

**Corporate Minimum Tax (CMT)  
CT23 Schedule 101**

Page 3 of 3

Corporation's Legal Name Westario Power Inc.	Ontario Corporations Tax Account No. (MOF) 1800342	Taxation Year End 2004-12-31
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**Part 4: Continuity of CMT Credit Carryovers**

**Balance at Beginning of year** NOTE (1) ..... + 2301 124,710.

**Add:** Current year's CMT Credit ( 280 on page 8 of the CT23  
or 347 on page 6 of the CT8. If negative, enter NIL) ..... + From 280 or 347 35,279.

Gross Special Additional Tax NOTE (2) 312 on page 5 of the CT8  
(Life Insurance corporations only. Others enter NIL) + From 312 .....

Subtract Income Tax  
( 190 on page 6 of the CT23 or page 4 of the CT8) - From 190 .....

**Subtotal** (if negative, enter NIL) ..... = ..... - 2305 ..... + 2310 35,279.

Current year's CMT credit (if negative, enter NIL) 280 or 347 - 2305 ..... = ..... + 2310 35,279.

CMT Credit Carryovers from predecessor corporations NOTE (3) ..... + 2325 0.

Amalgamation (x) 2315 ☐ Yes Wind-up (x) 2320 ☐ Yes

**Subtotal** 2301 + 2310 + 2325 ..... = 2330 159,989.

Adjustments (Attach schedule) ..... ± 2332 0.

**CMT Credit Carryover available** 2330 ± 2332 ..... = 2333 159,989.

**Subtract:** CMT Credit utilized during the year to reduce income tax  
( 310 on page 8 of the CT23 or 351 on page 6 of the CT8.) ..... + From 310 or 351 0.

CMT Credit expired during the year ..... + 2334 0.

**Subtotal** ..... = ..... - 2335 0.

**Balance at End of Year** NOTE (4) 2333 - 2335 ..... = 2336 159,989.

- Notes:**
- (1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))
- (2) The CMT credit of life insurance corporations can be restricted (see s.43.1(3)(b)).
- (3) Include and indicate whether CMT credits are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.43.1(4))
- (4) Amount in 2336 must equal sum of 2370 + 2390.

**Part 5: Analysis of CMT Credit Carryovers Year End Balance by Year of Origin**

	Year of Origin (oldest year first) year month day	CMT Credit Carryovers of Corporation	CMT Credit Carryovers of Predecessor Corporation(s)
2340	9th preceding taxation year 1996-12-31	2360 0	2380 0
2341	8th preceding taxation year 1997-12-31	2361 0	2381 0
2342	7th preceding taxation year 1998-12-31	2362 0	2382 0
2343	6th preceding taxation year 1999-12-31	2363 0	2383 0
2344	5th preceding taxation year 2000-12-31	2364 0	2384 0
2345	4th preceding taxation year 2001-12-31	2365 0	2385 0
2346	3rd preceding taxation year 2002-05-06	2366 0	2386 0
2347	2nd preceding taxation year 2002-12-31	2367 66,899	2387 0
2348	1st preceding taxation year 2003-12-31	2368 57,811	2388 0
2349	Current taxation year 2004-12-31	2369 35,279	2389 0
<b>Totals</b>		2370 159,989	2390 0

The sum of amounts 2370 + 2390  
must equal amount in 2336.



# Corporate Minimum Tax - Associated Corporations

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Westario Power Inc.	1800342	2004-12-31

Name of Associated Corporation (Canadian and Foreign)	Corporations Tax Number	Taxation Year End	Total Assets	Total Revenue
Westario Power Services Inc.	1800224	2004-12-31	+ 4,567,758	+ 4,346,166
Westario Power Holdings Inc.	1800222	2004-12-31	+ 18,878,174	+ 684,936
			+	+
			+	+
			+	+
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			+	+
			+	+
<b>Totals</b>			= 23,445,932	= 5,031,102

Transfer to 249  
of the CT23

Transfer to 250  
of the CT23





Ministry of Finance  
Corporations Tax Branch  
PO Box 620  
33 King Street West  
Oshawa ON L1H 8E9

## Ontario Political Election Contributions

(Applicable for political contributions to registered Ontario candidates, constituency associations, or political parties.)

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Westario Power Inc.	1800342	2004-12-31

Ontario Taxable Income before the political contribution deduction ..... 86,887 **B**

### Calculation of Annual Deduction Limits

Lesser of "A", "B" or "C", where:

Prior year ending balance	0		
Current year contribution	292		
A) Political donation	292	292	<b>A</b>
B) Ontario taxable income before the political contribution deduction; and		86,887	<b>B</b>
C) Annual limit \$15,000 (indexed every 5 years commencing Jan. 1, 2004)		16,800	<b>C</b>
Claim the lesser of "A", "B" or "C"		292	<b>D</b>

### Where the Ontario allocation factor is less than 100%

$$292 \text{ (D)} \div \frac{\text{Ontario Allocation}}{100.0000\%} = 292 \text{ E}$$

(From box 30 of the CT23)

Political contribution claimed (D or E) ..... 292 **F**  
(Deduction cannot create a loss for Ontario tax purposes) (Enter total from F in box 4 of the CT23)

### Continuity Schedule

(Excess political contributions can be carried forward indefinitely and applied against taxable income in subsequent years.)

	Prior year ending balance	Current year contribution	Amount claimed in the taxation year	Ontario Balance at the end of the year
Totals	\$ 0	\$ 292	\$ 292	\$ 0



# FEDERAL TAX INSTALMENTS

For The Taxation Year Ended: 2005-12-31

The following is a list of federal instalments payable for the current taxation year. The last column indicates the instalments payable to Revenue Canada. The instalments are due no later than on the dates indicated, otherwise non-deductible interest will be charged. A cheque or money order should be made payable to the Receiver General. Payment may be made either to an authorized financial institution or filed with form T9 (instalment form) and addressed to the appropriate Revenue Canada Taxation Centre.

Date	Instalments Required	Instalments Paid	Cumulative Difference	Instalments Payable
2005-01-31	3,895	0	0	3,895
2005-02-28	3,895	0	0	3,895
2005-03-31	1,143	0	0	1,143
2005-04-30	1,143	0	0	1,143
2005-05-31	1,143	0	0	1,143
2005-06-30	1,143	0	0	1,143
2005-07-31	1,143	0	0	1,143
2005-08-31	1,143	0	0	1,143
2005-09-30	1,143	0	0	1,143
2005-10-31	1,143	0	0	1,143
2005-11-30	1,143	0	0	1,143
2005-12-31	1,143	0	0	1,143
2006-01-31				1,602
2006-02-28				1,602
<b>Total</b>	19,220	0		22,424



ONTARIO TAX INSTALMENTS

For The Taxation Year Ended: 2005-12-31

The following is a list of Ontario instalments payable for the current taxation year. The last column indicates the instalments payable to the Ontario Ministry of Revenue. The instalments are due no later than on the dates indicated otherwise non-deductible interest will be charged. A cheque or money order should be made payable to the Minister of Finance. Payment may be made either to a chartered bank in Ontario or filed with an instalment form and addressed to:

Ministry of Revenue (Ontario)  
Corporation Tax Branch  
P.O. Box 620  
33 King Street West  
Oshawa, Ontario  
L1H 8E9

Quarterly Instalment

Date	Instalments Required	Instalments Paid	Cumulative Difference	Instalments Payable
2005-03-31	0	0	0	0
2005-06-30	0	0	0	0
2005-09-30	0	0	0	0
2005-12-31	0	0	0	0
	-----	-----		-----
	0	0		0
	=====	=====		=====

Date	Instalments Required	Instalments Paid	Cumulative Difference	Instalments Payable
2005-01-31	8,990	0	0	8,990
2005-02-28	8,990	0	0	8,990
2005-03-31	10,254	0	0	10,254
2005-04-30	10,254	0	0	10,254
2005-05-31	10,254	0	0	10,254
2005-06-30	10,254	0	0	10,254
2005-07-31	10,254	0	0	10,254
2005-08-31	10,254	0	0	10,254
2005-09-30	10,254	0	0	10,254
2005-10-31	10,254	0	0	10,254
2005-11-30	10,254	0	0	10,254
2005-12-31	10,254	0	0	10,254
2006-01-31				10,043
2006-02-28				10,043
	-----	-----		-----
Total	120,520	0		140,606
	=====	=====		=====



Indicate Instalment Method Chosen [1-3]: 2  
 Combined 1st and 2nd Instalment Base Method

If instalments are starting late, indicate the MONTH in which you want them to start (1=January, 2=February, etc.) 1

### 1. 1st INSTALMENT BASE METHOD

1st Instalment Base Amount				
(Amount (I) Below) . . . . .	19,219	/	12	= 1,602
				-----
	Monthly Instalments Required			1,602

### 2. COMBINED 1st AND 2nd INSTALMENT BASE METHOD

2nd Instalment Base Amount:				
Indicate:	Part I Tax . . . . .	0		
	Part I.3, VI & VI.I Tax . . . . .	46,740		
	Provincial Tax . . . . .	0		
		-----		
	Total	46,740	/	12 = (A) 3,895
Less: 1/12 of Estimated Current Yr Credits [(H) below / 12] . . . . .				-----
				0
Each of the first 2 Instalment Payments . . . . .			= (B)	3,895
Tax from (I) below . . . . .	19,219			
Less: Amount (B) above x 2 . . . . .	7,790			
	-----			
	11,429	/	10	= 1,143
				-----
Each of the remaining 10 Instalment Payments . . . . .				1,143

### 3. ESTIMATED TAX METHOD

Instalment Base Amount				
(Amount (I) Below) . . . . .	0	/	12	= 0
				-----
	Monthly Instalments Required			0



## — INSTALMENT BASE CALCULATION —

	1st Instalment Base Method	Estimated Tax Method
Taxable Income . . . . .	86,887	0
	=====	=====
<b>CALCULATION OF TAX PAYABLE</b>		
Total of:		
Federal Part I Tax . . . . .	33,017	0
Federal Surtax . . . . .	973	0
Refundable Tax on a CCPC's Investment Income . . . . .	0	0
	-----	-----
Subtotal (A)	33,990	0
Less Total of:		
Small Business Deduction . . . . .	0	0
Investment Corporation Deduction . . . . .	0	0
Federal Tax Abatement . . . . .	8,689	0
Manufacturing and Processing Profits Deduction . . . . .	0	0
Non-Business Foreign Tax Credit . . . . .	0	0
Business Foreign Tax Credit . . . . .	0	0
Tax Reduction, General and Accelerated . . . . .	6,082	0
Logging Tax Credit . . . . .	0	0
Federal Political Contribution Tax Credit . . . . .	0	0
Investment tax credit per Schedule 31 and resource deduction . . . . .	0	0
Qualifying Environmental Trust Tax Credit . . . . .	0	0
	-----	-----
Subtotal (B)	14,771	0
Total Part I Tax Payable . . . . . (A) - (B) = (C)	19,219	0
Also: Part I.3 Tax . . . . . (D)	0	0
Part VI Tax . . . . . (D.1)	0	0
Part VI.I Tax . . . . . (D.2)	0	0
Provincial/Territorial Tax . . . . . (E)	0	0
<b>Total</b>	-----	-----
Parts I, I.3, VI, VI.I and Provincial/Territorial Tax . . . . . = (F)	19,219	0
Adjustment for Short Taxation Years: x 365/# of days in year if < 365 . . . . . 365 / 365	365 / 365	365 / 0
(G)	19,219	0
Less - Estimated Current Year Credits:		
Investment Tax Credit Refund . . . . .	0	0
Dividend Refund . . . . .	0	0
Federal Capital Gains Refund . . . . .	0	0
Provincial and Territorial Capital Gains Refund . . . . .	0	0
O Allowable Refund per Sch. 26 . . . . .	0	0
Tax Withheld at Source . . . . .	0	0
Other Estimated Credits . . . . .	0	0
	-----	-----
Total Estimated Current Year Credits . . . . . (H)	0	0
INSTALMENT BASE AMOUNT . . . . . (G) - (H) = (I)	19,219	0
	=====	=====



If instalments are starting late, indicate the MONTH in which you want them to start (1=January, 2=February, etc.) 1

Quarterly Instalments Required 0

Quarterly Instalments Required 0

Quarterly Instalments Required 0



— INSTALMENT BASE CALCULATION —

		1st Instalment Base Method	Estimated Tax Method
Ontario Taxable Income . . . . .		86,595	0
		=====	=====
<b>CALCULATION OF TAX PAYABLE</b>			
Gross Ontario Tax . . . . . (A)		12,123	0
<b>Less</b> Total of:			
Incentive Deduction for an S.B.C., net of surtax . . . . .		0	0
Manufacturing and Processing Profits Credit . . . . .		0	0
Additional deduction for credit unions . . . . .		0	0
Credit for foreign taxes paid . . . . .		0	0
Credit for Investment in S.B.D.C . . . . .		0	0
Specified credits applied against income tax . . . . .		0	0
		-----	-----
<b>Total</b> Deduction and Credits . . . . . (B)		0	0
Income Tax . . . . . (A) - (B) = (C)		12,123	0
<b>Add:</b> Capital Tax . . . . . (D)		73,110	0
Corporate minimum tax paid (credited) . . . . . (E)		35,279	0
Premium Tax . . . . . (F)		0	0
		-----	-----
<b>Total</b> Income Tax and Other Taxes (C+D+E+F) = (G)		120,512	0
Adjustment for Short Taxation Years			
x 365 / number of days in year if < 365 . . . . . (H)	365 / 365	120,512	0
<b>Less:</b> Total estimated current year credits . . . . .		0	0
		-----	-----
	(I)	120,512	0
		=====	=====



## Appendix 28

### 2004 Notice of Assessments



Ministry of Finance  
Corporations Tax Branch - Hydro PIL  
PO Box 620  
33 King Street West  
Oshawa ON L1H 8E9

Keep this portion for your records.

## Notice of Reassessment

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990  
from 2004/01/01 to 2004/12/31

	Account No.	Reassessment Date (year, month, day)	Page
POWER INC.	1800342	2006/02/23	3 of 3
ASSESSMENT NO. 81	REPLACING ASSESSMENT DATED: 2005/10/31		

Tax: Federal and Provincial PIL  
Assessment Interest  
Total Reassessment Liability

✓ 139,731.00  
397.21  
140,128.21

### SUMMARY OF 2004/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers	194,884.79CR	
Refunds	56,296.59	
Sub-Total		<u>138,588.20CR</u>
TAXATION YEAR BALANCE DUE **		<u>1,540.01</u>

In accordance with s.s.80(8) of the Corporations Tax Act, as made applicable by s.95 of the Electricity Act, 1998, notice is hereby given of the amount of tax, penalty and interest for which you are assessed.

Adjustment to the computation of Capital Tax.

Adjustment to prior years' non-capital losses applied in the current year.

Taxable Capital adjusted. Deferred/Future income tax reserves added to Net Paid-up Capital.

\*\*Remember to include additional interest due with your payment. Interest on the balance is compounded daily from the date of this Notice/Statement until payment is received by the Ontario Electricity Financial Corporation (OEFC). The current interest rate is 0.0219178%.

V-127  
0920 - cc 920-20

#611000 - 1540.01 - tax amt.  
611000 - 2.03 interest  
1542.04

2004

# 197041

#### Tax (Re)Assessment Enquiries:

- Toronto (416) 730-5585
- FAX (416) 730-5593

#### Account Billing Enquiries & Change of Address Information:

- Oshawa and Local (905) 433-6708
- Toll-Free 1-800-262-0784 ext. 3036
- Toronto (416) 920-9048 ext. 3036
- FAX (905) 433-5197

0000003

002 PX5005



## Appendix 29

### 2005 T2 Federal Tax Return



Canada Customs  
and Revenue AgencyAgence des douanes  
et du revenu du Canada

## T2 CORPORATION INCOME TAX RETURN

200

This form serves as a federal, provincial, and territorial corporation income tax return, unless the corporation is located in Quebec, Ontario, or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporate return.

Parts, sections, subsections, and paragraphs mentioned on this return refer to the *Income Tax Act*. This return may contain changes that had not yet become law at the time of printing. If you need more information about items on the return, see the *T2 Corporation - Income Tax Guide* (T4012).

Send one completed copy of this return, including schedules and the *General Index of Financial Information* (GIFI), to your tax services office or tax centre. You have to file the return within six months after the end of the corporation's taxation year. For more information on when and how to file T2 returns, refer to the Guide under the heading "Before you start."

055 Do not use this area

## Identification

Business Number (BN) ..... 001 86590 9790 RC0001

## Corporation's name

002 Westario Power Inc.

Has the corporation changed its name since the last time we were notified? ..... 003 1 Yes ☐ 2 No ☒If Yes, do you have a copy of the articles of amendment? ... 004 1 Yes ☐ 2 No ☐

## Address of head office

Has the address changed since the last time we were notified? ..... 010 1 Yes ☐ 2 No ☒

011 385 Queen Street

012 City Province, territory, or state

015 Kincardine 016 ON

Country (other than Canada) Postal code/Zip code

017 018 N2Z 2R4

## Mailing address (if different from head office address)

Has the address changed since the last time we were notified? ..... 020 1 Yes ☐ 2 No ☒

021 c/o

022 385 Queen Street

023 City Province, territory, or state

025 Kincardine 026 ON

Country (other than Canada) Postal code/Zip code

027 028 N2Z 2R4

## Location of books and records

Has the location of books and records changed since the last time we were notified? ..... 030 1 Yes ☐ 2 No ☒

031 385 Queen Street

032 City Province, territory, or state

035 Kincardine 036 ON

Country (other than Canada) Postal code/Zip code

037 038 N2Z 2R4

## 040 Type of corporation at the end of the taxation year

- 1 ☒ Canadian-controlled private corporation (CCPC) 4 ☐ Corporation controlled by a public corporation
- 2 ☐ Other private corporation 5 ☐ Other corporation (specify, below)
- 3 ☐ Public corporation

If the type of corporation changed during the taxation year, provide the effective date of the change ..... 043

YYYY MM DD

## To which taxation year does this return apply?

Taxation year start Taxation year end  
060 2005-01-01 061 2005-12-31  
YYYY MM DD YYYY MM DDHas there been an acquisition of control to which subsection 249(4) applies since the previous taxation year? 063 1 Yes ☐ 2 No ☒If Yes, provide the date control was acquired ..... 065  
YYYY MM DDIs the corporation a professional corporation that is a member of a partnership? ..... 067 1 Yes ☐ 2 No ☒

## Is this the first year of filing after:

Incorporation? ..... 070 1 Yes ☐ 2 No ☒  
Amalgamation? ..... 071 1 Yes ☐ 2 No ☒

If Yes, complete lines 030 to 038 and attach Schedule 24.

Has there been a windup of a subsidiary under section 88 during the current taxation year? ..... 072 1 Yes ☐ 2 No ☒

If Yes, complete and attach Schedule 24.

Is this the final taxation year before amalgamation? ..... 076 1 Yes ☐ 2 No ☒Is this the final return up to dissolution? ..... 078 1 Yes ☐ 2 No ☒

## Is the corporation a resident of Canada?

080 1 Yes ☒ 2 No ☐ If No, give the country of residence on line 081 and complete and attach Schedule 97.081 Is the non-resident corporation claiming an exemption under an income tax treaty? ..... 082 1 Yes ☐ 2 No ☒

If Yes, complete and attach Schedule 91.

## If the corporation is exempt from tax under section 149, tick one of the following boxes:

- 085 1 ☐ Exempt under paragraph 149(1)(e) or (i)
- 2 ☐ Exempt under paragraph 149(1)(j)
- 3 ☐ Exempt under paragraph 149(1)(t)
- 4 ☐ Exempt under other paragraphs of section 149

Do not use this area

091

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## Attachments

**Financial statement information:** Use GIFI schedules 100, 125, and 141.

**Schedules** – Answer the following questions. For each Yes response, attach to the T2 return the schedule that applies.

		Yes	Schedule
Is the corporation related to any other corporations?	150	<input checked="" type="checkbox"/>	9
Does the corporation have any non-resident shareholders?	151	<input type="checkbox"/>	19
Is the corporation an associated Canadian-controlled private corporation?	160	<input checked="" type="checkbox"/>	23
Is the corporation an associated Canadian-controlled private corporation that is claiming the expenditure limit?	161	<input type="checkbox"/>	49
Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	162	<input type="checkbox"/>	11
If you answered Yes to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	163	<input type="checkbox"/>	44
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164	<input type="checkbox"/>	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165	<input type="checkbox"/>	15
Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166	<input type="checkbox"/>	T5004
Is the corporation a member of a partnership for which a partnership identification number has been assigned?	167	<input type="checkbox"/>	T5013
Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust?	168	<input type="checkbox"/>	22
Did the corporation have any foreign affiliates during the year?	169	<input type="checkbox"/>	25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the federal <i>Income Tax Regulations</i> ?	170	<input type="checkbox"/>	29
Has the corporation had any non-arm's length transactions with a non-resident?	171	<input type="checkbox"/>	T106
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year?	172	<input type="checkbox"/>	
For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173	<input checked="" type="checkbox"/>	50
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	201	<input checked="" type="checkbox"/>	1
Has the corporation made any charitable donations; gifts to Canada, a province, or a territory; or gifts of cultural or ecological property?	202	<input checked="" type="checkbox"/>	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203	<input checked="" type="checkbox"/>	3
Is the corporation claiming any type of losses?	204	<input type="checkbox"/>	4
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	205	<input type="checkbox"/>	5
Has the corporation realized any capital gains or incurred any capital losses during the taxation year?	206	<input type="checkbox"/>	6
i) Is the corporation claiming the small business deduction and reporting income from: a) property (other than dividends deductible on line 320 of the T2 return), b) a partnership, c) a foreign business, or d) a personal services business; or ii) is the corporation claiming the refundable portion of Part I tax?	207	<input type="checkbox"/>	7
Does the corporation have any property that is eligible for capital cost allowance?	208	<input checked="" type="checkbox"/>	8
Does the corporation have any property that is eligible capital property?	210	<input checked="" type="checkbox"/>	10
Does the corporation have any resource-related deductions?	212	<input type="checkbox"/>	12
Is the corporation claiming reserves of any kind?	213	<input type="checkbox"/>	13
Is the corporation claiming a patronage dividend deduction?	216	<input type="checkbox"/>	16
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	217	<input type="checkbox"/>	17
Is the corporation an investment corporation or a mutual fund corporation?	218	<input type="checkbox"/>	18
Was the corporation carrying on business in Canada as a non-resident corporation?	220	<input type="checkbox"/>	20
Is the corporation claiming any federal or provincial foreign tax credits, or any federal or provincial logging tax credits?	221	<input type="checkbox"/>	21
Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	226	<input type="checkbox"/>	26 *
Does the corporation have any Canadian manufacturing and processing profits?	227	<input type="checkbox"/>	27
Is the corporation claiming an investment tax credit?	231	<input type="checkbox"/>	31
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	232	<input type="checkbox"/>	T661
Is the corporation subject to gross Part I.3 tax?	233	<input checked="" type="checkbox"/>	33/34/35
Is the corporation a member of a related group with one or more members subject to gross Part I.3 tax?	236	<input checked="" type="checkbox"/>	36
Is the corporation claiming a surtax credit?	237	<input type="checkbox"/>	37
Is the corporation subject to gross Part VI tax on capital of financial institutions?	238	<input type="checkbox"/>	38
Is the corporation claiming a Part I tax credit?	242	<input type="checkbox"/>	42
Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	243	<input type="checkbox"/>	43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244	<input type="checkbox"/>	45
Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	249	<input type="checkbox"/>	46
For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	250	<input type="checkbox"/>	39
Is the corporation claiming a Canadian film or video production tax credit refund?	253	<input type="checkbox"/>	T1131
Is the corporation claiming a film or video production services tax credit refund?	254	<input type="checkbox"/>	T1177
Is the corporation subject to Part XIII.1 tax?	255	<input type="checkbox"/>	92 *

\* We do not print this schedule.



Attachments – continued from page 2

		Yes	Schedule
Did the corporation have any foreign affiliates that are not controlled foreign affiliates?	256	<input type="checkbox"/>	T1134-A
Did the corporation have any controlled foreign affiliates?	258	<input type="checkbox"/>	T1134-B
Did the corporation own specified foreign property in the year with a cost amount over \$100,000?	259	<input type="checkbox"/>	T1135
Did the corporation transfer or loan property to a non-resident trust?	260	<input type="checkbox"/>	T1141
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	261	<input type="checkbox"/>	T1142
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	262	<input type="checkbox"/>	T1145
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	263	<input type="checkbox"/>	T1146
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	264	<input type="checkbox"/>	T1174

Additional information

Is the corporation inactive?	280	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
Has the major business activity changed since the last return was filed? (enter Yes for first-time filers)	281	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
What is the corporation's major business activity? 282 _____ (Only complete if Yes was entered at line 281.)			
If the major business activity involves the resale of goods, show whether it is wholesale or retail	283	1 Wholesale <input type="checkbox"/>	2 Retail <input type="checkbox"/>
Specify the principal product(s) mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents.	284 286 288	Hydro Services _____ _____ _____	285 287 289 100.000 % _____ _____ _____
Did the corporation immigrate to Canada during the taxation year?	291	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
Did the corporation emigrate from Canada during the taxation year?	292	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFL.	300	1,954,071	A
<b>Deduct:</b>			
Charitable donations from Schedule 2	311	8,076	
Gifts to Canada, a province, or a territory from Schedule 2	312		
Cultural gifts from Schedule 2	313		
Ecological gifts from Schedule 2	314		
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3	320		
Part VI.1 tax deduction from Schedule 43 *	325		
Non-capital losses of preceding taxation years from Schedule 4	331		
Net capital losses of preceding taxation years from Schedule 4	332		
Restricted farm losses of preceding taxation years from Schedule 4	333		
Farm losses of preceding taxation years from Schedule 4	334		
Limited partnership losses of preceding taxation years from Schedule 4	335		
Taxable capital gains or taxable dividends allocated from a central credit union	340		
Prospector's and grubstaker's shares	350		
	Subtotal	8,076	8,076 B
	Subtotal (amount A minus amount B) (if negative, enter "0")	1,945,995	C
<b>Add:</b>			
Section 110.5 additions or subparagraph 115(1)(a)(vii) additions	355		D
<b>Taxable income</b> (amount C plus amount D)	360	1,945,995	
Income exempt under paragraph 149(1)(t)	370		
<b>Taxable income</b> for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370)		1,945,995	Z

\* This amount is equal to 3 times the Part VI.1 tax payable at line 724 on page 8.



**Small business deduction**

**Canadian-controlled private corporations (CCPCs) throughout the taxation year**

Income from active business carried on in Canada from Schedule 7	400	1,954,071	A
Taxable income from line 360 on page 3, <b>minus</b> 10/3 of the amount on line 632* on page 7, <b>minus</b> 3 times the amount on line 636** on page 7, and <b>minus</b> any amount that, because of federal law, is exempt from Part I tax	405	1,945,995	B

**Calculation of the business limit:**

For all CCPCs, calculate the amount at line 4 below.

225,000	x	Number of days in the taxation year in 2003	=	1
		Number of days in the taxation year	365	
250,000	x	Number of days in the taxation year in 2004	=	2
		Number of days in the taxation year	365	
300,000	x	Number of days in the taxation year after 2004	=	300,000 3
		Number of days in the taxation year	365	
Add amounts at lines 1, 2, and 3				300,000 4

Business limit (see notes 1 and 2 below) 410 C

- Notes:**
1. For CCPCs that are not associated, enter the amount from line 4 on line 410. However, if the corporation's taxation year is less than 51 weeks, prorate the amount from line 4 by the number of days in the taxation year divided by 365, and enter the result on line 410.
  2. For associated CCPCs, use Schedule 23 to calculate the amount to be entered on line 410.

**Business limit reduction:**

Amount C x 415 \*\*\* 62,862 D = 11,250 E

Reduced business limit (amount C **minus** amount E) (if negative, enter "0") 425 F

**Small business deduction** — 16.00 % of whichever amount is the least: A, B, C, or F 430 G

(enter amount G on line 9 of page 7)

\* Calculate the amount of foreign non-business income tax credit deductible on line 632 without reference to the refundable tax on the CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.

\*\* Calculate the amount of foreign business income tax credit deductible on line 636 without reference to the corporate tax reductions under section 123.4.

**\*\*\* Large corporation tax**

- The large corporation tax to be entered on line 415 is the gross Part I.3 tax, which is the amount before deducting the surtax credits, increased to reflect a full-year tax liability if the taxation year is less than 51 weeks. For the purpose of the business limit reduction, the gross Part I.3 tax is equal to 0.225% x (taxable capital employed in Canada **minus** \$10,000,000). If the corporation is not associated with any corporations in both the current and the preceding taxation years, enter the corporation's gross Part I.3 tax for its **preceding** taxation year.
- If the corporation is not associated with any corporations in the current taxation year, but was associated in the preceding taxation year, enter the corporation's gross Part I.3 tax for its **current** taxation year.
- For corporations associated in the current taxation year, see Schedule 23 for the special rules that apply.

**Accelerated tax reduction**

**Canadian-controlled private corporations throughout the taxation year that claimed the small business deduction**

Reduced business limit (amount from line 425) x 300,000 line 4 above = 1,954,071 A  
Net active business income (amount from line 400) \* 1,954,071 B

Taxable income from line 360 on page 3 **minus** 3 times the amount at line 636\*\* on page 7, and **minus** any amount that, because of federal law, is exempt from Part I Tax 1,945,995 C

**Deduct:**

Aggregate investment income (amount from line 440 of page 6) D  
Amount C **minus** amount D (if negative, enter "0") 1,945,995 E

Amount A, B, or E above, whichever is less F

Amount Z from Part 9 of Schedule 27 x 100 / 7 = G

Amount QQ from Part 13 of Schedule 27 H

Taxable resource income (amount from line 435 of page 5) I

Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17) J

Amount on line 400, 405, 410, or 425 of the small business deduction, whichever is less K

Total of amounts G, H, I, J, and K L

Amount F **minus** amount L (if negative, enter "0") M

**Accelerated tax reduction** — 7.00 % of amount M (enter amount N on line 637 of page 7) N

\* If the amount at line 450 of Schedule 7 is positive, members of partnerships need to use Schedule 70 to calculate net active business income.

\*\* Calculate the amount of foreign business income tax credit deductible at line 636 without reference to the corporate tax reductions under section 123.4.



### Resource deduction

Taxable resource income [as defined in subsection 125.11(1)]				<b>435</b>	<u>                    </u>	A
Amount A	x	Number of days in the taxation year in 2004	x 2 % =			B
		Number of days in the taxation year	365			
Amount A	x	Number of days in the taxation year in 2005	365 x 3 % =			C
		Number of days in the taxation year	365			
Amount A	x	Number of days in the taxation year in 2006	x 5 % =			D
		Number of days in the taxation year	365			
Amount A	x	Number of days in the taxation year after 2006	x 7 % =			E
		Number of days in the taxation year	365			
<b>Resource deduction – total of amounts B, C, D, and E</b>				<b>438</b>	<u>                    </u>	F
(enter amount F on line 10 of page 7)						

### General tax reduction for Canadian-controlled private corporations

#### Canadian-controlled private corporations throughout the taxation year

Taxable income from line 360 on page 3					<u>1,945,995</u>	A
Amount Z from Part 9 of Schedule 27	x	100 / 7 =				B
Amount QQ from Part 13 of Schedule 27						C
Taxable resource income from line 435 above						D
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)						E
Amount on line 400, 405, 410, or 425 on page 4, whichever is the least						F
Aggregate investment income from line 440 of page 6						G
Amount used to calculate the accelerated tax reduction (amount M of page 4)						H
Total of amounts B, C, D, E, F, G, and H						I
Amount A minus amount I (if negative, enter "0")					<u>1,945,995</u>	J
Amount J	x	Number of days in the taxation year after 2003	365 x 7 % =		<u>136,220</u>	K
		Number of days in the taxation year	365			
<b>General tax reduction for Canadian-controlled private corporations – amount K</b>					<u>136,220</u>	L
(enter amount L on line 638 of page 7)						

### General tax reduction

#### Corporations other than a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, or a mutual fund corporation

Taxable income from line 360 on page 3						M
Amount Z from Part 9 of Schedule 27	x	100 / 7 =				N
Amount QQ from Part 13 of Schedule 27						O
Taxable resource income from line 435 above						P
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)						Q
Total of amounts N, O, P, and Q						R
Amount M minus amount R (if negative, enter "0")						S
Amount S	x	Number of days in the taxation year after 2003	365 x 7 % =			T
		Number of days in the taxation year	365			
<b>General tax reduction – amount T</b>						U
(enter amount U on line 639 of page 7)						



**Refundable portion of Part I tax**

**Canadian-controlled private corporations throughout the taxation year**

Aggregate investment income ..... **440** ..... x 26 2 / 3 % = ..... **A**  
(amount P from Part 1 of Schedule 7)

Foreign non-business income tax credit from line 632 on page 7 .....

**Deduct:**

Foreign investment income ..... **445** ..... x 9 1 / 3 % = ..... **B**  
(amount O from Part 1 of Schedule 7) (if negative, enter "0")

Amount A minus amount B (if negative, enter "0") ..... **C**

Taxable income from line 360 on page 3 ..... **1,945,995**

**Deduct:**

Amount on line 400, 405, 410, or 425 on page 4,  
whichever is the least .....

Foreign non-business  
income tax credit from  
line 632 of page 7 ..... x 25 / 9 = .....

Foreign business income  
tax credit from line 636  
of page 7 ..... x 3 = .....

**1,945,995**  
x 26 2 / 3 % = **518,932 D**

Part I tax payable minus investment tax credit refund (line 700 minus line 780 from page 8) ..... **430,453**

**Deduct:** Corporate surtax from line 600 of page 7 ..... **21,795**

Net amount ..... **408,658** ..... **408,658 E**

**Refundable portion of Part I tax** – Amount C, D, or E, whichever is the least ..... **450** ..... **F**

**Refundable dividend tax on hand**

Refundable dividend tax on hand at the end of the preceding taxation year ..... **460**

**Deduct:** Dividend refund for the previous taxation year ..... **465** ..... **G**

**Add the total of:**

Refundable portion of Part I tax from line 450 above .....

Total Part IV tax payable from line 360 of Schedule 3 .....

Net refundable dividend tax on hand transferred from a predecessor  
corporation on amalgamation, or from a wound-up subsidiary corporation ... **480** ..... **H**

**Refundable dividend tax on hand at the end of the taxation year** – Amount G plus amount H ..... **485**

**Dividend refund**

**P te and subject corporations at the time taxable dividends were paid in the taxation year**

Taxable dividends paid in the taxation year from line 460 of Schedule 3 ..... **427,109** x 1 / 3 ..... **142,370 I**

Refundable dividend tax on hand at the end of the taxation year from line 485 above ..... **J**

**Dividend refund** – Amount I or J, whichever is less (enter this amount on line 784 of page 8) .....



Part I tax

Base amount of Part I tax – 38.00 % of taxable income (line 360 or amount Z, whichever applies) from page 3 . . . . 550 739,478 A

Corporate surtax calculation

Base amount from line A above 739,478 1

Deduct:

10 % of taxable income (line 360 or amount Z, whichever applies) from page 3 . . . 194,600 2

Investment corporation deduction from line 620 below . . . . . 3

Federal logging tax credit from line 640 below . . . . . 4

Federal qualifying environmental trust tax credit from line 648 below . . . . . 5

For a mutual fund corporation or an investment corporation throughout the taxation year, enter amount a, b, or c below on line 6, whichever is the least:

28.00 % of taxable income from line 360 of page 3 . . . . .	a	}	6
28.00 % of taxed capital gains . . . . .	b		
Part I tax otherwise payable . . . . .	c		

(line A plus lines C and D minus line F)

Total of lines 2 to 6 194,600 7

Net amount (line 1 minus line 7) 544,878 8

Corporate surtax – 4.00 % of the amount on line 8 . . . . . 600 21,795 B

Recapture of investment tax credit from line PPP in Part 21 of Schedule 31 . . . . . 602 C

Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income (if it was a CCPC throughout the taxation year)

Aggregate investment income from line 440 on page 6 . . . . . i

Taxable income from line 360 on page 3 1,945,995

Deduct:

Amount on line 400, 405, 410, or 425 of page 4, whichever is the least . . . . .

Net amount 1,945,995 1,945,995 ii

Refundable tax on CCPC's investment income – 6 2 / 3 % of whichever is less: amount i or ii . . . . 604 D

Subtotal (add lines A, B, C, and D) 761,273 E

Deduct:

Small business deduction from line 430 of page 4 . . . . . 9

Federal tax abatement 608 194,600

Manufacturing and processing profits deduction from amount BB or amount RR of Schedule 27 . . . . . 616

Investment corporation deduction 620

(taxed capital gains 624 )

Additional deduction – credit unions from Schedule 17 . . . . . 628

Federal foreign non-business income tax credit from Schedule 21 . . . . . 632

Federal foreign business income tax credit from Schedule 21 . . . . . 636

Accelerated tax reduction from amount N on page 4 . . . . . 637

Resource deduction from line 438 on page 5 . . . . . 10

General tax reduction for CCPCs from amount L on page 5 . . . . . 638 136,220

General tax reduction from amount U on page 5 . . . . . 639

Federal logging tax credit from Schedule 21 . . . . . 640

Federal political contribution tax credit 644

Federal political contributions 646

Federal qualifying environmental trust tax credit . . . . . 648

Investment tax credit from Schedule 31 . . . . . 652

Apprenticeship job creation tax credit . . . . . 11

Subtotal 330,820 330,820 F

Part I tax payable – Line E minus line F (enter amount G on line 700 of page 8) . . . . . 430,453 G



Summary of tax and credits

Federal tax

Part I tax payable from page 7	700	430,453
Part I.3 tax payable from Schedule 33, 34, or 35	704	
Part II surtax payable from Schedule 46	708	
Part IV tax payable from Schedule 3	712	
Part IV.1 tax payable from Schedule 43	716	
Part VI tax payable from Schedule 38	720	
Part VI.1 tax payable from Schedule 43	724	
Part XIII.1 tax payable from Schedule 92	727	
Part XIV tax payable from Schedule 20	728	
Total federal tax		430,453

Add provincial or territorial tax:

Provincial or territorial jurisdiction	750	Ontario
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)		
Net provincial or territorial tax payable (except Québec, Ontario, and Alberta)	760	
Provincial tax on large corporations (New Brunswick and Nova Scotia)	765	

Total tax payable 770 430,453 A

Deduct other credits:

Investment tax credit refund from Schedule 31	780	
Dividend refund from page 6	784	
Federal capital gains refund from Schedule 18	788	
Federal qualifying environmental trust tax credit refund	792	
Canadian film or video production tax credit refund (Form T1131)	796	
Film or video production services tax credit refund (Form T1177)	797	
Tax withheld at source	800	
Total payments on which tax has been withheld	801	
Allowable refund for non-resident-owned investment corporations from Schedule 26	804	
Provincial and territorial capital gains refund from Schedule 18	808	
Provincial and territorial refundable tax credits from Schedule 5	812	
Royalties deductible under Syncrude Remission Order	815	
Tax remitted under Syncrude Remission Order	816	
Tax instalments paid	840	

Total credits 890  
Balance (line A minus line B) 430,453 B

Refund code 894 Overpayment

Direct deposit request

To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below:

☐ Start

☐ Change information

910

Branch number

914

Institution number

918

Account number

If the result is negative, you have an overpayment.  
If the result is positive, you have a balance unpaid.  
Enter the amount on whichever line applies.  
Generally, we do not charge or refund a difference of \$2 or less.

Balance unpaid 430,453  
Enclosed payment 898 430,453

If the corporation is a Canadian-controlled private corporation throughout the taxation year, does it qualify for the one-month extension of the date the balance of tax is due? 896 1 Yes 2 No X

Certification

0 Milne

951 Lisa

954 Controller

Last name

First name

Position, office, or rank

am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I further certify that the method of calculating income for this taxation year is consistent with that of the previous year except as specifically disclosed in a statement attached to this return.

955

Date (yyyy/mm/dd)

Signature of the authorized signing officer of the corporation

956 (519) 396-3485

Telephone number

Is the contact person the same as the authorized signing officer? If No, complete the information below

957 1 Yes X 2 No

958

Name

Telephone number

Language of correspondence – Langue de correspondance

990

Indicate the language in which you would like to receive correspondence.  
Indiquer la langue de correspondance de votre choix.

1 English / Anglais X 2 Français / French





Canada Customs  
and Revenue Agency

Agence des douanes  
et du revenu du Canada

**SCHEDULE 1**

**NET INCOME (LOSS) FOR INCOME TAX PURPOSES**

Corporation's name	Business Number	Taxation year end Year Month Day
Westario Power Inc.	86590 9790 RC0001	2005-12-31

- 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. For more information, see the T2 *Corporation Income Tax Guide*.
- Please provide us with the applicable details in the identification area, and complete the applicable lines that contain a numbered black box. You should report amounts in accordance with the Generally Accepted Accounting Principles (GAAP).
- Sections, subsections, and paragraphs referred to on this schedule are from the *Income Tax Act*.

Net income (loss) after taxes and extraordinary items per financial statements	.....	1,122,314	A
<b>Add:</b>			
Provision for income taxes – current	101	518,411	
Provision for income taxes – deferred	102	137,461	
Interest and penalties on taxes	103	18,929	
Amortization of tangible assets	104	1,309,158	
Amortization of intangible assets	106	21,150	
Charitable donations from Schedule 2	112	8,076	
Deferred and prepaid expenses	116	587,606	
Non-deductible meals and entertainment expenses	121	12,156	
Subtotal of additions		2,612,947	2,612,947
<b>Other additions:</b>			
<b>Miscellaneous other additions:</b>			
600 Capital tax expensed in f/s	290	72,737	
601 Enerconnect Limited Partnership	291	993	
Subtotal of other additions	199	73,730	73,730
<b>Total additions</b>	500	2,686,677	2,686,677
<b>Deduct:</b>			
Capital cost allowance from Schedule 8	403	1,191,960	
Cumulative eligible capital deduction from Schedule 10	405	97,970	
Subtotal of deductions		1,289,930	1,289,930
<b>Other deductions:</b>			
<b>Miscellaneous other deductions:</b>			
700 Capital tax paid	390	66,702	
701 Carrying charges and other expenses deducted for tax	391	498,288	
Subtotal of other deductions	499	564,990	564,990
<b>Total deductions</b>	510	1,854,920	1,854,920
<b>Net income (loss) for income tax purposes – enter on line 300 of the T2 return</b>	.....	1,954,071	





Canada Customs  
and Revenue Agency

Agence des douanes  
et du revenu du Canada

**SCHEDULE 2**

**CHARITABLE DONATIONS AND GIFTS**

Name of corporation	Business Number	Taxation year end Year Month Day
Westario Power Inc.	86590 9790 RC0001	2005-12-31

- For use by corporations to claim any of the following:
  - charitable donations;
  - gifts to Canada, a province, or a territory;
  - gifts of certified cultural property;
  - gifts of certified ecologically sensitive land.
- The donations and gifts are eligible for a five-year carryforward.
- Use this schedule to show a credit transfer following an amalgamation or the windup of a subsidiary as described under subsections 87(1) and 88(1) of the federal *Income Tax Act*.
- For donations and gifts made after March 22, 2004, proposed subsection 110.1(1.2) of the *Income Tax Act* provides as follows:
  - where a particular corporation has undergone a change of control, for taxation years that end on or after the change of control, no corporation can claim a deduction for a gift made by the particular corporation to a qualified donee before the change of control.
  - if a particular corporation makes a gift to a qualified donee pursuant to an arrangement under which both the gift and the change of control is expected, no corporation can claim a deduction for the gift unless the person acquiring control of the particular corporation is the qualified donee.
- File one completed copy of this schedule with your *T2 Corporation Income Tax Return*.
- For more information, see the *T2 Corporation – Income Tax Guide*.

**Part 1 – Charitable donations**

Charity/Recipient	Amount (\$100 or more only)
Various	8,076
	<b>Subtotal</b> 8,076
<b>Add:</b> Total donations of less than \$100 each	
Total donations in current taxation year	8,076

	Federal	Quebec	Alberta
Charitable donations at the end of the preceding taxation year			
<b>Deduct:</b> Charitable donations expired after five taxation years	239		
Charitable donations at the beginning of the taxation year	240		
<b>Add:</b>			
Charitable donations transferred on an amalgamation or the windup of a subsidiary	250		
Total current-year charitable donations made (enter this amount on line 112 of Schedule 1)	210	8,076	
Subtotal (line 250 plus line 210)	8,076	8,076	8,076
<b>Deduct:</b> Adjustment for an acquisition of control (for donations made after March 22, 2004)	255		
Total charitable donations available	8,076	8,076	8,076
<b>Deduct:</b> Amount applied against taxable income (cannot be more than amount K in Part 2) (enter this amount on line 311 of the T2 return)	260	8,076	8,076
Charitable donations closing balance	280		

**Amounts carried forward – Charitable donations**

Year of origin:	Federal	Quebec	Alberta
1 <sup>st</sup> prior year	2004		
2 <sup>nd</sup> prior year	2003		
3 <sup>rd</sup> prior year	2002		
4 <sup>th</sup> prior year	2002		
5 <sup>th</sup> prior year	2001		
6 <sup>th</sup> prior year *	2000		
<b>Total (to line A)</b>			

\* These donations expired in the current year.



**Part 2 – Calculation of the maximum allowable deduction for charitable donations**

Net income for tax purposes * multiplied by 75 %	1,465,553	B
Taxable capital gains arising in respect of gifts of capital property		
– lines 895 and 896 of Schedule 6, multiplied by the inclusion rate		
– other		
Total	225	C
Taxable capital gain in respect of deemed gifts of non-qualifying securities per subsection 40(1.01)	227	D
The amount of the recapture of capital cost allowance in respect of charitable gifts	230	
Proceeds of disposition, less outlays and expenses	E	
Capital cost	F	
Amount E or F, whichever is less	235	
Amount on line 230 or 235, whichever is less	G	
Subtotal (add amounts C, D, and G)	H	
Amount H multiplied by 25 %	I	
Subtotal (amount B plus amount I)	1,465,553	J
Maximum allowable deduction for charitable donations (enter amount A from Part 1, amount J, or net income for tax purposes, whichever is less)	8,076	K

\* For credit unions, this amount is before the deduction of payments pursuant to allocations in proportion to borrowing and bonus interest.

**Part 3 – Gifts to Canada, a province, or a territory**

Gifts to Canada, a province, or a territory at the end of the preceding taxation year	339	
<b>Deduct:</b> Gifts to Canada, a province, or a territory expired after five taxation years	340	
Gifts to Canada, a province, or a territory at the beginning of the taxation year	350	
<b>Add:</b> Gifts to Canada, a province, or a territory transferred on an amalgamation or the windup of a subsidiary	310	
Total current year gifts made to Canada, a province, or a territory *	355	
Subtotal (line 350 plus line 310)	360	
<b>Deduct:</b> Adjustment for an acquisition of control (for gifts made after March 22, 2004)	380	
Gifts to Canada, a province, or a territory available		
<b>Deduct:</b> Amount applied against taxable income (enter this amount on line 312 of the T2 return)		
Gifts to Canada, a province, or a territory closing balance		

\* Not applicable for gifts made after February 18, 1997, unless a written agreement was made before this date. If the taxation year straddles February 18, 1997, and gifts were made after this date, enter the amount on line 210 and complete Part 2.

**Part 4 – Gifts of certified cultural property**

	Federal	Quebec	Alberta
Gifts of certified cultural property at the end of the preceding taxation year			
<b>Deduct:</b> Gifts of certified cultural property expired after five taxation years	439		
Gifts of certified cultural property at the beginning of the taxation year	440		
<b>Add:</b> Gifts of certified cultural property transferred on an amalgamation or the windup of a subsidiary	450		
Total current-year gifts of certified cultural property	410		
Subtotal (line 450 plus line 410)			
<b>Deduct:</b> Adjustment for an acquisition of control (for gifts made after March 22, 2004)	455		
Total gifts of certified cultural property available			
<b>Deduct:</b> Amount applied against taxable income (enter this amount on line 313 of the T2 return)	460		
Gifts of certified cultural property closing balance	480		



Amount carried forward – Gifts of certified cultural property

Year of origin:		Federal	Quebec	Alberta
1 <sup>st</sup> prior year	2004			
2 <sup>nd</sup> prior year	2003			
3 <sup>rd</sup> prior year	2002			
4 <sup>th</sup> prior year	2002			
5 <sup>th</sup> prior year	2001			
6 <sup>th</sup> prior year *	2000			
Total				

\* These donations expired in the current year.

Part 5 – Gifts of certified ecologically sensitive land

	Federal	Quebec	Alberta
Gifts of certified ecologically sensitive land at the end of the preceding taxation year			
Deduct: Gifts of certified ecologically sensitive land expired after five taxation years	539		
Gifts of certified ecologically sensitive land at the beginning of the taxation year	540		
Add: Gifts of certified ecologically sensitive land transferred on an amalgamation or the windup of a subsidiary	550		
Total current-year gifts of certified ecologically sensitive land	510		
Subtotal (line 550 plus line 510)			
Deduct: Adjustment for an acquisition of control (for gifts made after March 22, 2004)	555		
Total gifts of certified ecologically sensitive land available			
Deduct: Amount applied against taxable income (enter this amount on line 314 of the T2 return)	560		
Gifts of certified ecologically sensitive land closing balance	580		

Amounts carried forward – Gifts of certified ecologically sensitive land

Year of origin:		Federal	Quebec	Alberta
1 <sup>st</sup> prior year	2004			
2 <sup>nd</sup> prior year	2003			
3 <sup>rd</sup> prior year	2002			
4 <sup>th</sup> prior year	2002			
5 <sup>th</sup> prior year	2001			
6 <sup>th</sup> prior year *	2000			
Total				

\* These donations expired in the current year.



Canada Customs  
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## DIVIDENDS RECEIVED, TAXABLE DIVIDENDS PAID, AND PART IV TAX CALCULATION

### SCHEDULE 3

Name of corporation	Business Number	Taxation year end Year Month Day
Westario Power Inc.	86590 9790 RC0001	2005-12-31

- This schedule is for the use of any corporation to report:
  - non-taxable dividends under section 83;
  - deductible dividends under subsection 138(6);
  - taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (b) or (d); or
  - taxable dividends paid for purposes of a dividend refund.
- The calculations in this schedule apply only to private or subject corporations.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal *Income Tax Act*.
- A recipient corporation is connected with a payer corporation at any time in a taxation year, if at that time the recipient corporation:
  - controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b); or
  - owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of more than 10% of the fair market value of all shares of the payer corporation.
- File one completed copy of this schedule with your *T2 Corporation Income Tax Return*.
- For more information, see the sections about Schedule 3 in the *T2 Corporation Income Tax Guide*.
- "X" under column A if dividend received from a foreign source (connected corporation only).
- "X" under column B if the payer corporation is connected.
- "X" under column F1 if the dividends received are eligible to a gross-up of 45% for the purposes of the dividend tax credit for individuals.

### Part 1 – Dividends received during the taxation year

**Do not include dividends received from foreign non-affiliates.**

Do not include dividends received from foreign non-affiliates.		Complete if payer corporation is connected	
A	B	C	D
Name of payer corporation (Use only one line per corporation, abbreviating its name if necessary)	Business Number	Taxation year end of the payer corporation in which the sections 112/113 and subsection 138(6) dividends were paid YYYY/MM/DD	
200	205	210	220

**Note:** If your corporation's taxation year end is different than that of the connected payer corporation, your corporation could have received dividends from more than one taxation year of the payer corporation. If so, use a separate line to provide the information for each taxation year of the payer corporation.

			If payer corporation is not connected, leave these columns blank.		
E Non-taxable dividend under section 83	F Taxable dividends deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (b), or (d)	F1	G Total taxable dividends paid by connected payer corporation	H Dividend refund of the connected payer corporation	I Part IV tax before deductions F x 1 / 3 *
<b>230</b>	<b>240</b>		<b>250</b>	<b>260</b>	<b>270</b>
1					
al (enter amount of column F on line 320 of the T2 return)					

For dividends received from connected corporations:

$$\text{Part IV tax equals: } \frac{\text{Column F} \times \text{Column H}}{\text{Column G}}$$

\* Life insurers are not subject to Part IV tax on subsection 138(6) dividends. Public corporations (other than subject corporations) do not need to calculate Part IV tax.



Part 2 – Calculation of Part IV tax payable

Part IV tax before deductions (amount J in Part 1) .....

**Deduct:**

Part IV.I tax payable on dividends subject to Part IV tax ..... **320**

Subtotal .....

**Deduct:**

Current-year non-capital loss claimed to reduce Part IV tax ..... **330**

Non-capital losses from previous years claimed to reduce Part IV tax ..... **335**

Current-year farm loss claimed to reduce Part IV tax ..... **340**

Farm losses from previous years claimed to reduce Part IV tax ..... **345**

Total losses applied against Part IV tax ..... x 1 / 3 = .....

Part IV tax payable (enter amount on line 712 of the T2 return) ..... **360**

Part 3 – Taxable dividends paid in the taxation year for purposes of a dividend refund

A	B	C	D
Name of connected recipient corporation	Business Number	Taxation year end of connected recipient corporation in which the dividends in column D were received YYYY/MM/DD	Taxable dividends paid to connected corporations
<b>400</b>	<b>410</b>	<b>420</b>	<b>430</b>
1 Westario Power Holdings Inc.	89276 4416 RC0001		427,109
2			

**Note**

If your corporation's taxation year end is different than that of the connected recipient corporation, your corporation could have paid dividends in more than one taxation year of the recipient corporation. If so, use a separate line to provide the information for each taxation year of the recipient corporation.

Total ..... **427,109**

Total taxable dividends paid in the taxation year to other than connected corporations ..... **450**

Total taxable dividends paid in the taxation year for the purposes of a dividend refund (total of column D above plus line 450) ..... **460** 427,109

Eligible dividends paid that are included in line 460 (memo) (Press F1 for additional information) .....

Part 4 – Total dividends paid in the taxation year

Complete this part if the total taxable dividends paid in the taxation year for purposes of a dividend refund (line 460 above) is different from the total dividends paid in the taxation year.

Total taxable dividends paid in the taxation year for the purposes of a dividend refund (from above) ..... **460** 427,109

Other dividends paid in the taxation year (total of 510 to 540) ..... **500** 427,109

Total dividends paid in the taxation year ..... **500** 427,109

**Deduct:**

Dividends paid out of capital dividend account ..... **510**

Capital gains dividends ..... **520**

Dividends paid on shares described in subsection 129(1.2) ..... **530**

Taxable dividends paid to a controlling corporation that was bankrupt at any time in the year ..... **540**

Subtotal ..... ▶ .....

Total taxable dividends paid in the taxation year for purposes of a dividend refund ..... 427,109







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SCHEDULE 8

CAPITAL COST ALLOWANCE (CCA)

Name of corporation		Business Number	Taxation year end Year Month Day
Westario Power Inc.		86590 9790 RC0001	2005-12-31

Is the corporation electing under regulation 1101(5q)? **101** 1 Yes ☐ 2 No ☒

1 Class number	2 Undepreciated capital cost at the beginning of the year	3 Cost of acquisitions during the year*	4 Net adjustments	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Undepreciated capital cost (column 2 plus column 3 or minus column 4 minus column 5)	7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5)**	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Recapture of capital cost allowance (amount on line 107 of Schedule 1)	11 Terminal loss (amount on line 404 of Schedule 1)	12 Capital cost allowance (column 8 multiplied by column 9; or a lower amount) (amount on line 403 of Schedule 1)***	13 Undepreciated capital cost at the end of the year (column 6 minus column 12)
<b>200</b>	<b>201</b>	<b>203</b>	<b>205</b>	<b>207</b>		<b>211</b>		<b>212</b>	<b>213</b>	<b>215</b>	<b>217</b>	<b>220</b>
1	12,991,927			0	12,991,927		12,991,927	4	0	0	519,677	12,472,250
2	7,115,360			0	7,115,360		7,115,360	6	0	0	426,922	6,688,438
3	660,146			0	660,146		660,146	20	0	0	132,029	528,117
4	12,295			0	12,295		12,295	100	0	0	12,295	
5		2,525,930		0	2,525,930	1,262,965	1,262,965	8	0	0	101,037	2,424,893
		2,525,930			23,305,658	1,262,965	22,042,693				1,191,960	22,113,698
<b>Total</b>	<b>20,779,728</b>	<b>2,525,930</b>										

\* Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule, see Regulation 1100(2) and (2.2).

\*\* The net cost of acquisitions is the cost of acquisitions plus or minus certain adjustments from column 4.

\*\*\* If the taxation year is shorter than 365 days, prorate the CCA claim.

See the *T2 Corporation Income Tax Guide* for more information.

Canada

T2 SCH 8 (99)



RELATED AND ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Taxation year end Year Month Day
Westario Power Inc.	86590 9790 RC0001	2005-12-31

This schedule is to be completed by a corporation having one or more of the following:

- related corporation(s)
- associated corporations(s)

	Name	Country of residence (if other than Canada)	Business Number (Canadian corporation only) (see note 1)	Relation-ship code (see note 2)	Number of common shares owned	% of common shares owned	Number of preferred shares owned	% of preferred shares owned	Book value of capital stock
	100	200	300	400	500	550	600	650	700
1.	Westario Power Services Inc.		89276 4614 RC0001	3					
2.	Westario Power Holdings Inc.		89276 4416 RC0001	1					

Note 1: Enter "NR" if a corporation is not registered.

Note 2: Enter the code number of the relationship that applies from the following order: 1 – Parent 2 – Subsidiary 3 – Associated 4 – Related, but not associated.



CUMULATIVE ELIGIBLE CAPITAL DEDUCTION

Name of corporation	Business Number	Taxation year end Year Month Day
Westario Power Inc.	86590 9790 RC0001	2005-12-31

- For use by a corporation that has eligible capital property. For more information, see the *T2 Corporation Income Tax Guide*.
- A separate cumulative eligible capital account must be kept for each business.

Part 1 – Calculation of current year deduction and carry-forward

Cumulative eligible capital - Balance at the end of the preceding taxation year (if negative, enter "0")		200	1,399,577	A
Add:	Cost of eligible capital property acquired during the taxation year	222		
	Other adjustments	226		
	Subtotal (line 222 plus line 226)		x 3 / 4 =	B
	Non-taxable portion of a non-arm's length transferor's gain realized on the transfer of an eligible capital property to the corporation after December 20, 2002	228	x 1 / 2 =	C
	amount B minus amount C (if negative, enter "0")			D
	Amount transferred on amalgamation or wind-up of subsidiary	224		E
	Subtotal (add amounts A, D, and E)	230	1,399,577	F
Deduct:	Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year	242		G
	The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7)	244		H
	Other adjustments	246		I
	(add amounts G,H, and I)		x 3 / 4 =	248 J
Cumulative eligible capital balance (amount F minus amount J)			1,399,577	K
(if amount K is negative, enter "0" at line M and proceed to Part 2)				
Cumulative eligible capital for a property no longer owned after ceasing to carry on that business		249		
	amount K		1,399,577	
	less amount from line 249			
Current year deduction		1,399,577	x 7.00 % =	250 97,970 *
	(line 249 plus line 250) (enter this amount at line 405 of Schedule 1)		97,970	97,970 L
Cumulative eligible capital – Closing balance (amount K minus amount L) (if negative, enter "0")		300	1,301,607	M

\* You can claim any amount up to the maximum deduction of 7%. The deduction may not exceed the maximum amount prorated by the number of days in the taxation year divided by 365.



(complete this part only if the amount at line K is negative)

Page 2 of 2



AGREEMENT AMONG ASSOCIATED CANADIAN-CONTROLLED PRIVATE CORPORATIONS TO  
ALLOCATE THE BUSINESS LIMIT

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for purposes of the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
  - An associated CCPC that has more than one taxation year ending in a calendar year, is required to file an agreement for each taxation year ending in that calendar year.
- Column 1:** Enter the legal name of each of the corporations in the associated group, including non-CCPCs and CCPCs that have filed an election under subsection 256(2) of the *Income Tax Act*, not to be associated for purposes of the small business deduction.
- Column 2:** Provide the Business Number for each corporation (if a corporation is not registered, enter "NR").
- Column 3:** Enter the code that applies to each corporation:
- 1 - associated for purposes of allocating the business limit (unless association code 5 applies)
  - 2 - CCPC that is a "third corporation" that has elected under subsection 256(2) not to be associated for purposes of the small business deduction
  - 3 - non-CCPC that is a "third corporation" as defined in subsection 256(2)
  - 4 - associated non-CCPC
  - 5 - associated CCPC that is not associated for purposes of allocating the business limit because of a subsection 256(2) election made by a "third corporation"
- Column 4:** Enter the business limit for the year of each corporation in the associated group that is computed at line 4 on page 4 of each respective corporation's T2 return.
- Column 5:** Assign a percentage to allocate the business limit to each corporation that has an association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.
- Column 6:** Enter the business limit allocated to each corporation by multiplying the amount in column 4 times the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A. Ensure that the total at line A is equal to an amount in one of the following ranges, whichever applies:
- from \$200,001 to \$225,000, if the calendar year to which this agreement applies is 2003;
  - from \$225,001 to \$250,000, if the calendar year to which this agreement applies is 2004; or
  - from \$250,001 to \$300,000, if the calendar year to which this agreement applies is 2005.
- If the calendar year to which this agreement applies is after 2005, ensure that the total at line A does not exceed \$300,000.

Allocation of the business limit

Date filed (do not use this area) 

025

Year Month Day

Enter the calendar year to which the agreement applies 

050

Year 2005

Is this an amended agreement for the above-noted calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below? 

075

1 Yes ☐ 2 No ☒

1 Names of associated corporations	2 Business Number of associated corporations	3 Asso- ciation code	4 Business limit for the year (before the allocation) \$	5 Percentage of the business limit %	6 Business limit allocated* \$
100	200	300		350	400
Westario Power Inc.	86590 9790 RC0001	1	300,000		
1 Westario Power Services Inc.	89276 4614 RC0001	1	300,000	100.0000	300,000
2 Westario Power Holdings Inc.	89276 4416 RC0001	1	300,000		
Total				100.0000	300,000 A



**Business limit reduction under subsection 125(5.1)**

The business limit reduction is calculated in the small business deduction area of the T2 return. One of the amounts used in this calculation is the "Large corporation tax" at line 415 of the T2 return. If the corporation is a member of an associated group\*\*\* of corporations in the current taxation year, and that taxation year:

- starts before December 21, 2002, the amount at line 415 of the T2 return is equal to the gross Part I.3 tax of each corporation in the associated group\*\*\* for its last taxation year ending in the preceding calendar year. The gross Part I.3 tax is the amount before deducting the surtax credits, which is increased to reflect a full-year tax liability if the taxation year is less than 51 weeks; or
- starts after December 20, 2002, the amount at line 415 of the T2 return is equal to  $0.225\% \times (A - \$10,000,000)$  where, "A" is the total of taxable capital employed in Canada\*\* of each corporation in the associated group\*\*\* for its last taxation year ending in the preceding calendar year.

\*Each corporation will enter on line 410 of the T2 return, the amount allocated to it in column 6. However, if the corporation's taxation year is less than 51 weeks, prorate the amount in column 6 by the number of days in the taxation year divided by 365, and enter the result on line 410 of the T2 return.

If a CCPC has more than one taxation year ending in a calendar year and is associated in more than one of those years with another CCPC that has a taxation year ending in the same calendar year, the business limit for the second (and subsequent) taxation year(s) will be equal to the business limit allocated for the first taxation year ending in the calendar year.

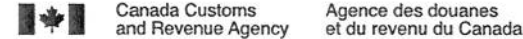
\*\*"Taxable capital employed in Canada" has the meaning assigned by subsection 181.2(1) or 181.3(1) or section 181.4 of the *Income Tax Act*.

\*\*\*The associated group includes the corporation filing this schedule and each corporation that has an "association code" of 1 or 4 in column 3.

T2 SCH 23 (04)

Canada





SCHEDULE 33

PART I.3 TAX ON LARGE CORPORATIONS

Name of corporation	Business Number	Taxation year end Year Month Day
Westario Power Inc.	86590 9790 RC0001	2005-12-31

- This schedule is for use by corporations (other than financial institutions and insurance corporations) that have Part I.3 tax payable before deducting surtax credits (line 820 in Part 5). You should also use and file this schedule if you calculate a **gross Part I.3 tax for the purposes of unused surtax credit** (line 821 in Part 6) and a **current-year unused surtax credit** (line 850 in Part 8).
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal *Income Tax Act* and the *Income Tax Regulations*.
- Subsection 181(1) defines the terms "financial institution," "long-term debt," and "reserves."
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- No Part I.3 tax is payable for a taxation year by a corporation that was:
  - 1) a non-resident-owned investment corporation throughout the year;
  - 2) bankrupt [as defined by subsection 128(3)] at the end of the year;
  - 3) a deposit insurance corporation throughout the year, as defined by subsection 137.1(5), or deemed to be a deposit insurance corporation by subsection 137.1(5.1);
  - 4) exempt from tax under section 149 throughout the year on all of its taxable income;
  - 5) neither resident in Canada nor carrying on a business through a permanent establishment in Canada at any time in the year; or
  - 6) a corporation described in subsection 136(2) throughout the year, the principal business of which was marketing (including any related processing) natural products belonging to or acquired from its members or customers.
- File the completed Schedule 33 with the *T2 Corporation Income Tax Return* no later than six months from the end of the taxation year.
- This schedule may contain changes that had not yet become law at the time of printing.

Complete the following areas to determine the amounts needed to calculate Part I.3 tax. If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4, "Taxable capital employed in Canada."

Part 1 – Capital

Add the following amounts at the end of the year:

Reserves that have not been deducted in computing income for the year under Part I	101	1,114,461	
Capital stock (or members' contributions if incorporated without share capital)	103	14,064,719	
Retained earnings	104	3,106,036	
Contributed surplus	105		
Other surpluses	106		
Deferred unrealized foreign exchange gains	107		
All loans and advances to the corporation	108	15,044,173	
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations	109		
Any dividends declared but not paid by the corporation before the end of the year	110		
All other indebtedness of the corporation (other than any indebtedness in respect of a lease) that has been outstanding for more than 365 days before the end of the year	111		
Proportion of the amount, if any, by which the total of all amounts (see note below) for the partnership of which the corporation is a member at the end of the year exceeds the amount of the partnership's deferred unrealized foreign exchange losses	112		
	Subtotal	33,329,389	33,329,389 A

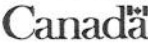
Deduct the following amounts:

Deferred tax debit balance at the end of the year	121		
Any deficit deducted in computing its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year	122		
Any amount deducted under subsection 135(1) in computing income under Part I for the year to the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above	123		
The amount of deferred unrealized foreign exchange losses at the end of the year	124		
	Subtotal		B
Capital for the year (amount A minus amount B) (if negative, enter "0")	190	33,329,389	

Note:

Lines 101, 107, 108, 109, 111, and 112 are determined as follows:

- If the partnership is a member of another partnership (tiered partnerships), include the amounts of the partnership and tiered partnerships.
- Amounts for the partnership and tiered partnerships are those that would be determined under lines 101, 107, 108, 109, 111, and 112 as if they apply in the same way that they apply to corporations.
- Amounts owing to the member or to other corporations that are members of the partnership are not to be included.
- Amounts are determined as at the end of the last fiscal period of the partnership ending in the year of the corporation.
- The proportion of the total amounts is determined by the corporation's share of the partnership's income or loss for the fiscal period of the partnership.





**Part 2 – Investment allowance**

Add the carrying value at the end of the year of the following assets of the corporation:

A share of another corporation	401
A loan or advance to another corporation (other than a financial institution)	402
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	403
Long-term debt of a financial institution	404
A dividend receivable on a share of the capital stock of another corporation	405
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim, or similar obligation of, a partnership all of the members of which, throughout the year, were other corporations (other than financial institutions) that were not exempt from tax under Part I.3 (other than by reason of paragraph 181.1(3)(d))	406
An interest in a partnership (see note 1 below)	407
<b>Investment allowance for the year</b>	<b>490</b>

**Notes:**

- Where the corporation has an interest in a partnership or tiered partnerships, consider the following:
  - the investment allowance of a partnership is deemed to be the amount calculated at line 490 above, at the end of its fiscal period, as if it was a corporation;
  - the total of the carrying value of each asset of the partnership described in the above lines is for its last fiscal period ending at or before the end of the corporation's taxation year; and
  - the carrying value of a partnership member's interest at the end of the year is its specified proportion [as defined in subsection 248(1)] of the partnership's investment allowance.
- Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 [other than by reason of paragraph 181.1(3)(d)].
- Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation, according to subsection 181.2(6).

**Part 3 – Taxable capital**

Capital for the year (line 190)	33,329,389	C
Deduct: Investment allowance for the year (line 490)		D
<b>Taxable capital for the year</b> (amount C minus amount D) (if negative, enter "0")	<b>500</b>	<b>33,329,389</b>

**Part 4 – Taxable capital employed in Canada**

To be completed by a corporation that was resident in Canada at any time in the year

Taxable capital for the year (line 500)	33,329,389	x	Taxable income earned in Canada	610	1,945,995	=	Taxable capital employed in Canada	690	33,329,389
			Taxable income		1,945,995				

- Notes:**
- Regulation 8601 gives details on calculating the amount of taxable income earned in Canada.
  - Where a corporation's taxable income for a taxation year is "0," it shall, for the purposes of the above calculation, be deemed to have a taxable income for that year of \$1,000.
  - In the case of an airline corporation, Regulation 8601 should be considered when completing the above calculation.

To be completed by a corporation that was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada

Total of all amounts each of which is the carrying value at the end of the year of an asset of the corporation used in the year or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada	701
--	-----

Deduct the following amounts:

Corporation's indebtedness at the end of the year [other than indebtedness described in any of paragraphs 181.2(3)(c) to (f)] that may reasonably be regarded as relating to a business it carried on during the year through a permanent establishment in Canada	711
---	-----

Total of all amounts each of which is the carrying value at the end of year of an asset described in subsection 181.2(4) of the corporation that it used in the year, or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada	712
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Total of all amounts each of which is the carrying value at the end of year of an asset of the corporation that is a ship or aircraft the corporation operated in international traffic, or personal property used or held by the corporation in carrying on any business during the year through a permanent establishment in Canada (see note below)	713
--	-----

Total deductions (add lines 711, 712, and 713) E

<b>Taxable capital employed in Canada</b> (line 701 minus amount E) (if negative, enter "0")	<b>790</b>
--	------------

- Notes:** Complete line 713 only if the country in which the corporation is resident did not impose a capital tax for the year on similar assets, or a tax for the year on the income from the operation of a ship or aircraft in international traffic, of any corporation resident in Canada during the year.



Part 5 – Calculation of gross Part 1.3 tax

Taxable capital employed in Canada (line 690 or 790, whichever applies)		33,329,389
Deduct:	Capital deduction claimed for the year (enter \$50,000,000 or, for related corporations, the amount allocated on Schedule 36)	801 34,000,000
Excess of taxable capital employed in Canada over capital deduction		811
Line 811	$\frac{\text{Number of days in the taxation year before 2004}}{\text{Number of days in the taxation year}} \times 0.00225000$	F
Line 811	$\frac{\text{Number of days in the taxation year in 2004}}{\text{Number of days in the taxation year}} \times 0.00200000$	G
Line 811	$\frac{\text{Number of days in the taxation year in 2005}}{\text{Number of days in the taxation year}} \times 0.00175000$	H
Line 811	$\frac{\text{Number of days in the taxation year in 2006}}{\text{Number of days in the taxation year}}$	I
Line 811	$\frac{\text{Number of days in the taxation year in 2007}}{\text{Number of days in the taxation year}}$	J
Note: The Part 1.3 tax rate is reduced to 0% for the days in the taxation year that are after 2005.		
Subtotal (add amounts F to J)		K
Where the taxation year of a corporation is less than 51 weeks, calculate the amount of gross Part 1.3 tax as follows:		
Amount K	$\frac{\text{Number of days in the year (365)}}{365}$	L
Gross Part 1.3 tax (amount K or L, whichever applies)		820

Part 6 – Calculation of gross Part 1.3 tax for purposes of the unused surtax credit

Taxable capital employed in Canada (line 690 or 790, whichever applies)		33,329,389 M
Deduct:	Line 801 above $34,000,000 \times 1/5$	6,800,000 N
Excess (amount M minus amount N) (if negative, enter "0")		26,529,389 O
Amount O	$26,529,389 \times 0.00225$	59,691 P
Where the taxation year of a corporation is less than 51 weeks, calculate the amount of gross Part 1.3 tax for purposes of the unused surtax credit as follows:		
Amount P	$\frac{59,691 \times \text{Number of days in the year (365)}}{365}$	Q
Gross Part 1.3 tax for purposes of the unused surtax credit (amount P or Q, whichever applies)		821 59,691







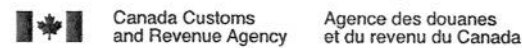
# Attached Schedule with Total

Part 1 – All loans and advances to the corporation

Title      Loans and advances - LCT

Description	Amount
Bank indebtedness	
Customer deposits	1,839,132 00
Demand term loan	4,928,195 00
Current portion of long-term debt	
Long-term debt	6,853,957 00
Due to Related Parties	1,422,889 00
Total	15,044,173 00





AGREEMENT AMONG RELATED CORPORATIONS – PART I.3 TAX

- Members of a related group of corporations should use this schedule to allocate the capital deduction of \$50,000,000 among the members of the related group. **Do not file this agreement if no members of the related group have to pay Part I.3 tax.**
- In cases where a related corporation has more than one taxation year ending in a calendar year, it has to file an agreement for each of those taxation years.
- A corporation that is related to any other corporation at any time in a taxation year of the corporation that ends in a calendar year may file such an agreement.
- In accordance with subsection 181.5(7) of the federal *Income Tax Act*, a Canadian-controlled private corporation is not considered to be related to another corporation for purposes of the capital deduction unless it is also associated with that corporation.

Agreement

Date filed (do not use this area)

010

Year Month Day

Is this an amended agreement?

020

1 Yes

2 No

X

Calendar year to which the agreement applies

030

Year

2005

Note:

This agreement must include all the information indicated below for all members of the related group, including members to which no amount of capital deduction is allocated for the year. However, any member that is exempt from Part 1.3 tax under subsection 181.1(3) does not have to be included.

Names of all corporations which are members of the related group	Business Number (if a corporation is not registered, enter "NR")	Allocation of capital deduction for the year \$	Taxation year end to which this agreement applies* (YYYY/MM/DD)
200	300	400	500
Westario Power Inc.	86590 9790 RC0001	34,000,000	
1 Westario Power Services Inc.	89276 4614 RC0001	4,100,000	
2 Westario Power Holdings Inc.	89276 4416 RC0001	11,900,000	
Total (cannot be more than \$50,000,000)		50,000,000	

\* Entries are only required in this column for a corporation that has more than one taxation year ending in the same calendar year and is related in two or more of those taxation years to another corporation that has a taxation year ending in that calendar year. The capital deduction of the first corporation for each such taxation year at the end of which it is related to the other corporation is an amount equal to its capital deduction for the first such taxation year. Enter the taxation year end to which this agreement applies.



SHAREHOLDER INFORMATION

Name of corporation	Business Number	Taxation year end Year Month Day
Westario Power Inc.	86590 9790 RC0001	2005-12-31

All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.

Provide only one number per shareholder					
Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual or trust)	Business Number	Social Insurance Number	Trust Number	Percentage common shares	Percentage preferred shares
	200	300	350	400	500
1 Westario Power Holdings Inc.	89276 4416 RC0001			100.000	
2					
3					
4					
5					
6					
7					
8					
9					
10					



## Appendix 30

### 2005 CT23 Provincial Tax Return





Ministry of Finance

Corporations Tax  
33 King Street West  
PO Box 620  
Oshawa ON L1H 8E9

2006

CT23 Corporations Tax and  
Annual ReturnFor taxation years commencing  
after December 31, 2003Corporations Tax Act - Ministry of Finance (MOF)  
Corporations Information Act - Ministry of Government Services (MGS)

This form is a combination of the Ministry of Finance (MOF) **CT23 Corporations Tax Return** and the Ministry of Government Services (MGS) **Annual Return**. Page 1 is a common page required for both Returns. For tax purposes, depending on which criteria the corporation satisfies, it must complete either the **Exempt from Filing (EFF)** declaration on page 2 or file the **CT23 Return** on pages 3-17. Corporations that do not meet the EFF criteria but do meet the Short-Form criteria, may request and file the **CT23 Short-Form Return** (see page 2).

The **Annual Return** (common page 1 and MGS Schedule A on pages 18 and 19, and Schedule K on page 20) contains non-tax information collected under the authority of the *Corporations Information Act* for the purpose of maintaining a public database of corporate information. This return must be completed by Ontario share-capital corporations or Foreign-Business share-capital corporations that have an extra-provincial licence to operate in Ontario.

MGS Annual Return Required? (Not required if already filed or  
Annual Return exempt. Refer to Guide) ☒ Yes ☐ No **Page 1 of 20**

Corporation's Legal Name (including punctuation)  Westario Power Inc.			Ontario Corporations Tax Account No. (MOF) 1800342														
Mailing Address  385 Queen Street  Kincardine ON CA N2Z 2R4			This Return covers the Taxation Year Start <table border="1"><tr><td>year</td><td>month</td><td>day</td></tr><tr><td>2005</td><td>01</td><td>01</td></tr></table> End <table border="1"><tr><td>year</td><td>month</td><td>day</td></tr><tr><td>2005</td><td>12</td><td>31</td></tr></table>			year	month	day	2005	01	01	year	month	day	2005	12	31
year	month	day															
2005	01	01															
year	month	day															
2005	12	31															
Has the mailing address changed since last filed CT23 Return? <input type="checkbox"/> Yes <input type="checkbox"/> No Date of Change <table border="1"><tr><td>year</td><td>month</td><td>day</td></tr></table>			year	month	day	Date of Incorporation or Amalgamation <table border="1"><tr><td>year</td><td>month</td><td>day</td></tr><tr><td>2002</td><td>05</td><td>06</td></tr></table>			year	month	day	2002	05	06			
year	month	day															
year	month	day															
2002	05	06															
Registered/Head Office Address  385 Queen Street  Kincardine ON CA N2Z 2R4			Ontario Corporation No. (MGS) 1447793														
Location of Books and Records  385 Queen Street  Kincardine ON CA N2Z 2R4			Canada Revenue Agency Business No. If applicable, enter 86590 9790 RC0001														
Name of person to contact regarding this CT23 Return  Lisa Milne		Telephone No. (519) 396-3485	Fax No.														
Address of Principal Office in Ontario (Extra-Provincial Corporations only) (MGS)  Ontario Canada			Jurisdiction Incorporated Ontario														
Former Corporation Name (Extra-Provincial Corporations only) <input checked="" type="checkbox"/> Not Applicable (MGS)			If not incorporated in Ontario, indicate the date Ontario business activity commenced and ceased: Commenced <table border="1"><tr><td>year</td><td>month</td><td>day</td></tr></table> Ceased <table border="1"><tr><td>year</td><td>month</td><td>day</td></tr></table> <input checked="" type="checkbox"/> Not Applicable			year	month	day	year	month	day						
year	month	day															
year	month	day															
Information on Directors/Officers/Administrators must be completed on MGS Schedule A or K as appropriate. If additional space is required for Schedule A, only this schedule may be photocopied. State number submitted (MGS).  If there is <b>no change</b> to the Directors'/Officers'/Administrators' information previously submitted to MGS, please check (X) this box. Schedule(s) A and K are not required (MGS). <input checked="" type="checkbox"/> No Change			Preferred Language / Langue de préférence <input checked="" type="checkbox"/> English anglais <input type="checkbox"/> French français Ministry Use														

## Certification (MGS)

I certify that all information set out in the **Annual Return** is true, correct and complete.

Name of Authorized Person (Print clearly or type in full)

Lisa Milne

Title: ☐ Director ☐ Officer ☒ Other individuals having knowledge of the Corporation's business activitiesNote: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.



Westario Power Inc.

1800342

2005-12-31

# CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

Please check applicable (X) box(es) and complete required information.

## Type of corporation

**1** ☒ Canadian-controlled Private (CCPC) all year (Generally a private corporation of which 50% or more shares are owned by Canadian residents.) (fed.s.125(7)(b))

2 ☐ Other Private

3 ☐ Public

4 ☐ Non-share Capital

5 ☐ Other (specify) ▼

Share Capital with full voting rights  
owned by Canadian Residents

(nearest percent)

100 %

- 2**
- 1 ☐ Family Farm corporation s.1(2)
  - 2 ☐ Family Fishing corporation s.1(2)
  - 3 ☐ Mortgage Investment corporation s.47
  - 4 ☐ Credit Union s.51
  - 5 ☐ Bank Mortgage subsidiary s.61(4)
  - 6 ☐ Bank s.1(2)
  - 7 ☐ Loan and Trust corporation s.61(4)
  - 8 ☐ Non-resident corporation s.2(2)(a) or (b)
  - 9 ☐ Non-resident corporation s.2(2)(c)
  - 10 ☐ Mutual Fund corporation s.48
  - 11 ☐ Non-resident owned Investment corporation s.49
  - 12 ☐ Non-resident ship or aircraft under reciprocal agreement with Canada s.28(b)
  - 14 ☐ Bare Trustee corporation
  - 15 ☐ Branch of Non-resident s.63(1)
  - 16 ☐ Financial institution prescribed by Regulation only
  - 17 ☐ Investment Dealer
  - 18 ☐ Generator of electrical energy for sale or producer of steam for use in the generation of electrical energy for sale
  - 19 ☒ Hydro successor, municipal electrical utility or subsidiary of either
  - 20 ☐ Producer and seller of steam for uses other than for the generation of electricity
  - 21 ☐ Insurance Exchange s.74.4
  - 22 ☐ Farm Feeder Finance Co-operative corporation
  - 23 ☐ Professional corporation (incorporated professionals only)

☐ This is the first year filing after incorporation or an amalgamation (If checked, attach Ontario Schedule 24.)

☐ Amended Return

☐ Taxation year end change – Canada Revenue Agency approval required

☐ Final taxation year up to dissolution (Note: for discontinued businesses, see guide.)

☐ Final taxation year before amalgamation

☐ The corporation has a floating fiscal year end

☐ There has been a transfer or receipt of asset(s) involving a corporation having a Canadian permanent establishment outside Ontario

☐ There was an acquisition of control to which subsection 249(4) of the federal *Income Tax Act* (ITA) applies since the previous taxation year

If checked, date control was acquired

year month day

☐ The corporation was involved in a transaction where all or substantially all (90% or more) of the assets of a non-arm's length corporation were received in the taxation year and subsection 85(1) or 85(2) of the federal ITA applied to the transaction (If checked, attach Ontario Schedule 44.)

☐ First year filing of a parent corporation after winding-up a subsidiary corporation(s) under section 88 of the federal ITA during the taxation year. (If checked, attach Ontario Schedule 24.)

☐ Section 83.1 of the CTA applies (redirection of payments for certain electricity corporations)

Yes No

☐ ☒ Was the corporation inactive throughout the taxation year?

☒ ☐ Has the corporation's Federal T2 Return been filed with the Canada Revenue Agency?

Are you requesting a refund due to:

☐ ☒ the Carry-back of a Loss?

☐ ☒ an Overpayment?

☐ ☒ a Specified Refundable Tax Credit?

☐ ☒ Are you a member of a Partnership or Joint Venture?

## Complete if applicable

Ontario Retail Sales Tax Vendor  
Permit no. (Use head office no.)

Ontario Employer Health Tax  
Account no. (Use head office no.)

Specify major business activity



**Allocation** – If you carry on a business through a permanent establishment in a jurisdiction outside Ontario, you may allocate that portion of taxable income deemed earned in that jurisdiction to that jurisdiction (s.39) (Int.B. 3008).

DOLLARS ONLY

Net Income (loss) for Ontario purposes (per reconciliation schedule, page 15)	- - - - -	±	From	690	1,954,071
Subtract: Charitable donations	- - - - -	-		1	8,076
Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property (Attach schedule 2)	- - - - -	-		2	
Subtract: Taxable dividends deductible, per federal Schedule 3	- - - - -	-		3	
Subtract: Ontario political contributions (Attach Schedule 2A) (Int.B. 3002R)	- - - - -	-		4	
Subtract: Federal Part VI.1 tax	- - - - - x 3	-		5	
Subtract: Prior years' losses applied – Non-capital losses	- - - - -	-	From	704	
	From 715				
Net capital losses (page 16)	- - - - - x inclusion rate			50.000000%	= - 714
Farm losses	- - - - -	-	From	724	
Restricted farm losses	- - - - -	-	From	734	
Limited partnership losses	- - - - -	-	From	754	
<b>Taxable Income (Non-capital loss)</b>	- - - - -	=		10	1,945,995
Addition to taxable income for unused foreign tax deduction for federal purposes	- - - - -	+		11	
<b>Adjusted Taxable Income</b>	10 + 11 (if 10 is negative, enter 11)	=		20	1,945,995

## Taxable Income

From	10 (or 20 if applicable)	1,945,995	x	30	100.0000%	x	12.5%	x	33	÷	73	365	= +	29	
					Ontario Allocation										
From	10 (or 20 if applicable)	1,945,995	x	30	100.0000%	x	14%	x	34	365 ÷ 73	365	= +	32	272,439	
					Ontario Allocation										
<b>Income Tax Payable</b> (before deduction of tax credits)	29 + 32											=	40	272,439	

## Number of Days in Taxation Year

Days after Dec. 31, 2002 and before Jan. 1, 2004

Total Days

Days after Dec. 31, 2003

Total Days

## Incentive Deduction for Small Business Corporations (IDSBC) (s.41)

**If this section is not completed, the IDSBC will be denied.**

Do you claim the federal Small Business Deduction (fed.s.125(1)) in the taxation year or would you have claimed the federal Small Business Deduction had the provisions of fed.s.125(5.1) not been applicable in the taxation year? (X)

☐ Yes ☒ No

* Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a))	- - - - -	50	
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	+ 51		
Add: Losses of other years deducted for federal purposes (fed.s.111)	+ 52		
Subtract: Losses of other years deducted for Ontario purposes (s.34)	- 53		
	=	54	
Federal Business limit (line 410 of the T2 Return) for the year before the application of fed.s.125(5.1)	- - - - -	55	

## Ontario Business Limit Calculation

320,000 x	Days after Dec. 31, 2002 and before Jan. 1, 2004	31	÷	**	365	= +	46				
400,000 x	Days after Dec. 31, 2003	34	365 ÷	**	365	= +	47	400,000			
<b>Business Limit for Ontario purposes</b>	46 + 47	=	44	400,000	x	48		%	=	45	
<b>Income eligible for the IDSBC</b>	- - - - -	From	30	100.0000%	x	56		=	60		
				***Ontario Allocation				Least of	50, 54 or 45		

\* Note: Modified by s.41(6) and (7) for corporations that are members of a partnership. (Refer to Guide.)

\*\* Note: Adjust accordingly for a floating taxation year and use 366 for a leap year.

\*\*\* Note: Ontario Allocation for IDSBC purposes may differ from 30 if Taxable Income is allocated to foreign jurisdictions. See special rules (s.41(4)).

continued on Page 5



Westario Power Inc.

1800342

2005-12-31

DOLLARS ONLY

**Income Tax** continued from Page 4

		<b>Number of Days in Taxation Year</b>			
		Days after Dec. 31, 2002 and before Jan. 1, 2004		Total Days	
Calculation of IDSBC Rate	- - - - -	7 %	x	31 ÷ 73	365 = + 89
		Days after Dec. 31, 2003		Total Days	
	- - - - -	8.5 %	x	34 ÷ 73	365 = + 90 8.5000
IDSBC Rate for Taxation Year	89 + 90	- - - - -			= 78 8.5000
Claim	- - - - -	From 60	x	From 78	8.5000 % = 70

Corporations claiming the IDSBC must complete the Surtax section below if the corporation's taxable income (or if associated, the associated group's taxable income) is greater than the amount 400,000 in 114 below.

**Surtax on Canadian-controlled Private Corporations (s.41.1)**

**Applies** if you have claimed the Incentive Deduction for Small Business Corporations.

**Associated Corporation** - The Taxable Income of associated corporations is the taxable income for the taxation year ending on or before the date of this corporation's taxation year end.

\*Taxable Income of the corporation - - - - - From 10 (or 20 if applicable) + 80 1,945,995.

If you are a member of an associated group (X) 81 ☒ (Yes)

Name of associated corporation (Canadian & foreign) (if insufficient space, attach schedule)	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	* Taxable Income (if loss, enter nil)
Westario Power Services Inc.	1800224	2005-12-31	+ 82 386,250.
Westario Power Holdings Inc.	1800222	2005-12-31	+ 83 .
			+ 84 .
Aggregate Taxable Income	80 + 82 + 83 + 84, etc.	- - - - -	= 85 2,332,245.

		<b>Number of Days in Taxation Year</b>			
		Days after Dec. 31, 2002 and before Jan. 1, 2004		Total Days	
320,000 x	31 ÷ 73	365	= + 115		
		Days after Dec. 31, 2003		Total Days	
400,000 x	34 ÷ 73	365	= + 116	400,000.	
		115 + 116		= 400,000.	
(If negative, enter nil)	- - - - -			- 114 400,000.	
				= 86 1,932,245.	

		<b>Number of Days in Taxation Year</b>			
		Days after Dec. 31, 2002		Total Days	
Calculation of Specified Rate for Surtax	- - - - -	4.6670 %	x	38 ÷ 73	365 = + 97 4.6670
		From 86 1,932,245.		x From 97 4.6670 % = 87 90,178.	
		From 87 90,178.		x From 60 ÷ From 114 400,000 = 88	
Surtax Lesser of	70 or 88	- - - - -		= 100	

\* **Note: Short Taxation Years** - Special rules apply where the taxation year is less than 51 weeks for the corporation and/or any corporation associated with it.

continued on Page 6



DOLLARS ONLY

**Additional Deduction for Credit Unions (s.51(4))** (Attach schedule 17)

110

**Manufacturing and Processing Profits Credit (M&P) (s.43)**

**Applies** to Eligible Canadian Profits from manufacturing and processing, farming, mining, logging and fishing carried on in Canada, as determined by regulations.

Eligible Canadian Profits from mining are the "resource profits from the mining operations", as determined for Ontario depletion purposes, after deducting depletion and resource allowances but excluding amounts from sale of Canadian resource property, rentals or royalties. If you are claiming this credit, attach a copy of Ontario schedule 27.

The whole of the active business income qualifies as Eligible Canadian Profits if: **a)** your active business income from sources other than manufacturing and processing, mining, farming, logging or fishing is 20% or less of the total active business income and **b)** the total active business income is \$250,000 or less.

**Eligible Canadian Profits**

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) - From 56

Add: Adjustment for Surtax on Canadian-controlled private corporations

$$\frac{\text{From } 100}{\text{From } 30} \div \frac{\text{From } 100.0000\%}{\text{From } 78} \div \frac{\text{From } 8.5000\%}{\text{From } 121} = 121$$

\*Ontario Allocation

Lesser of 56 or 121 + 122

120 - 56 + 122 = 130

**Taxable Income** + From 10 1,945,995

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) - From 56

Add: Adjustments for Surtax on Canadian-controlled private corporations + From 122

Subtract: Taxable Income 10 1,945,995 X Allocation % to jurisdictions outside Canada % - 140

Subtract: Amount by which Canadian and foreign investment income exceeds net capital losses - 141

10 - 56 + 122 - 140 - 141 = 142 1,945,995

Claim

**Number of Days in Taxation Year**

Days after Dec. 31, 2002 and before Jan. 1, 2004 Total Days  
33 ÷ 73 365

143 X From 30 100.0000% X 1.5% X 33 ÷ 73 365 = + 154

Lesser of 130 or 142 Ontario Allocation

143 X From 30 100.0000% X 2% X 34 365 ÷ 73 365 = + 156

Lesser of 130 or 142 Ontario Allocation

M&P claim for taxation year 154 + 156 = 160

\* Note: Ontario Allocation for M&P Credit purposes may differ from 30 if Taxable Income is allocated to foreign jurisdictions. See special rules (s.43(1))

**Manufacturing and Processing Profits Credit for Electrical Generating Corporations**

= 161

**Manufacturing and Processing Profits Credit for Corporations that Produce and Sell Steam for uses other than the Generation of Electricity**

= 162

**Credit for Foreign Taxes Paid (s.40)**

Ap, if you paid tax to a jurisdiction outside Canada on foreign investment income (Int.B. 3001R). (Attach schedule).

170

**Credit for Investment in Small Business Development Corporations (SBDC)**

**Applies** if you have an unapplied, previously approved credit from prior years' investments in new issues of equity shares in Small Business Development Corporations. Any unused portion may be carried forward indefinitely and applied to reduce subsequent years' income taxes. (Refer to the former *Small Business Development Corporations Act*)

Eligible Credit 175

Credit Claimed 180

**Subtotal of Income Tax**

40 - 70 + 100 - 110 - 160 - 161 - 162 - 170 - 180 = 190 272,439

continued on Page 7



Westario Power Inc.

1800342

2005-12-31

DOLLARS ONLY

**Income Tax** *continued from Page 6***Specified Tax Credits** *(Refer to Guide)***Ontario Innovation Tax Credit (OITC) (s.43.3)** *Applies to scientific research and experimental development in Ontario.*Eligible Credit From 5620 OITC Claim Form (Attach original Claim Form)+ 191**Co-operative Education Tax Credit (CETC) (s.43.4)** *Applies to employment of eligible students.*Eligible Credit From 5798 CT23 Schedule 113 (Attach Schedule 113)+ 192**Ontario Film & Television Tax Credit (OFTTC) (s.43.5)***Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions.* Name of Production 204Eligible Credit From 5850 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)

(Attach the original Certificate of Eligibility)

+ 193**Graduate Transitions Tax Credit (GTTC) (s.43.6)***Applies to employment of eligible unemployed post secondary graduates, for employment commencing prior to July 6, 2004 and expenditures incurred prior to January 1, 2005.*No. of Graduates From 6596194Eligible Credit From 6598 CT23 Schedule 115 (Attach Schedule 115)+ 195**Ontario Book Publishing Tax Credit (OBPTC) (s.43.7)***Applies to qualifying expenditures in respect of eligible literary works by eligible Canadian authors.*Eligible Credit From 6900 OBPTC Claim Form (Attach both the original Claim Form and the Certificate of Eligibility)+ 196**Ontario Computer Animation and Special Effects Tax Credit (OCASE) (s.43.8)***Applies to labour relating to computer animation and special effects on an eligible production.*Eligible Credit From 6700 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)

(Attach the original Certificate of Eligibility)

+ 197**Ontario Business-Research Institute Tax Credit (OBRITC) (s.43.9)***Applies to qualifying R&D expenditures under an eligible research institute contract.*Eligible Credit From 7100 OBRITC Claim Form (Attach original Claim Form)+ 198**Ontario Production Services Tax Credit (OPSTC) (s.43.10)***Applies to qualifying Ontario labour expenditures for eligible productions where the OFTTC has not been claimed.*Eligible Credit From 7300 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)

(Attach the original Certificate of Eligibility)

+ 199**Ontario Interactive Digital Media Tax Credit (OIDMTC) (s.43.11)***Applies to qualifying labour expenditures of eligible products for the taxation year.*Eligible Credit From 7400 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)

(Attach the original Certificate of Eligibility)

+ 200**Ontario Sound Recording Tax Credit (OSRTC) (s.43.12)***Applies to qualifying expenditures in respect of eligible Canadian sound recordings.*Eligible Credit From 7500 OSRTC Claim Form (Attach both the original Claim Form and the Certificate of Eligibility)+ 201**Apprenticeship Training Tax Credit (ATTC) (s.43.13)***Applies to employment of eligible apprentices.*No. of Apprentices From 5896202Eligible Credit From 5898 CT23 Schedule 114 (Attach Schedule 114)+ 203

Other, specify

+ 203.1**Total Specified Tax Credits** 191 + 192 + 193 + 195 + 196 + 197 + 198 + 199 + 200 + 201 + 203 + 203.1= 220**Specified Tax Credits** *Applied to reduce Income Tax*= 225**Income Tax** 190 - 225 OR Enter NIL if reporting Non-Capital Loss (amount cannot be negative)= 230 272,439To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation, see **Determination of Applicability** section for the CMT on Page 8. If CMT is not applicable, transfer amount in 230 to Income Tax in **Summary** section on Page 17.

OR

If CMT is not applicable for the current taxation year but your corporation has CMT Credit Carryovers that you want to apply to reduce income tax otherwise payable, then proceed to and complete the **Application of CMT Credit Carryovers** section part B, on Page 8.