtotal	
Deduct:			
Amount applied against taxable income (enter on line 334 of T2 return)	330		
Amount applied against dividends subject to Part IV tax	335		
Section 80 adjustments	340		
Other adjustments	350		
			-
Farm losses - ending balance			380 =

West Perth Power Inc. CRA Business # 869229377 Year-end: 2002/12/31 Printed: 2006/09/29 13:25

NON-CAPITAL LOSS CONTINUITY AND CARRY BACK

Part 3 - Restricted farm loss

Restricted farm	loss	continuity	by year
I Collicted idilli	1000	O DITEILIBRITY	My your

Year of origin	Balance at end of prior year	Transfers on amalgamation or wind-up	Section 80 adjustments	Other adjustments	Current year loss net of carry-back	Applied	Ending balance
		Expired					
2000/12/31							
2001/12/31							
2002/12/31		1					
Totals							

Net loss from farming business		4	185
Deductible farm loss:			
Net loss from above	A		
\$2,500 plus 1/2 (A - \$2,500)	В	2,500	
Maximum deduction	C	8,750	
Deductible farm loss (lesser of A, B, and C)			-
Current year restricted farm loss			

Losses expired after 10 years	400 -	
Restricted farm losses - beginning balance	402=	
Transfers from wind-up of wholly-owned subsidiary and amalgamation		405+
Current year restricted farm loss (enter on line 233 of Schedule 1)	410	
Deduct - Restricted farm loss carry back to:		
1st preceding taxation year against farming income	941	
2nd preceding taxation year against farming income	942	
3rd preceding taxation year against farming income	943	
Current year restricted farm loss net of carry-back		+
Deduct:		
Amount applied against taxable income (enter on line 333 of T2 return)	430	
Section 80 adjustments	440	
Other adjustments	450	
Restricted farm losses - ending balance		480 =

OS4N Schedule 4

Ontario non-capital loss continuity

		Nor	n-capital loss	continuity by	year		
Year of origin	Balance at end of prior year	Transfors on	Section 80 adjustments	Other adjustments	Current year loss net of carry-back	Applied	Ending balance
2000/12/31							
2001/12/31	65,444						65,444
2002/12/31					511,805		511,805
Totals	65,444				511,805		577,249
Deduct: Net capital la Taxable divi	ss) for Ontario tax osses deducted in	purposes the year under sections 112	2, 113 or subsection		S		(511,805)
Amount of P	art VI.1 tax deduc	tible					
Deduct: Secti	on 110.5 - addition	for foreign tax cr	edits	Su	btotal - if positive, e	nter "0"	(511,805)
A al al	ent year farm loss						
	non-capital loss (i	f = = = :4: = = = !!O	111				/E44 00E\

Losses expired after 7 years		AND THE PERSON NAMED IN COLUMN TWO IS NOT THE PERSON NAMED IN COLUMN TWO IS NAMED	
Non-capital losses - beginning balance	= 65,44	14	65,444
Transfers from wind-up of wholly-owned subsidiary and amalgamation		+	
Current year non-capital loss from above	511,80)5	
Deduct - Non-capital loss carry back to:			
1st preceding taxation year against taxable income			
2nd preceding taxation year against taxable income			
3rd preceding taxation year against taxable income			
Current year non-capital loss net of carryback	511.80)5 +	511.805
	Sub	total =	577.249
Deduct:			
Amount applied against taxable income (enter on line 704 of the CT23)			
Section 80 adjustments			
Other adjustments			

West Perth Power Inc. Ontario Account # 6843770 Year-end: 2002/12/31 Printed: 2006/09/29 12:59

OS4N Schedule 4

Ontario non-capital loss continuity

Part 2 - Farm loss

			Farm loss cor	ntinuity by year	ar		
Year of origin	Balance at end of prior year	Transfers on amalgamation or wind-up	Section 80 adjustments	Other	Current year loss net of carry-back	Applied	Ending balance
				1			
					-		
					-		
					1		
					 		
2000/12/31							
2001/12/31							
2002/12/31							
Totals							

Farm loss continuity and c	arry-back reques	st	
Farm losses at end of preceding taxation year			
Losses expired after 10 years			
Farm losses - beginning balance	=		
Transfers from wind-up of wholly-owned subsidiary and amalgamation			+
Current year farm loss			
Deduct - Farm loss carry back to:			
1st preceding taxation year against taxable income			
2nd preceding taxation year against taxable income			
3rd preceding taxation year against taxable income			
	Subtotal		
Current year farm loss net of carry-back			+
		Subtotal	****
Deduct:			
Amount applied against taxable income (enter on line 724 of the CT23)			
Section 80 adjustments			
Other adjustments			
			_
Farm losses - ending balance			

OS4N Schedule 4

Ontario non-capital loss continuity

Part 3 - Restricted farm loss

Year of origin	Balance at end of prior year	Transfers on amalgamation or wind-up	Section 80 adjustments	Other adjustments	Current year loss net of carry-back	Applied	Ending balance
000/12/31							
001/12/31							
002/12/31 Totals							
Maximum de Deductible farm	n above 1/2 (A - \$2,500)	B, and C)			A B C	2,500 8,750	
Restricted farm	losses at end of p			uity and carry	-back request		
Losses expired			7		_		
Restricted farm	losses - beginning	g balance			=		
Transfers from	wind-up of wholly-	owned subsidiary	and amalgamatio	n		+	
Current vear re	stricted farm loss						
our one your to							
Deduct - Restr	icted farm loss c	_					
Deduct - Restr 1st preceding to	icted farm loss c axation year again	st farming income					
Deduct - Restr 1st preceding to 2nd preceding to	icted farm loss c axation year again taxation year agair	st farming income	9				
Deduct - Restr 1st preceding to 2nd preceding to	icted farm loss c axation year again	st farming income	9				
Deduct - Restr 1st preceding to 2nd preceding to 3rd preceding to	icted farm loss c axation year again taxation year agair	st farming income ast farming income st farming income	9			+	
Deduct - Restr 1st preceding to 2nd preceding to 3rd preceding to	axation year again axation year again axation year again	st farming income ast farming income st farming income	9			+	
Deduct - Restr 1st preceding to 2nd preceding to 3rd preceding to 3rd preceding to Current year rest Deduct: Amount appl	axation year again axation year again axation year again stricted farm loss in the stricted against taxable in t	st farming income est farming income st farming income est of carry-back		T23)		+	
Deduct - Restr 1st preceding to 2nd preceding to 3rd preceding to 3rd preceding to Current year rest Deduct: Amount appl Section 80 a	axation year again axation year again axation year again stricted farm loss in djustments	st farming income est farming income st farming income est of carry-back		T23)		+	
Deduct - Restr 1st preceding to 2nd preceding to 3rd preceding to 3rd preceding to Current year rest Deduct: Amount appl	axation year again axation year again axation year again stricted farm loss in djustments	st farming income est farming income st farming income est of carry-back		T23)		+	



Canada Customs

Agence des douanes and Revenue Agency et du revenu du Canada

NET INCOME (LOSS) FOR INCOME TAX PURPOSES

Schedule 1

The purpose of this schedule is to provide a reconciliation between the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes.

Net income (loss) after taxes and extraordinary items	s per financial statements			Α	(4,772)
Add:					
Amortization of tangible assets		104	157,312		
Total of fields 201 to 294		199	317,897	-	
	Total of fields 101 to 199	500	475,209	>	475,209
Deduct:					
Capital cost allowance - Schedule 8		403	253,217		
Total of fields 300 to 394		499	380,707		
	Total of fields 401 to 499	510	633,924	•	633,924
Net income (loss) for income tax purposes (ente	r on line 300 of the T2 return)			_	(163,487)
Add:				\(\frac{1}{2}\)	
Other additions:					
603 Regulatory Assets - Opening 2007	CLOING			293	317,897
	Total of fields 201 to 294 (Ent	er this amour	t at line 199)		317,897
Deduct:				<u></u>	
Other deductions:					
702 Regulatory Assets - Closed 2003	CLOING			392	380,707
	Total of fields 300 to 394 (Ent	er this amour	t at line 499)	-	380,707

Canada Customs

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NON-CAPITAL LOSS CONTINUITY AND CARRY BACK

Schedule 4

Part 1 - Non-capital loss

		Non	-capital loss	continuity by	year		
Year of origin	Balance at end of prior year	Transfers on amalgamation or wind-up	Section 80 adjustments	Other adjustments	Current year loss net of carry-back	Applied	Ending balance
		Expired					
2000/12/31							
2001/12/31	65,444						65,444
2002/12/31	511,805						511,805
2003/12/31					163,487		163,487
Totals	577,249				163,487		740,736

Current year non-ca	apital loss		
Net income (loss) for income tax purposes			(163,487)
Deduct:			
Net capital losses deducted in the year			
Taxable dividends deductible under sections 112, 113 or subsection 138	(6)		
Amount of Part VI.1 tax deductible			
Amount deductible as prospector's and grubstaker's shares - Paragraph	110(1)(d.2)		
	Subtotal - if no	ositive, enter "0"	(163,487)
Deduct: Section 110.5 - addition for foreign tax credits	oubtotal II p	0011110, 071101	
Add: Current year farm loss			
rtaa. Carront your farin 1000			
Current year non-capital loss (if positive, enter "0")			(163,487)
	d carry back re	A 11004	(163,487)
Non-capital loss continuity an	d carry-back re		(163,487)
Non-capital loss continuity an Non-capital losses at end of preceding taxation year	d carry-back re	equest 577,249	(163,487)
Non-capital loss continuity an Non-capital losses at end of preceding taxation year Losses expired after 7 years			(163,487)
Non-capital loss continuity an Non-capital losses at end of preceding taxation year	100-	577,249	577,249
Non-capital loss continuity an Non-capital losses at end of preceding taxation year Losses expired after 7 years Non-capital losses - beginning balance	100-	577,249	577,249
Non-capital loss continuity an Non-capital losses at end of preceding taxation year Losses expired after 7 years Non-capital losses - beginning balance Transfers from wind-up of wholly-owned subsidiary and amalgamation	100-	577,249 577,249 10	577,249
Non-capital loss continuity an Non-capital losses at end of preceding taxation year Losses expired after 7 years Non-capital losses - beginning balance Transfers from wind-up of wholly-owned subsidiary and amalgamation Current year non-capital loss from above	100-	577,249 577,249 10	577,249
Non-capital loss continuity an Non-capital losses at end of preceding taxation year Losses expired after 7 years Non-capital losses - beginning balance Transfers from wind-up of wholly-owned subsidiary and amalgamation Current year non-capital loss from above Deduct - Non-capital loss carry back to:	100- 102=	577,249 577,249 10	577,249

1st preceding taxation year against taxable dividends subject to Part IV tax 911 2nd preceding taxation year against taxable dividends subject to Part IV tax 912 3rd preceding taxation year against taxable dividends subject to Part IV tax 913 163,487 163,487 Current year non-capital loss net of carryback 740,736 Subtotal Deduct: Amount applied against taxable income (enter on line 331 of T2 return) 130 Amount applied against dividends subject to Part IV tax 135 Section 80 adjustments 140 Other adjustments 150 740,736 Non-capital losses - ending balance 180 =

Election under pa	ragraph 88(1.1)(f)
Paragraph 88(1.1)(f) election indicator	190 Yes
Loss from a wholly-owned subsidiary deemed to be a loss of the pare	nt from its immediately preceding taxation year.

West Perth Power Inc. CRA Business # 869229377 Year-end: 2003/12/31 Printed: 2006/09/29 13:31

NON-CAPITAL LOSS CONTINUITY AND CARRY BACK

Part 2 - Farm loss

Farm loss continuity by year

Year of origin	Balance at end of prior year	Transfers on amalgamation or wind-up	Section 80 adjustments	Other adjustments	Current year loss net of carry-back	Applied	Ending balance
		Expired					
					-		
					-		
		 			- -		
0000110101					_		
2000/12/31							
2001/12/31							
2002/12/31							
2003/12/31							
Totals							

Farm loss continuity and carr	y-back reques	st	
Farm losses at end of preceding taxation year			
Losses expired after 10 years	300-		
Farm losses - beginning balance	302=		
Transfers from wind-up of wholly-owned subsidiary and amalgamation		30	5+
Current year farm loss	310		
Deduct - Farm loss carry back to:			
1st preceding taxation year against taxable income	921		
2nd preceding taxation year against taxable income	922		
3rd preceding taxation year against taxable income	923		
1st preceding taxation year against taxable dividends subject to Part IV tax	931		
2nd preceding taxation year against taxable dividends subject to Part IV tax	932		
3rd preceding taxation year against taxable dividends subject to Part IV tax	933		
Sub	total		
Current year farm loss net of carry-back			+
		Subtotal	
Deduct:			
Amount applied against taxable income (enter on line 334 of T2 return)	330		
Amount applied against dividends subject to Part IV tax	335		
Section 80 adjustments	340		
Other adjustments	350		
Farm losses - ending balance		38	0 =

West Perth Power Inc. CRA Business # 869229377 Year-end: 2003/12/31 Printed: 2006/09/29 13:31

NON-CAPITAL LOSS CONTINUITY AND CARRY BACK

Part 3 - Restricted farm loss

2002/12/31

2003/12/31

Totals

536		Restri	cted farm los	s continuity	by year		
Year of origin	Balance at end of prior year	Transfers on amalgamation or wind-up	Section 80 adjustments	Other adjustments	Current year loss net of carry-back	Applied	Ending balance
		Expired					
					_		
		-					
2000/12/31							
0004140104		 					

Net loss from farming business	restricted farm loss		485
Deductible farm loss:			
Net loss from above	A		
\$2,500 plus 1/2 (A - \$2,500)	В	2,500	
Maximum deduction	C	8,750	
Deductible farm loss (lesser of A, B, and C)			
Current year restricted farm loss			

Restricted farm loss continuity and Restricted farm loss continuity and		
Losses expired after 10 years	400-	
Restricted farm losses - beginning balance	402=	
Transfers from wind-up of wholly-owned subsidiary and amalgamation		405+
Current year restricted farm loss (enter on line 233 of Schedule 1)	410	
Deduct - Restricted farm loss carry back to:		
1st preceding taxation year against farming income	941	
2nd preceding taxation year against farming income	942	
3rd preceding taxation year against farming income	943	
Current year restricted farm loss net of carry-back		+
Deduct:		
Amount applied against taxable income (enter on line 333 of T2 return)	430	
Section 80 adjustments	440	
Other adjustments	450	
		-
Restricted farm losses - ending balance		480=

OS4N Schedule 4

Ontario non-capital loss continuity

Part 1: Non-capital loss

Non-capital losses - ending balance

Vacroforin				continuity by			
Year of origin	Balance at end of prior year	Transfers on amalgamation or wind-up	Section 80 adjustments	Other adjustments	Current year loss net of carry-back	Applied	Ending balance
000/12/31							
001/12/31	65,444						65,444
2002/12/31	511,805						511,805
2003/12/31					163,487		163,487
Totals	577,249				163,487		740,736
Net income (los	ss) for Ontario tax		urrent year n	on-capital los	55		(163,487)
	dends deductible of art VI.1 tax deduc	under sections 112 tible	2, 113 or subsecti			<u> </u>	
	on 110.5 - addition ent year farm loss	n for foreign tax cre	edits	Su	btotal - if positive, e	nter "0"	(163,487)
Current year n	on-capital loss (i	f positive, enter "0	")				(163,487)
N. 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1	ses at end of prec	•		ity and carry-k			
Non-capital los	The second secon	Cullia lavalloli vee	•		5/	7 249	
Non-capital loss Losses expired	after 7 years					7,249	
Losses expired					_		577 249
Losses expired Non-capital los	ses - beginning ba	alance)n	_	7,249	577,249
Losses expired Non-capital loss Transfers from	ses - beginning ba	alance owned subsidiary)n	= 577		577,249
Non-capital loss Transfers from Current year no 1st precedin	ses - beginning bases wind-up of wholly- on-capital loss from capital loss carry g taxation year ag	alance owned subsidiary n above	and amalgamatic		= 577	7,249 +	577,249
Losses expired Non-capital loss Transfers from Current year no Deduct - Non-capital 1st precedin 2nd precedin	ses - beginning bases wind-up of wholly- on-capital loss from capital loss carry g taxation year aging taxation year aging taxation	alance owned subsidiary n above back to : ainst taxable incor	and amalgamatic		= 577	7,249 +	577,249
Non-capital loss Transfers from Current year no 1st precedin 2nd precedin 3rd precedin	ses - beginning bases wind-up of wholly- on-capital loss from capital loss carry g taxation year aging taxation year aging taxation	alance owned subsidiary n above back to: ainst taxable incorpainst	and amalgamatic		= 577	7,249 +	577,249

West Perth Power Inc. Ontario Account # 6843770 Year-end: 2003/12/31 Printed: 2006/09/29 13:31

OS4N Schedule 4

Ontario non-capital loss continuity

Part 2 - Farm loss

Year of origin	Balance at end of prior year	Transfers on amalgamation or wind-up	Section 80 adjustments	Other adjustments	Current year loss net of carry-back	Applied	Ending balance
					T		
					-		
					-		
2000/12/31							
2001/12/31							
2002/12/31							
2003/12/31							
Totals							

Farm loss continuity and carry	y-back rec	uest -	
Farm losses at end of preceding taxation year			
Losses expired after 10 years			
Farm losses - beginning balance		700	
Transfers from wind-up of wholly-owned subsidiary and amalgamation			+
Current year farm loss			
Deduct - Farm loss carry back to:			
1st preceding taxation year against taxable income			
2nd preceding taxation year against taxable income			
3rd preceding taxation year against taxable income			
	Subtotal		
Current year farm loss net of carry-back			+
		Subtotal	=
Deduct:			
Amount applied against taxable income (enter on line 724 of the CT23)			
Section 80 adjustments			
Other adjustments			
Farm losses - ending balance			

West Perth Power Inc. Ontario Account # 6843770 Year-end: 2003/12/31 Printed: 2006/09/29 13:31

OS4N Schedule 4

Ontario non-capital loss continuity

Part 3 - Restricted farm loss

Restricted farm losses - ending balance

Year of origin	Balance at end of prior year	Transfors on	Section 80 adjustments	Other adjustments	Current year loss net of carry-back	Applied	Ending balance
				T			
2000/12/31							
2001/12/31							
2002/12/31							
2003/12/31							
Totals							
Maximum de Deductible farn	1/2 (A - \$2,500) eduction n loss (lesser of A, estricted farm loss	B, and C)			<u>C</u>	8,750	
Restricted farm	losses at end of p	Restricted far	m loss contir	uity and carr	y-back reques	t	
Losses expired	after 10 years	receding taxation	ycai				
	losses - beginnin	g balance			=		
	wind-up of wholly-		and amalgamatic	n		+	
Current vear re	stricted farm loss						
	ricted farm loss c	arry back to:					
	axation year again	T					
	taxation year again						
3rd preceding t	axation year agair	st farming income	;				
Current year re	stricted farm loss	net of carry-back				+	
Deduct:							
	lied against taxabl	e income (enter o	n line 734 of the C	CT23)			
Section 80 a	idjustments						
Other adjust	ments						



Canada Revenue Agency

Agence du revenu du Canada

NET INCOME (LOSS) FOR INCOME TAX PURPOSES

Schedule 1

The purpose of this schedule is to provide a reconciliation between the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes.

Net income (loss) after taxes and extraor	dinary iter	ns per financial staten	nents		Α	44,050
Add:						
Amortization of tangible assets			104	158,217	2	
Total of fields 201 to 294			199	380,707		
		Total of field	ds 101 to 199 500	538,924	>	538,924
Deduct:						
Capital cost allowance - Schedule 8			403	231,026	_	
Total of fields 300 to 394			499	360,983	_	
		Total of field	ds 401 to 499 510	592,009		592,009
Net income (loss) for income tax purp	oses (en	ter on line 300 of the	2 return)			(9,035)
Add:						
Other additions:						
603 Regulatory Assest - Opening	2003	CLOSING			293	380,707
		Total of fields 20	1 to 294 (Enter this amour	nt at line 199)		380,707
Deduct:						
Other deductions:	7					
702 Regulatory Assets - Closing	2004	CLOSING			392	360,983
		Total of fields 30	0 to 394 (Enter this amour	nt at line 499)		360,983



BDO Dunwoody LLP
Chartered Accountants
and Advisors

Driving growth

208 Ontario Street Stratford Ontario Canada N5A 3H4 Telephone: (519) 271-6550 Fax: (519) 271-4796 www.bdo.ca

November 6, 2006

Ontario Ministry of Finance 33 King Street West Oshawa ON L1H 8H5

Attention: Mr. Lane Singh, Manager Desk Audit

Dear Mr. Singh

Re:

West Perth Power Inc.

Adjustments to Hydro Successor return

Attached are amended S(1) and S(4) for the above noted corporation's 2002, 2003 and 2004 taxation years.

When the returns were originally filed, an error was made with respect to the regulatory assets. The effects of adjustments made in the financial statements, as required by the Ontario Energy Board, were not backed out for tax purposes through the S(1). These amended forms correct this error.

Also attached is a spreadsheet which summarizes the effects of these changes on the carry forward balances of the corporation. Because the corporation reported losses in each year and, after these amendments, continues to report losses in each year, there is no impact on income tax.

If you require further information, please contact Allison Karl of our Woodstock office at 519-539-2081.

Yours truly,

BDO DUNWOODY LLP

Mervyn Dietz, CMA

Menyn T. Diets

Encl.

Client: West Perth Power Inc. CRA Business # 869229377 Year-end: 2005/12/31 Printed: 2006/11/13 14:20

Corporation loss continuity and application

Part 2 - Capital losses

Continuity of capital losses a	nd request for a carryback	
Capital losses at end of preceding taxation year Capital losses transferred on an amalgamation or the windup of a	200	
subsidiary corporation	205	
Current-year capital loss (from Schedule 6 calculation)	210	
Add:		
Allowable business investment loss expired as a non-capital loss	x 4/3	220
	Subtotal	
Deduct:		
Amount applied against current-year capital gain (see Note 1)	225	
Section 80 - Adjustments for forgiven amounts	240	
Other adjustments	250	
Deduct - Request to carry back capital loss to: (see Note 2)		
First preceding taxation year	951	
Second preceding taxation year	952	
Third preceding taxation year	953	
Capital losses - Closing balance		280
Note 1		
On line 332 of the T2 return, enter the amount from line 225 multiplied by	by 50%.	
Note 2		
Enter on lines 225, 951, 952, or 953, whichever applies, the actual amo	unt of the loss. At the time of the applic	ation of the loss carryback
the net capital loss amount will be calculated at the inclusion rate of the		

Part 3 - Farm losses

Continuity of farm losses and	request for a carryback
Farm losses at end of preceding taxation year	
Deduct: Farm loss expired after 10 taxation years	300
Farm losses at beginning of taxation year	302
Add: Farm losses transfered on an amalgamation or the	
windup of a subsidiary corporation	305
Current-year farm loss	310
Deduct	
Amount applied against taxable income (enter on line 334 of T2 return)	330
Amount applied against taxable dividends subject to Part IV tax	335
Section 80 - Adjustments for forgiven amounts	
	340
Other adjustments	350
Deduct - Request to carry back farm loss to:	
First preceding taxation year to reduce taxable income	921
Second preceding taxation year to reduce taxable income	922
Third preceding taxation year to reduce taxable income	923
First preceding taxation year to reduce taxable dividends subject to Par	
Second preceding taxation year to reduce taxable dividends subject to	
Third preceding taxation year to reduce taxable dividends subject to Pa	rt IV tax 933
Farm losses - Closing balance	380

Client: West Perth Power Inc. CRA Business # 869229377 Year-end: 2005/12/31 Printed: 2006/11/13 14:20

Corporation loss continuity and application

Part 4 - Restricted farm losses

Current-year res	stricted farm loss	
Total losses for the year from farming business Minus the deductible farm loss: \$2,500 plus B or C, whichever is less (Amount A above – \$2,500) divided by 2 Maximum Deductible farm loss Current-year restricted farm loss (enter this amount on line 410)	485 B 6,250 C	A
Continuity of restricted farm los	sses and request for a carryback	
Restricted farm losses at end of preceding taxation year	soco and requestion a carryback	
Deduct: Restricted farm loss expired after 10 taxation years	400	
Restricted farm losses at beginning of taxation year	402	
Add: Restricted farm losses transferred on an amalgamation or the	windup	
of a subsidiary corporation	405	
Current-year restricted farm loss (enter on line 233 of Schedule 1)	410	
Deduct:		
Amount applied against farming income (enter on line 333 of T2 ret	turn) 430	
Section 80 – Adjustments for forgiven amounts	440	
Other adjustments	450	
Deduct - Request to carry back restricted farm loss to:		
First preceding taxation year to reduce farming income	941	
Second preceding taxation year to reduce farming income	942	
Third preceding taxation year to reduce farming income	943	
Restricted farm losses - Closing balance Note	480	
The total losses for the year from all farming businesses are calculat	ted without including scientific research expenses.	

Part 5 - Listed personal property losses

Continuity of listed personal property loss and Listed personal property losses at end of preceding taxation year	nd request for a carry	/back
Deduct: Listed personal property losses expired after seven taxation years		500
Listed personal property losses at beginning of taxation year		502
Add: Current-year listed personal property loss (from Schedule 6)		510
	Subtot	al
Deduct:		
Amount applied against listed personal property gain		
(enter on line 655 of Schedule 6)	530	
Other adjustments	550	
Deduct - Request to carry back listed personal property loss to:		
First preceding taxation year to reduce listed personal property gains	961	
Second preceding taxation year to reduce listed personal property gains	962	
Third preceding taxation year to reduce listed personal property gains	963	
Listed personal property losses - Closing balance		580

Corporation loss continuity and application

Part 6 - Analysis of balance of losses by year of origin

Year of origin	Non-capital losses *	Farm losses	Restricted farm losses	Listed personal property losses
2000/12/31				
2001/12/31	65,444			
2002/12/31	511.805			
2003/12/31	163,487			
2004/12/31	9,035			
2005/12/31	148,044			
Total	897,815			

^{*} The carryforward period for non-capital losses arising in a taxation year ending after March 22, 2004, is changed from 7 to 10 taxation years.

Part 7 - Limited partnership losses

1	2	3	4	5	6	7
Partnership identifier	Fiscal period ending	Corporation's share of limited partnership loss	Corporation's at risk amount	Corp's share of partnership ITC, farming losses and resource expenses	Column 4 - 5 If negative, enter "0"	Current-year limited partnersh losses Column 3 - 6
600	602	604	606	608		620

1	2	3	4	5	6	7
Partnership identifier	Fiscal period ending	Limited partnership losses at end of preceding taxation year	Corporation's at risk amount	Corp's share of partnership ITC, business or property losses and resource expenses	Column 4 - 5 if negative, enter "0"	Limited partnership losse that may be applied in the yea The lesser of columns 3 and 6
630	632	634	636	638		650

		rship losses that ca			tion years
Partnership identifier		from amalgamation or windup of subsidiary	Current year limited partnership losses (from column 620)	losses applied	losses closing balance
660	662	664	670	(cannot exceed 650) 675	(662+664+670-675) 680
	Total	enter this amount on line	e 335 of the T2 return)		

Canada Customs Agence des douanes and Revenue Agency et du revenu du Canada

CORPORATION LOSS CONTINUITY AND APPLICATION (2000 and later taxation years)

- For use by a corporation to determine the continuity and use of available losses; to determine the current-year non-capital loss, farm loss, restricted farm loss, and limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that may be applied in a year; and to request a loss carryback to prior years.
- The corporation can choose whether or not to deduct an available loss from income in a taxation year. It can deduct losses in any order. However, for each type of loss, deduct the oldest loss first.
- For information on these losses, see the T2 Corporation Income Tax Guide.
- File one completed copy of this schedule with the T2 return, or send it by itself to the tax centre where the return is filed.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal Income Tax Act.

Part 1 - Non-capital losses

Determination of current-year nor	1-capital l	oss		
Net income (loss) for income tax purposes Deduct: (increase a loss) Net capital losses deducted in the year (enter as a positive amount) Taxable dividends deductible under sections 112, 113 or subsection 138(6) Amount of Part VI.1 tax deductible Amount deductible as prospector's and grubstaker's shares - Paragraph 110(1)(d.2)				(148,044)
Sı	ubtotal (if pos	sitive, enter "0") -	(148.044)
Deduct: (increase a loss)	(p.s.			
Section 110.5 and/or subparagraph 115(1)(a)(vii) - Addition for foreign tax deduct Add: (decrease a loss) Current-year farm loss	ions	Subtotal		(148,044)
Current-year non-capital loss (if positive, enter "0")				(148,044)
	4 5			
Non-capital loss at the end of preceding taxation year	uest for a	carryback 749.771		
Deduct: Non-capital loss expired *	100	149,771	-	
Non-capital losses at beginning of taxation year	102	749,771		
Add: Non-capital losses transferred on an amalgamation or the windup of a				
subsidiary corporation	105	4.40.04.4		
Current-year non-capital loss (from calculation above)	110	148,044 897,815	-	897.815
Deduct:		097,010	-	097,013
Amount applied against taxable income (enter on line 331 of the T2 return)	130			
Amount applied against taxable dividends subject to Part IV tax	135			
Section 80 - Adjustments for forgiven amounts	140			
Other adjustments	150		_	
Deduct - Request to carry back non-capital loss to:	· · · · · · · · · · · · · · · · · · ·			
First preceding taxation year to reduce taxable income	901			
Second preceding taxation year to reduce taxable income	902		=0	
Third preceding taxation year to reduce taxable income	903			
First preceding taxation year to reduce taxable dividends subject to Part IV tax	911			
Second preceding taxation year to reduce taxable dividends subject to Part IV tax	-			
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	913			
Non-capital losses - Closing balance			180	897 815
* A non-capital loss expires as follows: • After 7 taxation years if it arose in a taxation year ending before March 23, 2004 • After 10 taxation years if it arose in a taxation year ending after March 22, 2004	•			
Paragraph 88(1.1)(f) election indicator Election under paragraph 8	o(1.1)(1)		190 YE	es :

Loss from a wholly owned subsidiary deemed to be a loss of the parent from its immediately preceding taxation year.

Election under paragraph 88(1.1)(f)
Paragraph 88(1.1)(f) election indicator
Loss from a wholly owned subsidiary decined to be a loss of the parent from its infinediatory previous tax year.
Part 2 - Capital losses
Continuity of capital losses and request for a carryback
Capital losses at the end of the previous tax year
Deduct:
Other adjustments (includes adjustments for an acquisition of control)
Add:
Current-year capital loss (from the calculation on Schedule 6)
Unused non-capital losses that expired in the tax year* Allowable business investment losses (ABIL) that expired as non-capital losses in the tax year** B
Enter amount from line A or B, whichever is less 215
ABILs expired as non-capital loss: line 215 divided by the inclusion rate*** 75.0000 %
Note: If there has been an amalgamation or a wind-up of a subsidiary, do a separate calculation of the ABIL expired as non-capital loss for each predecessor or subsidiary. Add all these amounts and enter the total at line 220 above.
Deduct: Amount applied against the current-year capital gain (see Note 1)
Subtotal
Deduct – Request to carry back capital loss to (see Note 2): Capital gain Amount carried back (100%) back (100%)
First previous tax year
Second previous tax year
Third previous tax year
Capital losses – Closing balance
Note 1
Enter the amount from line 225 multiplied by 50% on line 332 of the T2 return.
Note 2
On lines 225, 951, 952, or 953, whichever applies, enter the actual amount of the loss. When the loss is applied, multiply this amount by the 50% inclusion rate.

- * Enter the losses from the 8th previous tax year if the losses were incurred in a tax year ending before March 23, 2004. Enter the losses from the 11th previous tax year if the losses were incurred in a tax year ending after March 22, 2004, and before 2006. Enter the losses from the 21st previous tax year if the losses were incurred in a tax year ending after 2005. Enter the part that was not used in previous years and the current year on line A.
- ** Enter the losses from the 8th previous tax year if the losses were incurred in a tax year ending before March 23, 2004. Enter the losses from the 11th previous tax year if the losses were incurred in a tax year ending after March 22, 2004. Enter the full amount on line B.
- *** This inclusion rate is the rate used to calculate your ABIL referred to at line B. Therefore, use one of the following inclusion rates, whichever applies:
 - For ABILs incurred in the 1999 and previous tax years, use 0.75.
 - For ABILs incurred in the 2000 and 2001 tax years, the inclusion rate is equal to amount M on Schedule 6 version T2SCH6(01).
 - For ABILs incurred in the 2002 and later tax years, use 0.50.

Part 3 – Farm losses Continuity of farm losses and request for a carryback	
Deduct: Farm loss expired *	
Farm losses at the beginning of the tax year	
Add: Farm losses transferred on the amalgamation	
or the wind-up of a subsidiary corporation	
Current-year farm loss	
Deduct:	
Other adjustments (includes adjustments for an acquisition of control)	
Section 80 – Adjustments for forgiven amounts	
Amount applied against taxable income (enter on line 334 of the T2 return)	
Amount applied against taxable dividends subject to Part IV tax	Cubiatel
Deduct – Request to carry back farm loss to:	Subtotal
First previous tax year to reduce taxable income	
Second previous tax year to reduce taxable income	
Third previous tax year to reduce taxable income	
First previous tax year to reduce taxable dividends subject to Part IV tax	
Second previous tax year to reduce taxable dividends subject to Part IV tax	
Third previous tax year to reduce taxable dividends subject to Part IV tax	
Farm losses – Closing balance	380
* A farm loss expires as follows: • After 10 tax years if it arose in a tax year ending before 2006; or	
After 10 tax years if it arose in a tax year ending after 2005. After 20 tax years if it arose in a tax year ending after 2005.	
Part 4 – Restricted farm losses Current-year restricted farm loss	
Total losses for the year from farming business	485
Minus the deductible farm loss:	
	500
(Amount C above — \$2,500) divided by 2 = D	
\$ 6,250 E	2,500 F
Current-year restricted farm loss (amount C minus amount F) (enter this amount on line 410)	
Continuity of restricted farm losses and request for a carryback —	
Restricted farm losses at the end of the previous tax year	
Deduct: Restricted farm loss expired *	
Restricted farm losses at the beginning of the tax year	
Add: Restricted farm losses transferred on the amalgamation of the wind-up of a subsidiary corporation	
Current-year restricted farm loss (enter on line 233 of Schedule 1)	
Deduct:	
Amount applied against farming income (enter on line 333 of the T2 return)	
Section 80 – Adjustments for forgiven amounts	
Other adjustments	
Sul	btotal
Deduct – Request to carry back restricted farm loss to:	
First previous tax year to reduce farming income	
Second previous tax year to reduce farming income	
Third previous tax year to reduce farming income	
Restricted farm losses – Closing balance	480
Note	
The total losses for the year from all farming businesses are calculated without including scientific research expenses.	

^{*} A restricted farm loss expires as follows:

After 10 tax years if it arose in a tax year ending before 2006; or

After 20 tax years if it arose in a tax year ending after 2005.

Part 5 - Listed personal property losses

Continuity of listed per	rsonal property loss and request for a carryback
Listed personal property losses at the end of the previous tax year	
Deduct: Listed personal property loss expired after seven tax years	
Listed personal property losses at the beginning of the tax year	
Add: Current-year listed personal property loss (from Schedule 6)	
Dadwati	Subtotal
Deduct: Amount applied against listed personal property gains (enter on line 655 of Schedule 6)	530
Other adjustments	EEO N
	Subtotal Subtotal
Deduct - Request to carry back listed personal property loss to	to:
First previous tax year to reduce listed personal property gains	
Second previous tax year to reduce listed personal property gains	
Third previous tax year to reduce listed personal property gains	
Listed personal property losses – Closing balance	

Part 7 – Limited partnership losses

•						
		Current-y	ear limited parti	nership losses		
1	2	3	4	5	6	7
Partnership identifier	Fiscal period ending	Corporation's share of limited partnership loss	Corporation's at-risk amount	Total of corporation's share of partnership investment tax credit, farming losses, and resource expenses	Column 4 minus column 5 (if negative, enter "0")	Current-year limited partnership losses (column 3 - 6)
600	602	604	606	608		620

Total (enter this amount on line 222 of Schedule 1)

1	2	3	4	5	7 6	7
Partnership identifier	Fiscal period ending	Limited partnership losses at the end of the previous tax year	Corporation's at-risk amount	Total of corporation's share of partnership investment tax credit, business or property losses, and resource expenses	Column 4 minus column 5 (if negative, enter "0")	Limited partnership losse that may be applied in the yea (the lesser of columns 3 and 6
630	632	634	636	638		650

identifier	partnership losses at the end of the	Limited partnership losses transferred on an amalgamation	Current-year limited partnership losses	Limited partnership losses applied	Limited partnership losses closing balance
	previous tax year	or the wind-up of a subsidiary	(from column 620)	(cannot exceed column 650)	(662 + 664 + 670 - 675

Total (enter this amount on line 335 of the T2 return)

Non-Capital Loss Continuity Workchart

Part 6 - Analysis of balance of losses by year of origin

Non-ca	pital losses						
Year	Polonee et	Loss incurred		Loss	Applied to	reduce	
of origin	Balance at beginning of year	in current year	Adjustments and transfers	carried back Parts I & IV	Taxable income	Part IV tax	Balance at end of year
Current	N/A				N/A		
2007		N/A		N/A			
2006		N/A		N/A			
2005	148,044	N/A		N/A	28,410		119,634
2004	9,035	N/A		N/A	9,035		
2003	47,974	N/A		N/A	47,974		
2002		N/A		N/A			
2001		N/A		N/A			
Total	205,053				85,419	7	119,634

Farm lo	Farm losses							
Year of origin	Balance at beginning of year	Loss incurred in current year	Adjustments and transfers	Loss carried back Parts I & IV	Applied to Taxable income	o reduce Part IV tax	Balance at end of year	
Current	N/A				N/A		- : /:	
2007		N/A		N/A				
2006		N/A		N/A	7			
2005		N/A		N/A	Z"			
2004		N/A		N/A				
2003		N/A		N/A				
2002		N/A		N/A				
2001		N/A		(N/A)				
2000		N/A		NA			_	
		N/A		N/A				
		N/A		N/A				
Total								

Restric	ted farm losses						
Year	Balance at	Loss incurred		Loss	Applied t	o reduce	
of origin	beginning of year	in current year	Adjustments and transfers	carried back Parts I & IV	Taxable income	Part IV tax	Balance at end of year
Current	N/A				N/A	N/A	
2007		N/A		N/A		N/A	
2006		N/A		N/A		N/A	
2005		N/A		N/A		N/A	
2004		N/A		N/A		N/A	
2003		N/A 7		N/A		N/A	
2002		N/A		N/A		N/A	8
2001		N/A		N/A		N/A	
2000		N/A		N/A		N/A	
		N/A		N/A		N/A	
		N/A		N/A		N/A	
Total		V				N/A	

This balance expires this year and will not be available next year.



Canada Revenue Agency

Add: (decrease a loss)

Current-year farm loss

Current-year non-capital loss (if positive, enter "0")

Agence du revenu du Canada

CORPORATION LOSS CONTINUITY AND APPLICATION

SCHEDULE 4

Subtotal

Business Number	Tax year-end
	Year Month Day
86922 9377 RC0001	2008-12-31

- This form is used to determine the continuity and use of available losses; to determine the current-year non-capital loss, farm loss, restricted farm loss, and limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that may be applied in a year; and to request a loss carryback to previous years.
- The corporation can choose whether or not to deduct an available loss from income in a tax year. It can deduct losses in any order. However, for each type of loss, deduct the oldest loss first.
- According to subsection 111(4) of the Income Tax Act, when control has been acquired, no amount of capital loss incurred for a tax year ending (TYE) before that time is deductible in computing taxable income in a TYE after that time and no amount of capital loss incurred in a TYE after that time is deductible in computing taxable income of a TYE before that time.
- When control has been acquired, subsection 111(5) provides for similar treatment of non-capital and farm losses, except as listed in paragraphs 111(5)(a) and (b).
- For information on these losses, see the T2 Corporation Income Tax Guide.
- File one completed copy of this schedule with the T2 return, or send it by itself to the tax centre where the return is filed.
- Parts, sections, subsections, paragraphs, and subparagraphs mentioned in this schedule refer to the Income Tax Act.

Part 1 – Non-capital losses Determination of curre	ent-year non-capital loss
Determination of curre	int-year non-capital loss
Net income (loss) for income tax purposes	85,419
Deduct: (increase a loss)	
Net capital losses deducted in the year (enter as a positive amount)	
Taxable dividends deductible under sections 112, 113, or subsection 138(6)	
Amount of Part VI.1 tax deductible	
Amount deductible as prospector's and grubstaker's shares – Paragraph 110(1)(d.2)
Deduct: (increase a loss)	Subtotal (if positive, enter "0")
Section 110.5 and/or subparagraph 115(1)(a)(vii) - Addition for foreign tax deduc	tions

Continuity of non-capital losses and request for a carryback		
Non-capital loss at the end of the previous tax year	205,053	
Deduct: Non-capital loss expired *		
Non-capital losses at the beginning of the tax year	205,053	
Add: Non-capital losses transferred on the amalgamation or the wind-up of a subsidiary corporation		
Current-year non-capital loss (from calculation above)	%	205,053
Deduct:		
Other adjustments (includes adjustments for an acquisition of control)		
Section 80 – Adjustments for forgiven amounts		
Subsection 111(10) – Adjustments for fuel tax rebate		
Deduct:		
Amount applied against taxable income (enter on line 331 of the T2 return)	85,419	
Amount applied against taxable dividends subject to Part IV tax		85,419
Deduct Democratic control beat non conidat beat as	Subtotal	119,634
Deduct – Request to carry back non-capital loss to: First previous tax year to reduce taxable income		
i not providuo test joen to roudo testeno.		
Cooding provided tax your to reduce taxable integrite		
Third previous tax year to reduce taxable income		
First previous tax year to reduce taxable dividends subject to Part IV tax		
Second previous tax year to reduce taxable dividends subject to Part IV tax		
Third previous tax year to reduce taxable dividends subject to Part IV tax		110.624
Non-capital losses – Closing balance	18	119,634

^{*} A non-capital loss expires as follows:

- After 7 tax years if it arose in a tax year ending before March 23, 2004;
- After 10 tax years if it arose in a tax year ending after March 22, 2004, and before 2006; or
- After 20 tax years if it arose in a tax year ending after 2005.

An allowable business investment loss becomes a net capital loss as follows:

- After 7 tax years if it arose in a tax year ending before March 23, 2004;
- After 10 tax years if it arose in a tax year ending after March 22, 2004.

Canadä'

NON-CAPITAL LOSS CONTINUITY AND CARRY BACK

Election unde	r paragraph 88(1.1)(f)	
Paragraph 88(1.1)(f) election indicator	190	Yes
Loss from a wholly-owned subsidiary deemed to be a loss of the	parent from its immediately preceding taxation year.	
Dart 2 Farm Loca		

Part 2 - Farm loss

Farm	loss	continuity	by year
------	------	------------	---------

				remailey by you	***		
Year of origin	Balance at end of prior year	Transfers on amalgamation or wind-up	Section 80 adjustments	Other adjustments	Current year loss net of carry-back	Applied	Ending balance
		Expired					
					-		
					-		
					_		
					- I		
2000/12/31					-		
2001/12/31							
2001/12/01							
2002/12/31 Totals							
lotals							

Farm loss continuity and carr	y-back request -	
Farm losses at end of preceding taxation year		
Losses expired after 10 years	300 -	
Farm losses - beginning balance	302=	
Transfers from wind-up of wholly-owned subsidiary and amalgamation		305+
Current year farm loss	310	
Deduct - Farm loss carry back to:		
1st preceding taxation year against taxable income	921	
2nd preceding taxation year against taxable income	922	
3rd preceding taxation year against taxable income	923	
1st preceding taxation year against taxable dividends subject to Part IV tax	931	
2nd preceding taxation year against taxable dividends subject to Part IV tax	932	
3rd preceding taxation year against taxable dividends subject to Part IV tax	933	
	Subtotal	
Current year farm loss net of carry-back		+
		Subtotal =
Deduct:		
Amount applied against taxable income (enter on line 334 of T2 return)	330	
Amount applied against dividends subject to Part IV tax	335	
Section 80 adjustments	340	
Other adjustments	350	
		-
Farm losses - ending balance		380 =

File: West Perth Power Inc. CCRA Business # 869229377 Year-end: 2002/12/31 Printed: 2003/06/28 17:15

NON-CAPITAL LOSS CONTINUITY AND CARRY BACK

Part 3 - Restricted farm loss

Restricted farm loss continuity by year

		The court of the same of the s		o continuity i	- J J - u.		
Year of origin	Balance at end of prior year	Transfers on amalgamation or wind-up	Section 80 adjustments	Other adjustments	Current year loss net of carry-back	Applied	Ending balance
		Expired					
					-		
					-		
					-		
2000/12/31					-		
2001/12/31							
2002/12/31							
Totals							
Totals							

icted farm loss		
		485
Α		
В	2,500	
С	8,750	
		<u></u>
	icted farm loss A B C	AB2,500

Restricted farm loss continuity and		
Losses expired after 10 years	400-	
Restricted farm losses - beginning balance	402=	
Transfers from wind-up of wholly-owned subsidiary and amalgamation		405+
Current year restricted farm loss (enter on line 233 of Schedule 1)	410	
Deduct - Restricted farm loss carry back to:		
1st preceding taxation year against farming income	941	
2nd preceding taxation year against farming income	942	
3rd preceding taxation year against farming income	943	
Current year restricted farm loss net of carry-back		+
Deduct:		
Amount applied against taxable income (enter on line 333 of T2 return)	430	
Section 80 adjustments	440	
Other adjustments	450	
Restricted farm losses - ending balance		

2002/12/31

Totals

Canada Customs Canada Customs Agence des douanes and Revenue Agency et du revenu du Canada

65,444

NON-CAPITAL LOSS CONTINUITY AND CARRY BACK

236,734

Schedule 4

65,444

236,734 302,178

Part 1 - Non-capital loss

		Non	-capital loss	continuity by	vear		
Year of origin	Balance at end of prior year	Transfore on	Section 80 adjustments	*= ***********************************	Current year loss net of carry-back	Applied	Ending balance
		Expired					
2000/12/31					_		
2001/12/31	65,444				-		65 111

Net income (loss) for income tax purposes	on-capital loss	
Deduct:		(236,734)
Net capital losses deducted in the year		
Taxable dividends deductible under sections 112, 113 or subsection	n 138(6)	
Amount of Part VI.1 tax deductible		
Amount deductible as prospector's and grubstaker's shares - Parag	graph 110(1)(d.2)	
Deduct: Section 110.5 - addition for foreign tax credits	Subtotal - if positive, enter "0"	(236,734)
Add: Current year farm loss		
Current year non-capital loss (if positive, enter "0")		(236,734)

Non-capital losses at end of preceding taxation year		65,444		
Losses expired after 7 years	100-			
Non-capital losses - beginning balance	102=	65,444		65,444
Transfers from wind-up of wholly-owned subsidiary and amalgamation		00,111	105+	00,444
Current year non-capital loss from above	110	236,734		
Deduct - Non-capital loss carry back to:		200,704		
1st preceding taxation year against taxable income	901			
2nd preceding taxation year against taxable income	902			
3rd preceding taxation year against taxable income	903			
1st preceding taxation year against taxable dividends subject to Part IV tax	911			
2nd preceding taxation year against taxable dividends subject to Part IV tax	912			
3rd preceding taxation year against taxable dividends subject to Part IV tax	913			
Current year non-capital loss net of carryback		236,734	+	236,734
		Subtota	=	302,178
Deduct:				
Amount applied against taxable income (enter on line 331 of T2 return)	130			
Amount applied against dividends subject to Part IV tax	135			
Section 80 adjustments	140			
Other adjustments	150			
Non-capital losses - ending balance				

Canada Customs

0001081

Page 3 of 6

WEST PERTH POWER INC

Date of mailing	
December 9, 2005	
Business Number	
86922 9377 RC0001	
Taxation year-end	
December 31, 2002	

SUMMARY OF ASSESSMENT

	\$ Reported	\$ Assessed
Federal Tax:		
Part I	0.00	0.00
Part I.3	0.00	0.00
Part II	0.00	0.00
Part IV	0.00	0.00
Part IV.1	0.00	0.00
Part VI	0.00	0.00
Part VI.1	0.00	0.00
Part XIII.1	0.00	0.00
Part XIV	0.00	0.00
		===========
Total Federal Tax:		\$ 0.00
		===========
	Net balance:	\$ 0.00
		===========
	Result of this assessment:	\$ 0.00
	Prior balance:	\$ 0.00
		===========
	Total balance:	\$ 0.00

Michel Dorais
Commissioner of Customs and Revenue

EXPLANATION

You are required to keep adequate records, including those produced electronically, either in French or in English within Canada. These records must provide sufficient details to determine tax obligations and entitlements and must be maintained at your place of business for a period of six years unless you obtain permission to dispose of them. If you have any questions concerning record keeping practices, please contact the nearest CRA tax services office.

Please visit our Web site at www.cra.gc.ca/requests-business for information about online requests available to business clients. This service allows clients to electronically request certain financial actions, additional remittance vouchers and other communication products, as well as reproductions of previously issued correspondence.

Did you know you may be eligible to file your return using our Corporation Internet Filing service. For information on eligibility criteria and the service in general, please visit www.cra.gc.ca/corporation-internet.

GENERAL INFORMATION

Any reference to the term "reporting period" on this notice has the same meaning as the term "taxation year." Both terms describe the period assessed. The term "taxation year" is defined in the *Income Tax Act.*

We calculate interest at rates prescribed by regulations.

HELP FOR PEOPLE WHO ARE DEAF

If you are deaf and have access to a Telephone Device for the Deaf (TDD), you can call toll-free for explanations and information about the corporation's tax return. This bilingual service is available year-round from Monday to Friday (except for statutory holidays). You can phone 1-800-665-0354 between 8:15 a.m. and 5:00 p.m. Eastern Time. When calling, please take into account any time zone differences.

FILING AN OBJECTION

If you do not agree with this assessment, you can file an objection. You can do this by sending either a letter or Form T400A, Objection, to the Chief of Appeals at your tax services office or tax centre.

You have to file an objection within 90 days of the day we mailed the Notice of Assessment.

For a large corporation (as defined in subsection 225.1(8) of the *Income Tax Act*), the notice of objection shall:

- reasonably describe each issue;
- specify the relief you are seeking, expressed as an amount of a change in balance (as defined in subsection 152(4.4) of the *Income Tax Act*) or a balance of undeducted outlays, expenses, or other amounts of the corporation; and
- provide facts and reasons the corporation relied on for each issue.

DETERMINING THE CORPORATION'S LOSSES

If you do not agree with the amount of loss ascertained, you can write to your tax services office requesting a determination of the loss. However, we will only issue a *Notice of Determination/Redetermination of a Loss* if the loss reported is revised at the initial assessing stage or as a result of a reassessment arising from an audit or other investigative action by the Department.

NORMAL REASSESSMENT PERIOD

This may be the only notice the corporation will receive for this taxation year. However, we may reassess a T2 return if an error is brought to our attention or if we find an error during our post-assessing reviews. Generally, we will only reassess a T2 return within the "normal reassessment period." The normal reassessment period begins on the date of mailing the original *Notice of Assessment* or notification that no tax is payable. The period ends:

- three years from this date if the corporation is a Canadian-controlled private corporation; and
- four years from this date for all other corporations.

EXTENSIONS TO THE NORMAL REASSESSMENT PERIOD

We may also reassess a T2 return for a particular taxation year:

- 1. within one year after all rights of objection and appeal have expired for a preceding taxation year if:
 - the result of an assessment or a decision on an appeal will change the balance (as defined in subsection 152(4.4) of the *Income Tax Act*) of the preceding taxation year, and
 - the reassessment to the particular year is related to the balance adjusted in the preceding year.
- 2. within three years after the end of the normal reassessment period if:
 - you are carrying back a loss or credit from a later taxation year;
 - a non-arm's length transaction between the corporation and a non-resident affects the corporation's tax;
 - the corporation paid an amount or received a refund of foreign income or profits tax;
 - another taxpayer's reassessment for any of the above reasons affects the corporation's tax; or
 - another taxation year's reassessment (has to be a prior taxation year if the reassessment relates to a loss or credit carry-back) for any of the above reasons affects the corporation's tax.

CORPORATION NOTICE OF ASSESSMENT

Canada Customs
and Revenue Agency

Summerside PE C1N 5Z7

0001083

Page 1 of 6

Date of mailing
December 9, 2005

Business Number
86922 9377 RC0001

Taxation year-end

December 31, 2004

WEST PERTH POWER INC P. O. BOX 220 MITCHELL ON NOK 1NO

RESULTS

This notice explains the results of our assessment of the T2 return for the taxation year indicated above. It also explains any changes we may have made to the return.

Result of this Assessment: \$ 0.00
Result of assessment for reporting
period ending December 31, 2003: \$ 0.00
Prior balance: \$ 0.00

Total balance: \$ 0.00

Please refer to the Summary and Explanation for additional information.

0001084

Page 3 of 6

WEST PERTH POWER INC

Date of mailing	
December 9, 2005	
Business Number	
86922 9377 RC0001	
Taxation year-end	
December 31, 2004	

SUMMARY OF ASSESSMENT

	\$ Reported	\$ Assessed
Federal Tax:		
Part I	0.00	0.00
Part I.3	0.00	0.00
Part II	0.00	0.00
Part IV	0.00	0.00
Part IV.1	0.00	0.00
Part VI	0.00	0.00
Part VI.1	0.00	0.00
Part XIII.1	0.00	0.00
Part XIV	0.00	0.00
		============
Total Federal Tax:		\$ 0.00
		===========
	Net balance:	\$ 0.00
		============
	Result of this assessment:	\$ 0.00
Result of assessment for reporting period	od ending December 31, 2003 :	\$ 0.00
	Prior balance:	\$ 0.00
		===============
	Total balance:	\$ 0.00

Michel Dorais Commissioner of Customs and Revenue

EXPLANATION

We have revised the non-capital loss closing balance on Schedule 4, "Corporation Loss Continuity and Application," to \$412,261.00, to agree with our records.

You are required to keep adequate records, including those produced electronically, either in French or in English within Canada. These records must provide sufficient details to determine tax obligations and entitlements and must be maintained at your place of business for a period of six years unless you obtain permission to dispose of them. If you have any questions concerning record keeping practices, please contact the nearest CRA tax services office.

Please visit our Web site at www.cra.gc.ca/requests-business for information about online requests available to business clients. This service allows clients to electronically request certain financial actions, additional remittance vouchers and other communication products, as well as reproductions of previously issued correspondence.

Did you know you may be eligible to file your return using our Corporation Internet Filing service. For information on eligibility criteria and the service in general, please visit www.cra.gc.ca/corporation-internet.

GENERAL INFORMATION

Any reference to the term "reporting period" on this notice has the same meaning as the term "taxation year." Both terms describe the period assessed. The term "taxation year" is defined in the *Income Tax Act.*

We calculate interest at rates prescribed by regulations.

HELP FOR PEOPLE WHO ARE DEAF

If you are deaf and have access to a Telephone Device for the Deaf (TDD), you can call toll-free for explanations and information about the corporation's tax return. This bilingual service is available year-round from Monday to Friday (except for statutory holidays). You can phone 1-800-665-0354 between 8:15 a.m. and 5:00 p.m. Eastern Time. When calling, please take into account any time zone differences.

FILING AN OBJECTION

If you do not agree with this assessment, you can file an objection. You can do this by sending either a letter or Form T400A, *Objection*, to the Chief of Appeals at your tax services office or tax centre.

You have to file an objection within 90 days of the day we mailed the Notice of Assessment.

For a large corporation (as defined in subsection 225.1(8) of the *Income Tax Act*), the notice of objection shall:

- reasonably describe each issue;
- specify the relief you are seeking, expressed as an amount of a change in balance (as defined in subsection 152(4.4) of the *Income Tax Act*) or a balance of undeducted outlays, expenses, or other amounts of the corporation; and
- provide facts and reasons the corporation relied on for each issue.

DETERMINING THE CORPORATION'S LOSSES

If you do not agree with the amount of loss ascertained, you can write to your tax services office requesting a determination of the loss. However, we will only issue a *Notice of Determination/Redetermination of a Loss* if the loss reported is revised at the initial assessing stage or as a result of a reassessment arising from an audit or other investigative action by the Department.

NORMAL REASSESSMENT PERIOD

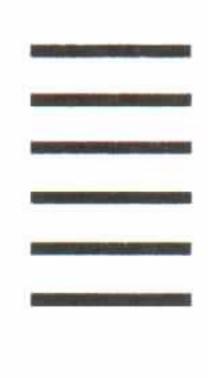
This may be the only notice the corporation will receive for this taxation year. However, we may reassess a T2 return if an error is brought to our attention or if we find an error during our post-assessing reviews. Generally, we will only reassess a T2 return within the "normal reassessment period." The normal reassessment period begins on the date of mailing the original *Notice of Assessment* or notification that no tax is payable. The period ends:

- three years from this date if the corporation is a Canadian-controlled private corporation; and
- four years from this date for all other corporations.

EXTENSIONS TO THE NORMAL REASSESSMENT PERIOD

We may also reassess a T2 return for a particular taxation year:

- 1. within one year after all rights of objection and appeal have expired for a preceding taxation year if:
 - the result of an assessment or a decision on an appeal will change the balance (as defined in subsection 152(4.4) of the *Income Tax Act*) of the preceding taxation year, and
 - the reassessment to the particular year is related to the balance adjusted in the preceding year.
- 2. within three years after the end of the normal reassessment period if:
 - you are carrying back a loss or credit from a later taxation year;
 - a non-arm's length transaction between the corporation and a non-resident affects the corporation's tax;
 - the corporation paid an amount or received a refund of foreign income or profits tax;
 - another taxpayer's reassessment for any of the above reasons affects the corporation's tax; or
 - another taxation year's reassessment (has to be a prior taxation year if the reassessment relates to a loss or credit carry-back) for any of the above reasons affects the corporation's tax.



CORPORATION NOTICE OF ASSESSMENT

Summerside PE C1N 5Z7

0001086

Page 1 of 6

Date of mailing

December 9, 2005

Business Number

86922 9377 RC0001

Taxation year-end

December 31, 2003

WEST PERTH POWER INC P. O. BOX 220 MITCHELL ON NOK 1NO

RESULTS

This notice explains the results of our assessment of the T2 return for the taxation year indicated above. It also explains any changes we may have made to the return.

Result of this Assessment: \$

0.00

Please refer to the Summary and Explanation for additional information.

0001087

Page 3 of 6

WEST PERTH POWER INC

Date of mailing
December 9, 2005
Business Number
86922 9377 RC0001
Taxation year-end

December 31, 2003

SUMMARY OF ASSESSMENT

	\$ Reported		\$ Assessed
Federal Tax:			
Part I	0.00		0.00
Part I.3	0.00		0.00
Part II	0.00		0.00
Part IV	0.00		0.00
Part IV.1	0.00		0.00
Part VI	0.00		0.00
Part VI.1	0.00		0.00
Part XIII.1	0.00		0.00
Part XIV	0.00		0.00
		====	
Total Federal Tax:		\$	0.00
		====	========
	Net balance:	\$	0.00
	D	_====	
	Result of this assessment:	\$	0.00

Michel Dorais
Commissioner of Customs and Revenue

EXPLANATION

We have revised the claim for undepreciated capital cost at the end of the year on Schedule 8, "Capital Cost Allowance (CCA)," for class 12 to \$331.00, to agree with our records.

We have revised the claim for undepreciated capital cost at the end of the year on Schedule 8, "Capital Cost Allowance (CCA)," for class 8 to \$375,811.00, to agree with our records.

We have revised the claim for undepreciated capital cost at the end of the year on Schedule 8, "Capital Cost Allowance (CCA)," for class 1 to \$3,843,613.00, to agree with our records.

We have revised the non-capital loss closing balance on Schedule 4, "Corporation Loss Continuity and Application," to \$383,502.00, to agree with our records.

You are required to keep adequate records, including those produced electronically, either in French or in English within Canada. These records must provide sufficient details to determine tax obligations and entitlements and must be maintained at your place of business for a period of six years unless you obtain permission to dispose of them. If you have any questions concerning record keeping practices, please contact the nearest CRA tax services office.

Please visit our Web site at www.cra.gc.ca/requests-business for information about online requests available to business clients. This service allows clients to electronically request certain financial actions, additional remittance vouchers and other communication products, as well as reproductions of previously issued correspondence.

Did you know you may be eligible to file your return using our Corporation Internet Filing service. For information on eligibility criteria and the service in general, please visit www.cra.gc.ca/corporation-internet.

CORPORATION NOTICE OF ASSESSMENT

Summerside PE C1N 5Z7

0001080

Page 1 of 6

Date of mailing
December 9, 2005
Business Number
86922 9377 RC0001

Taxation year-end December 31, 2002

WEST PERTH POWER INC P. O. BOX 220 MITCHELL ON NOK 1NO

RESULTS

This notice explains the results of our assessment of the T2 return for the taxation year indicated above. It also explains any changes we may have made to the return.

Result of this Assessment: \$ 0.00
Prior balance: \$ 0.00

Total balance: \$ 0.00

Please refer to the Summary and Explanation for additional information.

West Perth Power Inc. CRA Business # 869229377 Year-end: 2004/12/31 Printed: 2006/09/29 13:34

Corporation loss continuity and application

Part 2 - Capital losses

Continuity of capital losses and	d request for a carryb	ack
Capital losses at end of preceding taxation year	200	
Capital losses transferred on an amalgamation or the windup of a subsidiary corporation	205	
Current-year capital loss (from Schedule 6 calculation)	210	
Add: Allowable business investment loss expired as a non-capital loss	~ 4/2	220
Anovable business investifient loss expired as a non-capital loss	x 4/3	Subtatal 220
Deduct:		Subtotal
Amount applied against current-year capital gain (see Note 1)	225	
Section 80 - Adjustments for forgiven amounts	240	
Other adjustments	250	
Deduct - Request to carry back capital loss to: (see Note 2)		
First preceding taxation year	951	
Second preceding taxation year	952	
Third preceding taxation year	953	
Capital losses - Closing balance		280
Note 1 On line 332 of the T2 return, enter the amount from line 225 multiplied by	50%.	
Note 2 Enter on lines 225, 951, 952, or 953, whichever applies, the actual amount the net capital loss amount will be calculated at the inclusion rate of the year.	t of the loss. At the time of t	the application of the loss carryback, oss is applied.

Part 3 - Farm losses

Continuity of farm losses and reques	t for a carrybac	k
Farm losses at end of preceding taxation year		
Deduct: Farm loss expired after 10 taxation years	300	
Farm losses at beginning of taxation year	302	
Add: Farm losses transfered on an amalgamation or the		
windup of a subsidiary corporation	305	
Current-year farm loss	310	
Deduct:		
Amount applied against taxable income (enter on line 334 of T2 return)	330	
Amount applied against taxable dividends subject to Part IV tax	335	
Section 80 - Adjustments for forgiven amounts	340	
Other adjustments	350	
Deduct - Request to carry back farm loss to:		
First preceding taxation year to reduce taxable income	921	
Second preceding taxation year to reduce taxable income	922	
Third preceding taxation year to reduce taxable income	923	
First preceding taxation year to reduce taxable dividends subject to Part IV tax	931	
Second preceding taxation year to reduce taxable dividends subject to Part IV tax		
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	933	
Farm losses - Closing balance		200

West Perth Power Inc. CRA Business # 869229377 Year-end: 2004/12/31 Printed: 2006/09/29 13:34

Corporation loss continuity and application

Part 4 - Restricted farm losses

Total losses for the year from farming business		485	А
Minus the deductible farm loss:			
\$2,500 plus B or C, whichever is less			
(Amount A above - \$2,500) divided by 2		В	
Maximum	6,250	C	
Deductible farm loss			
Current-year restricted farm loss (enter this amount on line 410)			

Restricted farm losses at end of preceding taxation year Deduct: Restricted farm loss expired after 10 taxation years Restricted farm losses at beginning of taxation year Add: Restricted farm losses transferred on an amalgamation or the windup of a subsidiary corporation Current-year restricted farm loss (enter on line 233 of Schedule 1) Deduct: Amount applied against farming income (enter on line 333 of T2 return) Section 80 – Adjustments for forgiven amounts Other adjustments Deduct – Request to carry back restricted farm loss to: First preceding taxation year to reduce farming income First preceding taxation year to reduce farming income Third preceding taxation year to reduce farming income Page Restricted farm losses - Closing balance Note The total losses for the year from all farming businesses are calculated without including scientific research expenses.	Continuity of restricted farm los	sses and request for a carrybac	k
Restricted farm losses at beginning of taxation year Add: Restricted farm losses transferred on an amalgamation or the windup of a subsidiary corporation Current-year restricted farm loss (enter on line 233 of Schedule 1) Deduct: Amount applied against farming income (enter on line 333 of T2 return) Section 80 – Adjustments for forgiven amounts Other adjustments Deduct – Request to carry back restricted farm loss to: First preceding taxation year to reduce farming income Second preceding taxation year to reduce farming income Third preceding taxation year to reduce farming income Restricted farm losses - Closing balance Note	Restricted farm losses at end of preceding taxation year	•	
Add: Restricted farm losses transferred on an amalgamation or the windup of a subsidiary corporation Current-year restricted farm loss (enter on line 233 of Schedule 1) Deduct: Amount applied against farming income (enter on line 333 of T2 return) Section 80 – Adjustments for forgiven amounts Other adjustments 440 Other adjustments Deduct – Request to carry back restricted farm loss to: First preceding taxation year to reduce farming income Second preceding taxation year to reduce farming income Third preceding taxation year to reduce farming income Restricted farm losses - Closing balance Note		400	
of a subsidiary corporation Current-year restricted farm loss (enter on line 233 of Schedule 1) Deduct: Amount applied against farming income (enter on line 333 of T2 return) Section 80 – Adjustments for forgiven amounts Other adjustments 440 Other adjustments Deduct – Request to carry back restricted farm loss to: First preceding taxation year to reduce farming income Second preceding taxation year to reduce farming income Third preceding taxation year to reduce farming income Restricted farm losses - Closing balance Note			
Current-year restricted farm loss (enter on line 233 of Schedule 1) Deduct: Amount applied against farming income (enter on line 333 of T2 return) Section 80 – Adjustments for forgiven amounts Other adjustments 440 Other adjustments Deduct – Request to carry back restricted farm loss to: First preceding taxation year to reduce farming income Second preceding taxation year to reduce farming income Third preceding taxation year to reduce farming income Restricted farm losses - Closing balance Note		windup	
Deduct: Amount applied against farming income (enter on line 333 of T2 return) Section 80 – Adjustments for forgiven amounts Other adjustments Deduct – Request to carry back restricted farm loss to: First preceding taxation year to reduce farming income Second preceding taxation year to reduce farming income Third preceding taxation year to reduce farming income 942 Third preceding taxation year to reduce farming income 943 Restricted farm losses - Closing balance Note		405	
Amount applied against farming income (enter on line 333 of T2 return) Section 80 – Adjustments for forgiven amounts Other adjustments Deduct – Request to carry back restricted farm loss to: First preceding taxation year to reduce farming income Second preceding taxation year to reduce farming income Third preceding taxation year to reduce farming income Third preceding taxation year to reduce farming income Restricted farm losses - Closing balance Note	Current-year restricted farm loss (enter on line 233 of Schedule 1)	410	
Amount applied against farming income (enter on line 333 of T2 return) Section 80 – Adjustments for forgiven amounts Other adjustments Deduct – Request to carry back restricted farm loss to: First preceding taxation year to reduce farming income Second preceding taxation year to reduce farming income Third preceding taxation year to reduce farming income Third preceding taxation year to reduce farming income Restricted farm losses - Closing balance Note			
Section 80 – Adjustments for forgiven amounts Other adjustments Deduct – Request to carry back restricted farm loss to: First preceding taxation year to reduce farming income Second preceding taxation year to reduce farming income Third preceding taxation year to reduce farming income 942 Third preceding taxation year to reduce farming income 943 Restricted farm losses - Closing balance Note			
Other adjustments Deduct – Request to carry back restricted farm loss to: First preceding taxation year to reduce farming income Second preceding taxation year to reduce farming income 942 Third preceding taxation year to reduce farming income 943 Restricted farm losses - Closing balance Note		urn) 430	
Deduct – Request to carry back restricted farm loss to: First preceding taxation year to reduce farming income Second preceding taxation year to reduce farming income 942 Third preceding taxation year to reduce farming income 943 Restricted farm losses - Closing balance 480 Note	Section 80 – Adjustments for forgiven amounts	440	
First preceding taxation year to reduce farming income Second preceding taxation year to reduce farming income Third preceding taxation year to reduce farming income 942 Third preceding taxation year to reduce farming income 943 Restricted farm losses - Closing balance Note	Other adjustments	450	
First preceding taxation year to reduce farming income Second preceding taxation year to reduce farming income Third preceding taxation year to reduce farming income 942 Third preceding taxation year to reduce farming income 943 Restricted farm losses - Closing balance Note			
First preceding taxation year to reduce farming income Second preceding taxation year to reduce farming income Third preceding taxation year to reduce farming income 942 Third preceding taxation year to reduce farming income 943 Restricted farm losses - Closing balance Note	Deduct - Request to carry back restricted farm loss to:		
Third preceding taxation year to reduce farming income Restricted farm losses - Closing balance Note	First preceding taxation year to reduce farming income	941	
Restricted farm losses - Closing balance Note	Second preceding taxation year to reduce farming income	942	
Note	Third preceding taxation year to reduce farming income	943	
Note			
Note	Restricted farm losses - Closing balance		480
The total losses for the year from all farming businesses are calculated without including scientific research expenses	Note		
The following businesses are calculated without including scientific research expenses.	The total losses for the year from all farming businesses are calculate	ed without including scientific research ex	openses.

Part 5 - Listed personal property losses

Listed personal property losses at end of preceding taxation year		
Deduct: Listed personal property losses expired after seven taxation	years	500
Listed personal property losses at beginning of taxation year		502
Add: Current-year listed personal property loss (from Schedule 6)		510
Deduct: Amount applied against listed personal property gain (enter on line 655 of Schedule 6) Other adjustments	530 550	Subtotal
Deduct - Request to carry back listed personal property loss to: First preceding taxation year to reduce listed personal property gains	961	
Second preceding taxation year to reduce listed personal property ga		
Third preceding taxation year to reduce listed personal property gains		
Listed personal property losses - Closing balance		580

Corporation loss continuity and application

Part 6 - Analysis of balance of losses by year of origin

Year of origin	Non-capital losses *	Farm losses	Restricted farm losses	Listed personal property losses
2000/42/24				
2000/12/31				
2001/12/31	65,444			
2002/12/31	511,805			
2003/12/31	163,487			
2004/12/31	9,035			
Total	749,771			

^{*} The carryforward period for non-capital losses arising in a taxation year ending after March 22, 2004, is changed from 7 to 10 taxation years.

Part 7 - Limited partnership losses

1	2	3	4	5	6	7
Partnership identifier	Fiscal period ending	Corporation's share of limited partnership loss	Corporation's at risk amount	Corp's share of partnership ITC, farming losses and resource expenses	Column 4 - 5 If negative, enter "0"	Current-year limited partnershi losses Column 3 - 6
600	602	604	606	608		620

Limited pa	Limited partnership losses from prior taxation years that may applied in the current year							
1	2	3	4	5	6	7		
Partnership identifier	Fiscal period ending	Limited partnership losses at end of preceding taxation year	Corporation's at risk amount	Corp's share of partnership ITC, business or property losses and resource expenses	Column 4 - 5 if negative, enter "0"	Limited partnership losses that may be applied in the year The lesser of columns 3 and 6		
630	632	634	636	638		650		
			5.70					

				tion years
Losses at end of		Current year limited	Limited partnership	Limited partnership
year	windup of subsidiary	(from column 620)		losses closing balance (662+664+670-675)
662	664	670	675	680
	oreceding taxation year	preceding taxation from amalgamation or year windup of subsidiary	preceding taxation from amalgamation or year windup of subsidiary (from column 620)	preceding taxation from amalgamation or year windup of subsidiary (from column 620) (cannot exceed 650)

OS4 Schedule 4

Ontario loss continuity

Part 1 - Non-capital loss

Determination of current-ye	ear non-capital loss	
Net income (loss) for Ontario tax purposes		(9,035)
Deduct: (increase a loss)		
Net capital losses deducted in the year (enter a positive amount)		
Taxable dividends deductible under ITA sections 112, 113 or subsection	n 138(6)	
Amount of Part VI.1 tax deductible		
	Subtotal - if positive, enter "0"	(9,035)
Deduct: (increase a loss)		
ITA Section 110.5 and/or subparagraph 115(1)(a)(vii) - Addition for fore	ign tax deductions	
Add: (decrease a loss)	Subtotal	(9,035)
Current-year farm loss		
Current-year non-capital loss (if positive, enter "0")		(9.035)

Continuity of non-capital losses and requ	est for a ca	rryback		
Non-capital loss at end of preceding taxation year		740,736		
Deduct: Non-capital loss expired	_			
Non-capital losses at beginning of taxation year	-	740,736		740,736
Add: Non-capital losses transferred on an amalgamation or the wind-up of a subsidiary corporation				
Current-year non-capital loss (from calculation above)		9,035		
Deduct - Request to carry back non-capital loss to: First preceding taxation year to reduce taxable income				
Second preceding taxation year to reduce taxable income				
Third preceding taxation year to reduce taxable income				
Current-year non-capital loss net of carryback		9,035	+	9,035
Deduct: Amount applied against taxable income (enter on line 704 of the CT23)		Subtotal	=	749,771
Section 80 - adjustments for forgiven amounts				
Other adjustments				
			-	
Non-capital losses - Closing balance			=	749,771

Part 2 - Capital losses

						Gross amount
Capital losses at end of preceding taxation	/ear					
Capital losses transferred on an amalgamat	ion or the wind	up of a subsidiar	у согра	oration		+
Current-year capital loss						+
Add:					Subtotal	
Allowable business investment loss expir	ed as a non-ca	pital loss			X 4/3	+
					Subtotal	
Deduct:						
Amount applied against current year cap						_
Section 80 adjustments for forgiven amo	unts					-
Other adjustments						
					Subtotal	=
Deduct - Request to carry back capital lo		aclusion rate		Total		
First preceding taxation year	applied li	oclusion rate 50.0000 %	=	Total	15	
Second preceding taxation year	-	50.0000 %	=			
Third preceding taxation year	÷	%	=		- ,	
		Subtota	al _			_
Capital losses - Closing balance			-		-	

- OS4 Schedule 4

Ontario loss continuity

Part 3 - Farm loss

Continuity of farm losses a	and request for a	carryba	ck	
Farm losses at end of preceding taxation year		our i juo		
Deduct: Farm loss expired after 10 taxation years				
Farm losses at beginning of taxation year				
Add: Farm losses transfered on an amalgamation or the windup of a	cubaidian, corporation			1
Add. I aim losses transfered on an amaigamation of the windup of a	subsidiary corporation			T
Current-year farm loss				
Deduct - Request to carry back farm loss to: First preceding taxation year to reduce taxable income				
Second preceding taxation year to reduce taxable income				
Third preceding taxation year to reduce taxable income				
	Subtotal			
Current-year farm loss net of carryback	Jubiolai			+
Deduct			Subtotal	=
	T22\			
Amount applied against taxable income (enter on line 724 of the 0 Section 80 - Adjustments for forgiven amounts	123)			
Other adjustments				
Other adjustments				
Г		-		-
Farm losses - Closing balance				
Part 4 - Restricted farm loss Current-year res	tricted farm loss			
Total losses for the year from farming business	tilotod lallil logg			^
Minus the deductible farm loss:				
\$2,500 plus B or C, whichever is less				
(Amount A above - \$2,500) divided by 2		B		
Maximum		C	6.250	
Deductible farm loss			0,200	_
Current-year restricted farm loss				
Continuity of rootrioted form los	and required	f		
Continuity of restricted farm los	ses and request	for a ca	rryback	
Restricted farm losses at end of preceding taxation year		,		
Deduct: Restricted farm loss expired after 10 taxation years		_		
Restricted farm losses at beginning of taxation year		=		
Add: Restricted farm losses transferred on an amalgamation or				
the windup of a subsidiary corporation				+
Current-year restricted farm loss				
Deduct - Request to carry back restricted farm loss to:				
First preceding taxation year to reduce farming income				
Second preceding taxation year to reduce farming income				
Third preceding taxation year to reduce farming income				
Current-year restricted farm loss net of carryback				+
Deduct:				
Doudot.	T22\			
Amount applied against taxable income (enter on line 734 of the C	123)			
Section 80 – Adjustments for forgiven amounts				
Other adjustments				
Denduinted for a first transfer of the state				-
Restricted farm losses - Closing balance				=

Schedule 4

CORPORATION LOSS CONTINUITY AND APPLICATION (2000 and later taxation years)

For use by a corporation to determine the continuity and use of available losses; to determine the current-year non-capital loss, farm loss, restricted farm loss, and limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that may be applied in a year; and to request a loss carryback to prior years.

The corporation can choose whether or not to deduct an available loss from income in a taxation year. It can deduct losses in any order.

However, for each type of loss, deduct the oldest loss first.

For information on these losses, see the T2 Corporation Income Tax Guide.

• File one completed copy of this schedule with the T2 return, or send it by itself to the tax centre where the return is filed.

Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal Income Tax Act.

Part 1 - Non-capital losses

Determination of current-year nor	n-capital	loss -		
Net income (loss) for income tax purposes	· oapitai			(9,035)
Deduct: (increase a loss)				(0,000)
Net capital losses deducted in the year (enter as a positive amount)				
Taxable dividends deductible under sections 112, 113 or subsection 138(6)			-	
Amount of Part VI.1 tax deductible				
Amount deductible as prospector's and grubstaker's shares -			_	
Paragraph 110(1)(d.2)				
			_	
Sı	ubtotal (if po	sitive, enter "0")	(9.035)
Deduct: (increase a loss)	(po	011110, 0111101	/	(0,000)
Section 110.5 and/or subparagraph 115(1)(a)(vii) - Addition for foreign tax deduct	ions			
Add: (decrease a loss)		Subtotal		(9,035)
Current-year farm loss			-	(0,000)
Current-year non-capital loss (if positive, enter "0")				(9.035)
Continuity of non-capital losses and req	uest for a	carryback		
Non-capital loss at the end of preceding taxation year		740,736		
Deduct: Non-capital loss expired *	100		-	
Non-capital losses at beginning of taxation year	102	740,736	_	
Add: Non-capital losses transferred on an amalgamation or the windup of a		. 10,700		
subsidiary corporation	105			
Current-year non-capital loss (from calculation above)	110	9.035	-	
		749.771	-	749.771
Deduct:		7 10,771	-	140,111
Amount applied against taxable income (enter on line 331 of the T2 return)	130			
Amount applied against taxable dividends subject to Part IV tax	135			
Section 80 - Adjustments for forgiven amounts	140			
Other adjustments	150			
			-	
Deduct - Request to carry back non-capital loss to:			-	
First preceding taxation year to reduce taxable income	901			
Second preceding taxation year to reduce taxable income	902			
Third preceding taxation year to reduce taxable income	903		-	
First preceding taxation year to reduce taxable dividends subject to Part IV tax	911		-	
Second preceding taxation year to reduce taxable dividends subject to Part IV tax			-	
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	913			
Non-capital losses - Closing balance			180	749,771
* A non-capital loca expires as fallous.				
* A non-capital loss expires as follows: • After 7 taxation years if it arose in a taxation year anding before March 22, 2004.				
• After 7 taxation years if it arose in a taxation year ending before March 23, 2004; • After 10 taxation years if it arose in a taxation year ending offer March 22, 2004.	or			
• After 10 taxation years if it arose in a taxation year ending after March 22, 2004.	/A 4\/E\			
Paragraph 88(1.1)(f) election indicator Election under paragraph 88	(1.1)(1)		400 🗆	
- alagraph oot in the circulation indicator			190 Ye	S

T2 SCH 4 (04) GP23 - RETAIN ON FILE. DO NOT SUBMIT TO THE CRA.

Loss from a wholly owned subsidiary deemed to be a loss of the parent from its immediately preceding taxation year.