Corporation's name: akefront Utilities Inc. | Business Number: NR | Taxation year-end: 2001-12-31

General tax reduction for Canadian-controlled private corporations

Canadian-c olled private corporations throughout the taxation year — 0 A

Ta income from line 360 or amount Z of page 3	0 x 100/7	0 B	
Amount Z from Part 9 of Schedule 27		0 C	
Amount QQ from Part 13 of Schedule 27		0 D	
Resource allowance (amount from line 346 of Schedule 1)	0 x 3 =	0 E	
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)		0 F	
Least of amounts on lines 400, 405, 410, and 425 of the small business deduction on page 4		0 G	
Aggregate investment income form line 440 of page 6		0 H	
Amount used to calculate the accelerated tax reduction (amount M of page 4)		0	
Total of amounts B, C, D, E, F, G, and H			0 I
Amount A minus amount I (if negative, enter "0")			0 J

Amount J 0 x $\frac{\text{Number of days in the taxation year in 2001}}{\text{Number of days in the taxation year}}$ $\frac{92}{92}$ x 1% = 0 K

Amount J 0 x $\frac{\text{Number of days in the taxation year in 2002}}{\text{Number of days in the taxation year}}$ $\frac{0}{92}$ x 3% = 0 L

Amount J 0 x $\frac{\text{Number of days in the taxation year in 2003}}{\text{Number of days in the taxation year}}$ $\frac{0}{92}$ x 5% = 0 M

Amount J 0 x $\frac{\text{Number of days in the taxation year after 2003}}{\text{Number of days in the taxation year}}$ $\frac{0}{92}$ x 7% = 0 N

General tax reduction for Canadian-controlled private corporations - Total of amounts K, L, M and N (enter amount O on line 638 of page 7) — 0 O

General tax reduction

Corporations other than a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or a non-resident-owned investment corporation — 0 A

Taxable income from line 360 or amount Z of page 3	0 x 100/7	0 B	
Amount Z from Part 9 of Schedule 27		0 C	
Amount QQ from Part 13 of Schedule 27		0 D	
Resource allowance (amount from line 346 of Schedule 1)	0 x 3 =	0 E	
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)		0	
Total of amounts B, C, D, and E			0 F
Amount A minus amount F (if negative, enter "0")			0 G

Amount G 0 x $\frac{\text{Number of days in the taxation year in 2001}}{\text{Number of days in the taxation year}}$ $\frac{92}{92}$ x 1% = 0 H

Amount G 0 x $\frac{\text{Number of days in the taxation year in 2002}}{\text{Number of days in the taxation year}}$ $\frac{0}{92}$ x 3% = 0 I

Amount G 0 x $\frac{\text{Number of days in the taxation year in 2003}}{\text{Number of days in the taxation year}}$ $\frac{0}{92}$ x 5% = 0 J

Amount G 0 x $\frac{\text{Number of days in the taxation year after 2003}}{\text{Number of days in the taxation year}}$ $\frac{0}{92}$ x 7% = 0 K

General tax reduction - Total of amounts H, I, J and K (enter amount L on line 639 of page 7) — 0 L

Corporation's name	Business Number	Taxation year-end
Lakefront Utilities Inc.	NR	2001-12-31

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the taxation year

Aggregate investment income (amount P from Part 1 of Schedule 7) .... 440 0 x 26 2/3% = ... 0 A

Foreign non-business income tax credit from line 632 on page 7 0

Deduct:

Foreign investment income (amount O from Part 1 of Schedule 7) ..... 445 0 x 9 1/3% = ... 0

(if negative, enter "0") 0 .... 0 B

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

Taxable income from line 360 on page 3 0

Deduct:

Least of amounts on lines 400, 405, 410, and 425 on page 4 ... 0

Foreign non-business income tax credit from line 632 of page 7 ...... 0 x 25/9 = 0

Foreign business income tax credit from line 636 of page 7 .... 0 x 10/4 = 0

0 0

0 x 26 2/3% = 0 D

Part I tax payable minus investment tax credit refund (line 700 minus line 780 of page 8) ... 0

Deduct corporate surtax from line 600 of page 7 0

Net amount .... 0 .... 0 E

Refundable portion of Part I tax - The least of amounts C, D, and E .... 450 0 F

Refundable dividend tax on hand

Refundable dividend tax on hand at the end of the preceding taxation year 460 0

Deduct dividend refund for the previous taxation year 465 0

0 .... 0 A

Add the total of:

Refundable portion of Part I tax from line 450 above 0

Total Part IV tax payable from line 360 on page 2 of Schedule 3 0

Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation 480 0

0 .... 0 B

Refundable dividend tax on hand at the end of the taxation year - Amount A plus amount B 485 0

Dividend refund

Private and subject corporations at the time taxable dividends were paid in the taxation year

Taxable dividends paid in the taxation year from line 460 on page 2 of Schedule 3 .... 0 x 1/3 0 A

Refundable dividend tax on hand at the end of the taxation year from line 485 above .... 0 B

Dividend refund - Lesser of amounts A and B (enter this amount on line 784 of page 8) 0

Corporation's name	Business Number	Taxation year-end
Lakefront [illegible]ies Inc.	NR	2001-12-31

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	0	A
Corporate surtax calculation				
Base amount from line A above	0	1		
Deduct:				
10% of taxable income (line 360 or amount Z, whichever applies) from page 3	0	2		
Investment corporation deduction from line 620 below	0	3		
Federal logging tax credit from line 640 below	0	4		
Federal qualifying environmental trust tax credit from line 648 below	0	5		
For a mutual fund corporation or an investment corporation throughout the taxation year, enter the least of a, b, and c below on line 6:				
28.00 % of taxable income from line 360 of page 3 ..... 0 a				
28.00 % of taxed capital gains ..... 0 b	0	6		
Part I tax otherwise payable (line A plus lines C and D minus line F) ..... 0 c				
Total of lines 2 to 6	0	7		
Net amount (line 1 minus line 7)	0	8		
Corporate surtax - 4.00% of the amount on line 8		600	0	B
Recapture of investment tax credit from line XX in Part 16 of Schedule 31		602	0	C

[illegible]ulation for the refundable tax on Canadian-controlled private corporation's investment income ([illegible] a CCPC throughout the taxation year)

Aggregate investment income from line 440 on page 6		0	i
Taxable income from line 360 on page 3	0		
Deduct:			
The least of amounts on lines 400, 405, 410, and 425 of page 4	0		
Net amount	0	0	ii

Refundable tax on CCPC's investment income - 6 2/3% of the lesser of amounts i or ii		604	0	D
	Subtotal (add lines A, B, C, and D)		0	E
Deduct:				
Small business deduction from line 430 of page 4		0	9	
Federal tax abatement	608	0		
Manufacturing and processing profits deduction from amount BB or amount VV of Schedule 27	616	0		
Investment corporation deduction	620	0		
(taxed capital gains 624 0)				
Additional deduction - credit unions from Schedule 17	628	0		
Federal foreign non-business income tax credit from Schedule 21	632	0		
Federal foreign business income tax credit from Schedule 21	636	0		
Accelerated tax reduction from amount O of page 4	637	0		
General tax reduction for CCPCs from amount O of page 5	638	0		
General tax reduction from amount L of page 5	639	0		
Federal logging tax credit from Schedule 21	640	0		
Federal political contribution tax credit	644	0		
Federal political contributions 646 0				
[illegible]eral qualifying environmental trust tax credit	648	0		
Investment tax credit from Schedule 31	652	0		
	Subtotal	0	0	F
Part I tax payable - Line E minus line F (enter amount G on line 700 of page 8)			0	G

Corporation's name	Business Number	Taxation year-end
Lakefront Utilities Inc.	NR	2001-12-31

Summary of tax and credits

Federal tax

	700	0
Part I tax payable from page 7	704	1,308
Part I.3 tax payable from Schedule 33, 34, or 35	708	0
Part II surtax payable from Schedule 46	712	0
Part IV tax payable from Schedule 3	716	0
Part IV.1 tax payable from Schedule 43	720	0
Part VI tax payable from Schedule 38	724	0
Part VI.1 tax payable from Schedule 43	727	0
Part XIII.1 tax payable from Schedule 92	728	0
Part XIV tax payable from Schedule 20	Total federal tax	1,308

Add provincial and territorial tax:

Provincial or territorial jurisdiction ...... 750 ON

(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial and territorial tax payable (except Quebec, Ontario, and Alberta)	760	0	
Provincial tax on large corporations (New Brunswick and Nova Scotia)	765	0	
		0	0
Total tax payable	770		1,308 A

Deduct other credits:

	780	0	
Investment tax credit refund from Schedule 31	784	0	
Dividend refund from page 6	788	0	
Federal capital gains refund from Schedule 18	792	0	
Federal qualifying environmental trust tax credit refund	796	0	
Canadian film or video production tax credit refund from Form T1131	797	0	
Film or video production services tax credit refund from Form T1177	800	0	
Tax withheld at source			
Total payments on which tax has been withheld 801: 0			
Allowable refund for non-resident-owned investment corporations from Schedule 26	804	0	
Provincial and territorial capital gains refund from Schedule 18	808	0	
Provincial and territorial refundable tax credits from Schedule 5	812	0	
Royalties deductible under Syncrude Remission Order 815: 0			
Tax remitted under Syncrude Remission Order	816	0	
Tax instalments paid	840	0	
Total credits	890	0	0 B

Refund code 894 [0] Overpayment 0

Balance (line A minus line B) 1,308

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.
We do not charge or refund a difference of less than $2.

Balance unpaid 1,308

Enclosed payment 898 1,308

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 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

I, 960 CUNNINGHAM (Last name in block letters) 951 STEWART (First name in block letters) 954 TREASURER (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 an authorized signing officer of the corporation 956 905-372-2193 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 in block letters 959 ______ Telephone number

Language of correspondence - Langue de correspondance

990 Please indicate the language of your choice. 1 English/Anglais [X] 2 Français/French ☐

Lakefront Utilities Inc.
Account/Business No.:NR

Year Ended: 2001-12-31

Canada Custo nd Revenue Agency/Agence des douanes et du revenu du Canada

NET OME (LOSS) FOR INCOME TAX PURPOSES

- 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.
- 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 an this shcedule are from the "Income Tax Act."
- For more information, see the "T2 Corporation Income Tax Guide."

Net income (loss) after taxes and extraordinary items per financial statements			-894,670 A
Additions:			
Amortization of tangible assets	104	165,432	
Subtotal of additions		165,432	165,432
Other Additions:			
Miscellaneous Other Additions:			
Subtotal of Other Additions	199	0	0
Total Additions	500	165,432	165,432
Dec ons:			
Capital cost allowance from Schedule 8	403	104,397	
Subtotal of Deductions		104,397	104,397
Other Deductions:			
Miscellaneous Other Deductions:			
700 Deductible expenditures capitalized in F/S	390	44,248	
Subtotal of Other Deductions	499	44,248	44,248
Total Deductions	610	148,645	148,645
Net income (loss) for income tax purposes (enter on line 300 on the T2 return)			-877,883

(Ce formulaire existe en français.)

Lakefront Utilities Inc. Year Ended: 2001-12-31
Account/Business No.: NR

Canada Custo nd Revenue Agency/Agence des douanes et du revenu du Canada

CO RATION LOSS CONTINUITY AND APPLICATION
(2000 and later taxation years)

- For use by a corporation to determine the continuity and use of available losses; to determine the current-year non-capital loss, farm loss, restricted farm loss, and limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that may be applied in a year; and to request a loss carryback to prior years.
- The corporation can choose whether or not to deduct an available loss from income in a taxation year. It can deduct losses in any order. However, for each type of loss, deduct the oldest loss first.
- For a detailed description and calculation of these losses, see Interpretation Bulletin IT-232, "Losses - Their Deductibility in the Loss Year or in Other Years." For information on these losses, see the "T2 Corporation Income Tax Guide."
- File one completed copy of this schedule with the T2 return, or forward it by itself to the tax centre where the return is filed.
- Parts, sections, subsections, and paragraphs, referred to on this schedule are from the federal "Income Tax Act."

Part 1 - Non-capital losses

Determination of current-year non-capital loss

Net income (loss) for income tax purposes		-877,883
Deduct: (Increase a loss)		
Net capital losses deducted in the year (enter as a positive amount)	0	
Taxable dividends deductible under sections 112, 113, or subsection 138(6)	0	
Amount of Part VI.1 tax deductible	0	
Amo deductible as prospector's and grubstaker's shares - P ph 110(1)(d.2)	0	0
Subtotal (if positive, enter "0")		-877,883
Deduct: (Increase a loss)		
Section 110.5 - Addition for foreign tax deductions		0
Subtotal		-877,883
Add: (decrease a loss)		
Current-year farm loss		0
Current-year non-capital loss (if positive, enter "0")		-877,883

Continuity of non-capital losses and request for a carryback

Non-capital loss at the end of preceding taxation year		0	
Deduct: Non-capital loss expired after seven taxation years	100	0	
Non-capital losses at beginning of taxation year	102	0	
Add: Non-capital losses transferred on amalgamation or wind-up of subsidiary corporation	105	0	
Current-year non-capital loss (from calculation above)	110	877,883	877,883

— Continu f non-capital losses and request for a carryback (cont'd)

educ			
Amo plied against taxable income			
(enter on line 331 of the T2 return)	130	0	
Amount applied against taxable dividends subject to Part IV tax	135	0	
Section 80 - Adjustments for forgiven amounts	140	0	
Subsection 111(10) - Adjustments for fuel tax rebate		0	
Other adjustments	150	0	0
		Subtotal	877,883
Deduct - Request to carry back non-capital loss to:			
First preceding taxation year to reduce taxable income	901	0	
Second preceding taxation year to reduce taxable income	902	0	
Third preceding taxation year to reduce taxable income	903	0	
First preceding taxation year to reduce taxable dividends subject to Part IV tax	911	0	
Second preceding taxation year to reduce taxable dividends subject to Part IV tax	912	0	
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	913	0	0
Non-capital losses - Closing balance	180		877,883

— Election under paragraph 88(1.1)(f)

Paragraph 88(1.1)(f) election indicator .... 190 Yes [ ]

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

Part 2 - Capital losses

— Continuity of capital losses and request for a carryback

Capital losses at end of preceding taxation year	200	0	
Capital losses transferred on amalgamation or wind-up of subsidiary corporation	205	0	
Current-year capital loss (from Schedule 6 calculation)	210	0	0
Add:			
Allowable business investment loss expired as non-capital loss ... 0x 4/3	220		0
		Subtotal	0
Deduct:			
Amount applied against current-year capital gain (see note 1)	225	0	
Section 80 - Adjustments for forgiven amounts	240	0	
Other adjustments	250	0	0
		Subtotal	0

Deduct - Request to carry back capital loss to: (see note 2)

	Capital gain (100%)	Inclusion Rate		Amount carried back (100%)	
First preceding taxation year	0	.0000	951	0	
Second preceding taxation year	0	.0000	952	0	
Th eceding taxation year	0	.0000	953	0	0
Capital losses - Closing balance			280		0

Part 2 - Ca l losses

— C inu , of capital losses and request for a carryback (cont'd)

Capit ses carried back to taxation years ending before February 28, 2000, the inclusion rate is 3/4.

Capital losses carried back to taxation years starting after October 17, 2000, the inclusion rate is 2/3.

For taxation years that straddle February 28, 2000 or October 18, 2000, the inclusion rate will be determine by dividing the total taxable capital gain by the total capital gain.

Note 1

On line 332 of the T2 return, enter the amount from line 225 multiplied by the current year inclusion rate (see Schedule 6.)

Note 2

Enter on lines 225, 951, 952, or 953, whichever is applicable, the actual amount of the loss. At the time of the application of the loss carryback, the net capital loss amount will be calculated at the inclusion rate of the year to which the net capital loss it is applied.

Part 3 - Farm losses

— Continuity of farm losses and request for a carryback

Farm losses at end of preceding taxation year		0	
Deduct: Farm loss expired after 10 taxation years	300	0	
Farm losses at beginning of taxation year	302	0	
Add: Farm losses transferred on amalgamation or wind-up of subsidiary corporation	305	0	
Current-year farm loss	310	0	0
Deduct:			
Amount applied against taxable income (enter on line 334 of the T2 return)	330	0	
Am applied against taxable dividends subject to Part IV tax	335	0	
Se 0 - Adjustment forgiven amount	340	0	
Other adjustments	350	0	0
		Subtotal	0
Deduct - Request to carry back farm loss to:			
First preceding taxation year to reduce taxable income	921	0	
Second preceding taxation year to reduce taxable income	922	0	
Third preceding taxation year to reduce taxable income	923	0	
First preceding taxation year to reduce taxable dividends subject to Part IV tax	931	0	
Second preceding taxation year to reduce taxable dividends subject to Part IV tax	932	0	
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	933	0	0
Farm losses - Closing balance	380		0

Restricted Farm Loss Determination:

Is the corporation exempt from the restricted farm loss rules?

(A reply of "NO" triggers the restricted farm loss rules.) [Y/N] [Y]

Lakefront Utilities Inc.
Account/Business No.:NR **Year Ended: 2001-12-31**

Part 4 - Re cted farm losses

Curren ear restricted farm loss

Tote s for the year from farming business	485			0 A
Minus .. deductible farm loss:				
$2,500 plus B or C, whichever is less			2,500	
(Amount A above 0 - $2,500) divided by 2 =		0 B		
		6,250 C	0	2,500

Current-year restricted farm loss (enter this amount on line 410)				0
				===========

Continuity of restricted farm losses and request for a carryback

Restricted farm losses at end of preceding taxation year		0	
Deduct: Restricted farm loss expired after 10 taxation years	400	0	
Restricted farm losses at beginning of taxation year	402	0	
Add: Restricted farm losses transferred on amalgamation or wind-up of subsidiary corporation	405	0	
Current-year restricted farm loss (enter on line 233 of Schedule 1)	410	0	0
Deduct:			
Amount applied against farming income (enter on line 333 of the T2 return)	430	0	
Section 80 - Adjustments for forgiven amounts	440	0	
Other adjustments	450	0	0

		Subtotal	0
Deduct - Request to carry back restricted farm loss to:			
First preceding taxation year to reduce farming income	841	0	
Se preceding taxation year to reduce farming income	842	0	
Th. eceding taxation year to reduce farming income	843	0	0

Restricted farm losses - Closing balance	480		0
			===========

Note
The total losses for the year from all farming businesses are computed without including any scientific research expenses.

Part 5 - Listed personal property losses

Continuity of listed personal property loss and request for a carryback

Listed personal property losses at end of preceding taxation year			0
Deduct: Listed personal property loss expired after seven taxation years	500		0
Listed personal property losses at beginning of taxation year	502		0
Add: Current-year listed personal property loss (from Schedule 6)	510		0

		Subtotal	0
Deduct:			
Amount applied against listed personal property gains (enter on line 655 of Schedule 6)	530	0	
Other adjustments	550	0	0

		Subtotal	0
Deduct - Request to carry back listed personal property loss to:			
First preceding taxation year to reduce listed personal property gains	981	0	
Second preceding taxation year to reduce listed al property gains	982	0	
Thi preceding taxation year to reduce listed personal property gains	983	0	0

Listed personal property losses - Closing balance	580		0
			===========

Lakefront Utilities Inc. **Sch. 004-Non.**
Account/Business No.: NR **Year Ended: 2001-12-31**

Part 6 - An sis of balance of losses by year of origin

apital losses

Year of origin	Balance at Beginning of year	Loss Incurred In Current Year	Adjustments and Transfers <F1> for help	Loss Carried Back Parts I & 4	Applied to Reduce: Taxable Income	Applied to Reduce: Part IV Tax	Balance at End of Year
Current	N/A	877,883	0	0	N/A	0	877,883
2001	0	N/A	0	N/A	0	0	0
2000	0	N/A	0	N/A	0	0	0
1999	0	N/A	0	N/A	0	0	0
1998	0	N/A	0	N/A	0	0	0
1997	0	N/A	0	N/A	0	0	0
1996	0	N/A	0	N/A	0	0	0 *
1995	0	N/A	0	N/A	0	0	0
Total	0	877,883	0	0	0	0	877,883

Farm losses

Year of origin	Balance at Beginning of year	Loss Incurred In Current Year	Adjustments and Transfers <F1> for help	Loss Carried Back Parts I & 4	Applied to Reduce: Taxable Income	Applied to Reduce: Part IV Tax	Balance at End of Year
Current	N/A	0	0	0	N/A	0	0
2001	0	N/A	0	N/A	0	0	0
2000	0	N/A	0	N/A	0	0	0
1999	0	N/A	0	N/A	0	0	0
1998	0	N/A	0	N/A	0	0	0
1997	0	N/A	0	N/A	0	0	0
1996	0	N/A	0	N/A	0	0	0
1995	0	N/A	0	N/A	0	0	0
1994	0	N/A	0	N/A	0	0	0
1993	0	N/A	0	N/A	0	0	0
1992	0	N/A	0	N/A	0	0	0 *
Total	0	0	0	0	0	0	0

Restricted farm losses

Year of origin	Balance at Beginning of year	Loss Incurred In Current Year	Adjustments and Transfers <F1> for help	Loss Carried Back	Applied to Reduce: Taxable Income	Applied to Reduce: Part IV Tax	Balance at End of Year
Current	N/A	0	0	0	N/A	N/A	0
2001	0	N/A	0	N/A	0	N/A	0
2000	0	N/A	0	N/A	0	N/A	0
1999	0	N/A	0	N/A	0	N/A	0
1998	0	N/A	0	N/A	0	N/A	0
1997	0	N/A	0	N/A	0	N/A	0
1996	0	N/A	0	N/A	0	N/A	0
1995	0	N/A	0	N/A	0	N/A	0
1994	0	N/A	0	N/A	0	N/A	0
1993	0	N/A	0	N/A	0	N/A	0
1992	0	N/A	0	N/A	0	N/A	0 *
Total	0	0	0	0	0	N/A	0

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

ıkerront Utilities Inc.
:count/Business No.: NR

Year Ended: 2001-12-31

ımmary of Capital Cost Allowance

the corpor. ›n electing under regulation 1101(5q)? [101] N

Class No. [200]	UCC at Beginning of Year [201]	Cost of Additions During Year [203]	Adjustments [205]	Lesser of Cost or Proceeds [207]	1/2 of [203]-[207] [211]	Rate % [212]	Recapture of Capital Cost Allowance [213]	Terminal Loss [215]	Capital Cost Allowance [217]	Undepreciated Capital Cost end of year [220]
1	183,149	0	0	0	0	4	0	0	1,847	181,302
1	9,854,401	135,695	0	0	67,847	4	0	0	100,038	9,890,058
10	39,921	0	0	6,702	0	30	0	0	2,512	30,707
12	83,545	0	0	56,431	0	100	0	0	0	27,114
10	123,855	0	0	0	0	30	0	0	0	123,855
12	459,785	0	0	0	0	100	0	0	0	459,785
otal	10,744,656	135,695	0	63,133	67,847		0	0	104,397	10,712,821

kefront Utilities Inc. **Year Ended: 2001-12-31**

count/Business No.: NR

LATED AND ASSOCIATED CORPORATIONS

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

related co ation(s)

ass ed corporation(s)

ne [100]	Ctry of resi-dence [200]	Business Number (Note) [300]	Rela-tion-ship Code [400]	Number of common shares owned [500]	% of common shares owned [550]	Number of preferred shares owned [600]	% of pre-ferred shares owned [650]	Book value of capital stock [700]
n of Cobourg Holdings	CA	NR	1	0	0.00	0	0.00	0
kefront Utility Services Inc	CA	NR	3	0	0.00	0	0.00	0
bourg Networks Inc.	CA	NR	3	0	0.00	0	0.00	0

te: Enter "NR" if a corporation is not registered.

lationship code:

- Parent 2 - Subsidiary 3 - Associated 4 - Related, but not associated

e relationship code represents the relationship that the corporation named has to the filing rporation. For example, if the corporation is the parent corporation of the filing corporation, en the relationship code is "1".

chedule 9

Lakefront Utilities Inc. Year Ended: 2001-12-31
Account/Business No.:NR

AGREEMENT AMONG ASSOCIATED CANADIAN-CONTROLLED PRIVATE CORPORATIONS (CCPC's) TO ALLOCATE THE BUSINESS LIMIT (1998 and later taxation years)

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to allocate the business limit for purposes of the small business deduction. Information from this schedule will be used to determine the date the balance of tax is due and to calculate the business limit reduction.
- An associated CCPC that has more then 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) 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 amount allocated to each corporation that has an association code 1 in column 3. The total of all amounts in column 4 can not exceed $200,000.

Column 5: Complete column for a CCPC that 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. Enter the taxation year to which this agreement applies.

Column 6: Enter the gross Part I.3 tax of the prior year. This is used for the business limit reduction.

Allocation of business limit

Date filed (for departmental use only) .... 025 Year Month Day

Enter the calendar year to which the agreement applies .... 050 Year 2001

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 [Y/N] [N]

Lakefront Utilities Inc. Year Ended: 2001-12-31
Account/Business No.:NR

1	2	3	4	5	6
Names of associated corporations	Business Number of associated corporations	Association code	Business limit allocated (Note 1)	Taxation year end to which this agreement applies	Gross Part I.3 Tax of the prior year (Notes 2 & 3)
100	200	300	400	500	
Lakefront Utilities Inc.	NR		200,000	2001-12-31	0
See attached			0		0
			-------		----------
	Totals (not to exceed $200,000)		200,000		0
			=======		==========

Note 1:
Each corporation will enter the amount allocated to it in column 4 on line 410 of the T2 return unless the corporation's taxation year is less than 51 weeks, in which case the amount allocated in column 4 must be prorated by the number of days in the taxation year divided by 365.

Note 2:
Reduction to the business limit under subsection 125(5.1)
The reduction to the business limit applies when any member of the associated group had gross Part I.3 tax payable (before the deduction of surtax credits) for its last taxation year ending in the preceding calendar year. The reduction is calculated in the small business deduction are of the T2 return. The amount to be entered at line 415 of the T2 return, (large corporation tax for preceding year), includes the gross Part I.3 tax payable for each corporation that has an "association code" of 1 or 4 in column 3 for its last taxation year ending in the preceding calendar year.

Note 3:
If the taxation year of the associated corporation was less than 51 weeks, the amount of gross Part I.3 tax is the unprorated amount before the application of subsection 181.1(2).

ıkefront Utilities Inc. Year Ended: 2001-12-31

:count/Business No.: NR

;REEMENT AMONG ASSOCIATED CCPC's TO ALLOCATE THE BUSINESS LIMIT

1	2	3	4	5	6
ıe of associated rporation	Business Number of associated corporation	Asso-ciation code	Business limit allocated (Note)	Taxation year end to which this agreement applies	Gross Part I.3 Tax of the prior year
[100]	[200]	[300]	[400]	[500]	
ʍn of Cobourg Holdings	NR	1	0		0
ɪefront Utility Services Inc	NR	1	0	2001-12-31	0
ɔourg Networks Inc.	NR	1	0		0
			0		0

ɔTALS

te: Each corporation will enter the amount allocated to it in column 4 on line 410 of the T2 return unless the corporation's taxation year is less than 51 weeks, in which case the amount allocated in column 4 must be prorated by the number of days in the taxation year divided by 365.

duction to the business limit under subsection 125(5.1)

e reduction to the business limit applies when any member of the associated group had gross Part I.3 x payable (before the deduction of surtax credits) for its last taxation year ending in the preceding ılendar year. The reduction is calculated in the small business deduction are of the T2 return. ıe amount to be entered at line 415 of the T2 return, (large corporation tax for preceding year), ıcludes the gross Part I.3 tax payable for each corporation that has an "association code" of 1 or 4 in ılumn 3 for its last taxation year ending in the preceding calendar year.

ch le 23-Supplementary

Canada Custc nd Revenue Agency/Agence des douanes et du revenu du Canada

FIRS ME FILER AFTER INCORPORATION, AMALGAMATION, OR WINDING-UP OF A SUBSIDIARY INTO A PARENT
(1998 and later taxation years)

This schedule must be filed by corporations for the first year of filing after incorporation, amalgamation, or by parent corporations filing for the first time after winding-up a subsidiary corporation(s) under section 88 of the "Income Tax Act" during the current taxation year.

Part 1 - Type of operation

100 For those corporations filing for the first time after incorporation or amalgamation, please identify the type of operation that applies to your corporation:

99 Other - if none of the previous descriptions apply

Part 2 - First year of filing after amalgamation

For the first year of filing after an amalgamation, please provide the following information:

Name of predecessor corporation(s)	Business Number (Canadian corporations only)
200	300

Part 3 - First year of filing after wind-up of subsidiary corporation(s)

For the parent corporation filing for the first time after winding-up a subsidiary corporation(s) under section 88 of the "Income Tax Act," please provide the following information:

Name of subsidiary corporation(s)	Business Number (Canadian corporations only)	Commencement date of wind-up (YYYY/MM/DD)	Date of wind-up (YYYY/MM/DD)
400	500	600	700

Lakefront Utilities Inc.
Account/Business No.: NR

Year Ended: 2001-12-31

Canada Custo nd Revenue Agency/Agence des douanes et du revenu du Canada

PAR TAX ON LARGE CORPORATIONS
(199 d later taxation years)

- This schedule is for use by corporations (other than financial institutions and insurance corporations) that have Part I.3 tax payable before the deduction for surtax credits.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal "Income Tax Act."
- 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 in respect of its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or in respect of 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 carried 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 processing incidental to or connected therewith) natural products belonging to or acquired from its members or customers.
- File the completed Schedule 33 with the "T2 Corporation Income Tax Return" within six months of the end of the taxation year.

		Year	Month	Day
Filing date (for departmental use only)	100			

Complete the following areas to determine the amounts needed to calculate Part I.3 tax. If the corporation was not resident in Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 5, "Taxable capital employed in Canada - Non-resident corporation."

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	0
Capital stock (or members' contributions if incorporated without share capital)	103	4,684,456
Retained earnings	104	264,752
Contributed surplus	105	0
Any other surpluses	106	0
Deferred unrealized foreign exchange gains	107	0
All loans and advances to the corporation	108	357,538
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, bankers' acceptances, or similar obligations	109	7,000,000
Any dividends declared but not paid by the corporation before the end of the year	110	0
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	0

Lakefront Utilities Inc.
Account/Business No.: NR

Year Ended: 2001-12-31

Part 1 – Capital (cont'd)

Proportion o... e amount, if any, by which the total of all amounts (th... ld be determined under lines 101, 107, 108, 109, 111 and 112) in respect of 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 (see note below)	112	0	
Subtotal		12,306,746	12,306,746 A
Deduct the following amounts:			
Deferred tax debit balance at the end of the year	121	0	
Any deficit deducted in computing the shareholders' equity	122	0	
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	0	
The amount of deferred unrealized foreign exchange losses	124	0	
Subtotal		0	0 B
Capital for the year (amount A minus amount B) (if negative, enter "0")	190		12,306,746

Note: Lines 101, 107, 108, 109, 111, and 112 are determined as follows:
- Amounts owing to the member or to corporations that are other 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.
- Amounts at these lines apply to partnerships in the same way that they apply to corporations.
- The proportion of the total amounts is determined in accordance with 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	0
A loan or advance to another corporation (other than a financial institution)	402	0
A bond, debenture, note, mortgage, or similar obligation of another corporation (other than a financial institution)	403	0
Long-term debt of a financial institution	404	0
A dividend receivable on a share of the capital stock of another corporation	405	0
A loan or advance to, or a bond, debenture, note, mortgage 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	0
An interest in a partnership	407	0
Investment allowance for the year	490	0

Note: 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 of the Act (other than by reason of paragraph 181.1(3)(d) of the Act).

Part 3 - Taxable capital

Capital for the year (line 190)		12,306,746 C
Deduct: Investment allowance for the year (line 490)		0 D
Taxable capital for the taxation year (am... C minus amount D) (if negative, enter "0")	500	12,306,746

Part 4 - Taxable capital employed in Canada - Canadian resident corporation

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

Taxable capital for the year (line 500) 12,306,746 X (Taxable income earned in Canada [610] 1,000 / Taxable income 1,000) = Taxable capital employed in Canada [690] 12,306,746

Notes:
1) Regulation 8601 gives details on calculating the amount of taxable income earned in Canada.
2) 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.
3) In the case of an airline corporation, Regulation 8601 should be considered when completing the above calculation.

Part 5 - Taxable capital employed in Canada - Non-resident corporation

To be completed by a corporation that was not resident in Canada throughout the year and carried on a business through a permanent establishment in Canada.

Total of all amounts 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] 0

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] 0

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 in Canada .... [712] 0

Total amount of 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 in Canada .... [713] 0

Total deductions (add lines 711, 712, and 713) 0 — 0 E

Taxable capital employed in Canada (line 701 minus amount E) (if negative, enter "0") .... [790] 0

Part 6 - Calculation of gross Part I.3 tax

Taxable capital employed in Canada for the year (line 690 or 790, whichever applies) 12,306,746

Deduct: Capital deduction claimed for the year (enter $10,000,000 or, for related corporations, the amount allocated on Schedule 36) .... [801] 10,000,000

Excess of taxable capital employed in Canada over capital deduction .... [811] 2,306,746

Gross Part I.3 tax: Line 811 2,306,746 x .2250% = 5,190 F

Where the taxation year of a corporation is less than 51 weeks, calculate the amount of tax payable as follows:

Amount F 5,190 x (Number of days in the year 92 / 365) = 1,308 G

Gross Part I.3 tax (amount F or G, whichever applies) .... [820] 1,308

Lakefront Utilities Inc. **Year Ended:** **2001-12-31**
Account/Business No.:NR

Part 7 - Calculation of current year surtax credits

- Corporations can claim a credit against their Part I.3 tax for the amount of Canadian surtax payable. This is called the surtax credit.
- Any unused surtax credit can be carried back three years or carried forward seven years. Unused surtax credits must be applied in order of the oldest first.
- Refer to subsection 181.1(7) of the Act when calculating the amount deductible in respect of a corporation's unused surtax credits where control of the corporation has been acquired between the year in which the credits arose and the year in which you want to claim them.

Current year surtax credit equals current year Canadian surtax payable.

Canadian surtax payable

For a corporation that was not resident in Canada throughout the year, the lesser of a and b, below:

a) line 600 from the T2 return	0	
b) line 700 from the T2 return	0	0 H

In any other case, the lesser of c and d below:

c) line 600 from the T2 return 0 × $\frac{\text{line 690 of this schedule: } 12{,}306{,}746}{\text{line 500 of this schedule: } 12{,}306{,}746}$ = 0

d) line 700 from the T2 return		0	0 I
Current year surtax credit (amount H or I, whichever applies)	830		0

Part 8 - Calculation of Part I.3 tax credit available for carry-forward

Amount on line 830	0	
Less: Part I.3 tax before deducting surtax credits (line 820)	1,308	J
Net amount	-1,308	K

If the amount on line K is "positive," it represents the amount of Part I.3 tax credits that may be carried forward from taxation years prior to 1992 and applied this year to reduce Canadian surtax payable. Refer to Schedule 37 for unused Part I.3 tax credit balance .... 0 L

If the amount on line K is "negative," it represents the amount of unused surtax credit of other years that may be applied to reduce Part I.3 tax payable in the current year .... 1,308 M

Part 9 - Calculation of current year unused surtax credit

Amount K (if positive)		0
Less: Part I.3 tax credits claimed (carried forward from taxation years prior to 1992 - see amount L above)		0
Current year unused surtax credit (enter this amount on Schedule 37)	850	0

Lakefront Utilities Inc. **Year Ended:** **2001-12-31**
Account/Business No.: NR

Part 10 – Calculation of net Part I.3 tax payable

Gross Part I.3 tax (line 820)			1,308	N
Deduct the following amounts:				
Current-year surtax credit applied (the lesser of lines 820 and 830)	861	0		
Unused surtax credit from prior years applied	862	0		
Total (cannot exceed amount on line 820)		0	0	O
Net Part I.3 tax payable (amount N minus amount O) Enter this amount at line 704 of the T2 return	870		1,308	

Lakefront Utilities Inc.
Account/Business No.: NR **Year Ended:** **2001-12-31**

Canada Custo nd Revenue Agency/Agence des douanes et du revenu du Canada

AG: MENT AMONG RELATED CORPORATIONS - PART I.3 TAX
(1998 and later taxation years)

- Members of a related group of corporations should use this schedule to allocate the capital deduction of $10,000,000 among the members of the related group.
  Do not file this agreement if no members of the related group are liable to pay Part I.3 tax.

Are any members of the related group liable to pay Part I.3 tax? .... [Y/N] [Y]

- In cases where a related corporation has more than one taxation year ending in a calendar year, it is required to file an agreement for each taxation year ending in that calendar year.
- A corporation that is related to any other corporation at any time in a taxation year of the corporation ending 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.
- Attach additional schedules if space for agreement is not sufficient.

Agreement

Year Month Day

Date filed (for departmental use only) 010

Is th amended agreement? .... 020 [Y/N] [N]

Enter the calendar year to which the agreement applies .... 030 Year 2001

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 which is exempt from Part I.3 tax under subsection 181.1(3) is not required to be included.

Names of all corporations which are members of the related group	Business Number **(Note 1)**	Allocation of capital deduction for the year $	Taxation year end to which this agreement applies **(Note 2)**
200	300	400	500
Lakefront Utilities Inc.	NR	10,000,000	2001-12-31
See attached		0	
Total (not to exceed $10,000,000)		10,000,000	

Note 1: If a corporation is not registered enter, "NR".

Note 2: An entry is only required 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.

:count/Business No.: NR Year Ended: 2001-12-31

;REEMENT AMONG RELATED CORPORATIONS - PART I.3 TAX

Members of related group of corporations should use this schedule to allocate the capital deduction of $10,000, among the members of the related group.
In a rdance with subsection 181.5(7) of the federal Income Tax Act, a Canadian-controlled private cor ion is not considered to be related to another corporation for purposes of the capital deduction unless it is also associated with that corporation.

nes of all corporations ich are members of the lated group [200]	Business Number (Note 1) [300]	Allocation of capital deduction for the year [400]	Taxation year end to which this agreement applies (Note 2) [500]
wn of Cobourg Holdings	NR	0	2001-12-31
kefront Utility Services Inc	NR	0	
bourg Networks Inc.	NR	0	
OTAL		0	

te 1: If a corporation is not registered, enter "NR".

te 2: An entry is only required for a corporation that has more than one taxation 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.

chedule 36 - Supplementary

Lakefront Utilities Inc.
Account/Business No.:NR **Year Ended: 2001-12-31**

Canada Custo[illegible]nd Revenue Agency/Agence des douanes et du revenu du Canada

SH[illegible]HOLDER INFORMATION
(19[illegible]nd later taxation years)

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

Name of shareholder 100	Business Number (note 1) 200	Social Insurance Number (note 2) 300	Percentage common shares 400	Percentage preferred shares 500
Town of Cobourg Holding Inc	NR		100.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00

Note 1: If a corporate shareholder does not have a business number, NR must be entered to indicate the corporation is not registered.

Note 2: If an individual shareholder does not have a social insurance number, NA must be entered to indicate the SIN is not available.

Note 3: If a trust holds 10% or more of the corporation's common or preferred shares, enter "SB" for the business number and, if space permits, enter the trust's name and account number. Do not enter anything in the "SIN" column.

Appendix 18

2001 CT23 Provincial Tax Return

Ontario

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

Revised 2001

CT23 Corporations Tax and Annual Return

For taxation years commencing after May 4, 1999

Corporations Tax Act - Ministry of Finance (MOF)
Corporations Information Act - Ministry of Consumer and Business Services (MCBS)
(formerly Ministry of Consumer and Commercial Relations)

This re… a combination of the Ministry of Finance (MOF) CT23 Corporations Tax Return and the Ministry of Consumer and Business Services (MCBS) Annual Return. Page 1 …ommon 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**, together with the applicable schedules. **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 MCBS Schedules A or K) 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.

Ministry Use

MCBS Annual Return Required? *(Refer to Guide)* Yes [X] No [ ]

Ontario Corporations Tax Account No. (MOF): 1800124

Corporation's Legal Name *(including punctuation)* and Mailing Address
Lakefront Utilities Inc.
207 Division Street
P.O.Box 577
Cobourg
ON CA K9A-4L3

This CT23 Return covers the Taxation Year
Start (year month day): 2001-10-01
End (year month day): 2001-12-31

Has address changed since last filed CT23 Return? Yes [ ]
Date of Change (year month day):

Date of Incorporation or Amalgamation (year month day): 2000-05-01

Registered/Head Office Address
207 Division Street
P.O.Box 577
Cobourg
ON CA K9A-4L3

Ontario Corporation No. (MCBS): 1800124

Loca… f Books and Records
207 Division Street
P.O.Box 577
Cobourg
ON CA K9A-4L3

Canada Customs and Revenue Agency (formerly Revenue Canada) Business No.
If applicable, enter: NR

Name of person to contact regarding this CT23 Return	Telephone No.	Fax No.
STEWART CUNNINGHAM	905-372-2193	905-372-2581

Jurisdiction Incorporated: ONTARIO

Address of Principal Office in Ontario *(Extra-Provincial Corporations only)* (MCBS)
ON CA -

If not incorporated in Ontario, indicate the date Ontario business activity commenced and ceased:
Commenced (year month day):
Ceased (year month day):
(Not Applicable) [X]

Former Corporation Name *(Extra-Provincial Corporations only)* **(Not Applicable)** [X] (MCBS)

Preferred Language/*Langue de préférence*: English *anglais* [X] French *français* [ ]

Information on Directors/Officers/Administrators must be completed on MCBS Schedule A or K as appropriate. If additional space is required for Schedule A, only this schedule may be photocopied. State number submitted (MCBS).

No. of Schedule(s): 0

If there is no change to the Directors'/Officers'/Administrators' information previously submitted to MCBS, please [X] this box. Schedule(s) A and K are not required (MCBS). [X] No change

Ministry use

Certification (MCBS)

I ce… hat all information set out in the Annual Return is true, correct and complete.

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

Title: D [ ] Director O [X] Officer P [ ] Other individual having knowledge of the affairs of the Corporation

Note: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

Corporation's Legal Name

Lakefront Utilities Inc. 1800124 2001-12-31

CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

Type of Corporation – Please "X" box(es) if applicable in sections 1 & 2

1

- 1 [X] 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-residents 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 [X] 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)

Ontario Retail Sales Tax Vendor Permit No. (Use Head Office no.)

If applicable, enter

Ontario Employer Health Tax Account No. (Use Head Office no.)

If applicable, enter

Specify major business activity

Please "X" box(es) if applicable:

- [ ] First Year of Filing
- [ ] Amended Return
- [X] Taxation Year End has changed - Canada Customs and Revenue Agency (formerly Revenue Canada) approval required
- [ ] Final Taxation Year up to Dissolution (wind-up)
- [ ] Final Taxation Year before Amalgamation
- [ ] Floating Fiscal Year End
- [ ] Transfer or Receipt of Asset(s) Involving a corporation having a Canadian permanent establishment outside Ontario
- [ ] Acquisition of Control fed s.249(4)

Date Control was acquired: year month day

	Yes	No
Was the corporation inactive throughout the taxation year?	[ ]	[X]
Has the corporation's Federal T2 Return been filed with the Canada Customs and Revenue Agency (CCRA)?	[X]	[ ]
Are you requesting a refund due to: the Carry-back of a Loss?	[ ]	[X]
an Overpayment?	[ ]	[X]
a Specified Refundable Tax Credit?	[ ]	[X]
Are you a Member of a Partnership or Joint Venture?	[ ]	[X]

Corporation's Legal Name | | 1800124 | 2001-12-31 | DOLLARS ONLY

Lakefront Utilities Inc.

Income Tax

Allocation – If [illegible] carry on a business through a permanent establishment in a jurisdiction outside Ontario, you may allocate that portion of taxat[illegible] ome deemed earned in that jurisdiction, to that jurisdiction (s.39) (Inter. Bulletin 2817). Attach a schedule (or a copy of federal T2 SCH 5) showing allocation of gross revenue, salaries and wages, including applicable percentages.

Net In[illegible] (loss) for Ontario purposes (per reconciliation schedule, page 16)	= From	690	-877,883.
Subtra[illegible] charitable donations	–	1	0.
Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property *(Attach schedule)*	–	2	0.
Subtract: Taxable dividends deductible, per federal T2 SCH 3	–	3	0.
Subtract: Ontario political contributions *(Attach schedule)*	–	4	0.
Subtract: Federal Part VI.1 tax 0. X 9/4	–	5	0.
Subtract: Prior years' losses applied – Non-capital losses	– From	704	0.
Net capital losses From 715 (page 17) 0. X Inclusion rate 50.000000% =	–	714	0.
Farm losses	– From	724	0.
Restricted farm losses	– From	734	0.
Limited partnership losses	– From	754	0.
Taxable Income (Non-capital loss)	=	10	-877,883.
Addition to taxable income for unused foreign tax deduction for federal purposes	+	11	0.
Adjusted Taxable Income 10 + 11 (If 10 is negative, enter 11)	=	20	0.

Taxable Income

Number of Days in Taxation Year

From	Amount		Ontario Allocation	Rate	Days		Total Days		Result
From 10 (or 20 if applicable)	0.	x 30	100.0000%	x 15.5000% x	Days before May 2, 2000: 22 0	÷ 73	92	= + 23	0.
From 10 (or 20 if applicable)	0.	x 30	100.0000%	x 14.5000% x	Days after May 1, 2000 and before Jan 1, 2001: 24 0	÷ 73	92	= + 25	0.
From 10 (or 20 if applicable)	0.	x 30	100.0000%	x 14.0000% x	Days after Dec 31, 2000 and before Oct 1, 2001: 26 0	÷ 73	92	= + 27	0.
From 10 (or 20 if applicable)	0.	x 30	100.0000%	x 12.5000% x	Days after Sept 30, 2001 and before Jan 1, 2003: 28 92	÷ 73	92	= + 29	0.
From 10 (or 20 if applicable)	0.	x 30	100.0000%	x 11.0000% x	Days after Dec 31, 2002 and before Jan 1, 2004: 31 0	÷ 73	92	= + 32	0.

Income Tax Payable (before deduction of tax credits) 23 + 25 + 27 + 29 + 32 = 40 0.

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

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

Did 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 [X]

Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a))				50	0.
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	+	51	0.		
Add: Losses of other years deducted for federal purposes (fed.s.111)	+	52	0.		
Subtract: Losses of other years deducted for Ontario purposes (s.34)	–	53	0.		
	=		0.	54	0.
Federal Business limit for the year before the application of fed.s.125(5.1) (not exceeding $ 200,000) *(Attach federal T2 SCH 23 if associated)*	+	55	50,411.		

Add: Ontario enhancement of federal business limit

Number of Days in Taxation Year

	Days		Total Days		
40,000 x	Days after Dec 31, 2000 and before Oct 1, 2001: 0	÷ 73	92		
X From 55	50,411	÷	200,000	= + 42	0.
80,000 x	Days after Sept 30, 2001 and before Jan 1, 2003: 92	÷ 73	92		
X From 55	50,411	÷	200,000	= + 43	20,164.
12[illegible] x	Days after Dec 31, 2002 and before Jan 1, 2004: 0	÷ 73	92		
X From 55	50,411	÷	200,000	= + 46	0.

Ontario enhancement of federal business limit 42 + 43 + 46 = 20,164. + 44 20,164.

Business Limit for Ontario purposes 55 + 44 = 70,575. 45 70,575.

Income eligible for the IDSBC From 30 100.0000% x 56 0. = 60 0.

* Ontario Allocation — Least of 50, 54 or 45

*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

Corporation's Legal Name: Lakefront Utilities Inc. | Ontario Corporations Tax Account No. (MOF): 1800124 | 2001-12-31

DOLLARS ONLY

Income Tax continued from Page 4

Calculation of IDSBC Rate

Number of Days in Taxation Year

Rate		Days		Total Days		Result
7.00%	x	Days after Dec 31, 1998 and before Jan 1, 2000 [74] 0	÷	[73] 92	= + [75]	.0000
7.50%	x	Days after Dec 31, 1999 and before Oct 1, 2001 [76] 0	÷	[73] 92	= + [77]	.0000
6.50%	x	Days after Sept 30, 2001 and before Jan 1, 2003 [28] 92	÷	[73] 92	= + [79]	6.5000
5.50%	x	Days after Dec 31, 2002 and before Jan 1, 2004 [31] 0	÷	[73] 92	= + [89]	.0000

IDSBC Rate for Taxation Year [75] + [77] + [79] + [89] = [78] 6.5000

Claim From [60] 0. x From [78] 6.5000% = [70] 0.

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 in [114] below.

Surtax on Canadian-controlled private corporations (s.41.1)

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

** 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.

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] 0.

If you are a member of an associated group (X) [81] X (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) **
See attached			+ [82]	0.
			+ [83]	
			+ [84]	

Aggregate Taxable Income [80] + [82] + [83] + [84], etc. = [85] 0.

Number of Days in Taxation Year

Subtract:		Days		Total Days		Result
200,000	x	Days before Jan 1, 2001 [558] 0	÷	[73] 92	= + [111]	0.
240,000	x	Days after Dec 31, 2000 and before Oct 1, 2001 [26] 0	÷	[73] 92	= + [112]	0.
280,000	x	Days after Sept 30, 2001 and before Jan 1, 2003 [28] 92	÷	[73] 92	= + [113]	280,000.
320,000	x	Days after Dec 31, 2002 and before Jan 1, 2004 [31] 0	÷	[73] 92	= + [115]	0.

[111] + [112] + [113] + [115] = 280,000. - [114] 280,000.

(If negative, enter nil) = [86] 0.

Calculation of Specified Rate for Surtax

Number of Days in Taxation Year

Rate		Days		Total Days		Result
4.67%	x	Days after Dec 31, 1998 and before Jan 1, 2000 [74] 0	÷	[73] 92	= + [92]	.0000
5.00%	x	Days after Dec. 31, 1999 and before Oct 1, 2001 [76] 0	÷	[73] 92	= + [93]	.0000
4.3330%	x	Days after Sept 30, 2001 and before Jan 1, 2003 [28] 92	÷	[73] 92	= + [95]	4.3330
3.6670%	x	Days after Dec 31, 2002 and before Jan 1, 2004 [31] 0	÷	[73] 92	= + [96]	.0000

Specified rate of surtax for Taxation Year [92] + [93] + [95] + [96] = [94] 4.3330

From [86] 0. x From [94] 4.3330% = [87] 0.

From [87] 0. x From [60] 0. ÷ From [114] 280,000. = [88] 0.

Surtax Lesser of [70] or [88] = [100] 0

Continued on Page 6

Corporation's Legal Name Ontario Corporations Tax Account No. (MOF)

Lakefront Utilities Inc. 1800124 2001-12-31

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Income Tax continued from Page 5

Additional Deduction for Credit Unions (s.51(4)) *(Attach schedule)* . . . . 110 0.

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 the federal T2 SCH 27 including necessary changes for Ontario tax purposes (e.g. different C.C.A. claimed).

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 . . . . = 120 0.

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) . . . . − From 56 0.

Add: Adjustment for Surtax on Canadian-controlled private corporations

From 100 0. ÷ From 30 100.0000 % (* Ontario Allocation) ÷ From 78 6.5000 % = 121 0. . . . . + 122 0.

Lesser of 56 or 121 . . . . = 130 0.

120 − 56 + 122 . . . . = From 10 -877,883.

Taxable Income . . . . − From 56 0.

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) . . . . + From 122 0.

Add: Adjustments for Surtax on Canadian-controlled private corporations . . . . − 140 0.

Subtract: Taxable Income From 10 -877,883. X Allocation % to jurisdictions outside Canada .0000 % . . . . − 141 0.

Subtract: Amount by which Canadian and foreign investment income exceeds net capital losses . . . . = 142 0.

10 − 56 + 122 − 140 − 141 . . . .

Number of Days in Taxation Year

Claim

143 0. X From 30 100.0000 % (* Ontario Allocation) x 2.0000 % X (Days before Oct 1, 2001) 152 0 ÷ (Total Days) 73 92 = + 153 0.

Lesser of 130 or 142

143 0. X From 30 100.0000 % (* Ontario Allocation) x 1.5000 % X (Days after Sept 30, 2001 and before Jan 1, 2003) 28 0 ÷ (Total Days) 73 92 = + 154 0.

Lesser of 130 or 142

143 0. X From 30 100.0000 % (* Ontario Allocation) x 1.0000 % X (Days after Dec 31, 2002 and before Jan 1, 2004) 31 0 ÷ (Total Days) 73 92 = + 155 0.

Lesser of 130 or 142

M&P claim for taxation year 153 + 154 + 155 . . . . = 160 0.

*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 0.

Manufacturing and Processing Profits Credit for Corporations that Produce and Sell Steam for uses other than the Generation of Electricity . . . . = 162 0.

Credit for Foreign Taxes Paid (s.40)

170 0.

Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Info. Bulletins 15-79 & 2739) *(Attach schedule)*.

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 0. Credit Claimed 180 0.

Subtotal of Income Tax 40 − 70 + 100 − 110 − 160 − 161 − 162 − 170 − 180 . . . . = 190 0.

continued on Page 7

Income Tax continued from Page 6

Specified Tax Credits *(Refer to Guide)*

Ontario Innovation Tax Credit (OITC) (s.43.3) ***Applies*** to research and development in Ontario.
Eligible Credit From [5820] OITC Claim Form *(Attach original Claim Form)* ..... + [191] 0.

Co-operative Education Tax Credit (CETC) (s.43.4) ***Applies*** to employment of eligible students.
Eligible Credit From [5799] Summary Schedule F ..... + [192] 0.

Ontario Film & Television Tax Credit (OFTTC) (s.43.5)
Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions.
Eligible Credit From [6899] Claim Form Certified by Ontario Film Development Corporation
(Retain original Claim Form. Do not submit the Claim Form with the CT23 Tax Return.) ..... + [193] 0.

Graduate Transitions Tax Credit (GTTC) (s.43.6) No. of Graduates From [6598]
Applies to employment of eligible unemployed graduate students. [194] 0
Eligible Credit From [6599] Summary Schedule G ..... + [195] 0.

Ontario Book Publishing Tax Credit (OBPTC) (s 43.7)
Applies to qualifying expenditures in respect of eligible literary works by first-time Canadian authors.
Eligible Credit From [6900] OBPTC Claim Form *(Attach only the original Claim Form. Retain the Certification Form)* ..... + [196] 0.

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] Claim Form Certified by Ontario Film Development Corporation
(Retain original Claim Form. Do not submit the Claim Form with the CT23 Tax Return.) ..... + [197] 0.

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] 0.

Ontario Production Services Tax Credit (OPSTC) (s.43.10)
Applies to qualifying Ontario labour expenditures for eligible non-Canadian content film and television productions.
Eligible Credit From [7300] Claim Form certified by Ontario Film Development Corporation
(Retain original Claim Form. Do not submit the Claim Form with the CT23 Tax Return.) ..... + [199] 0.

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] Claim Form certified by Ontario Film Development Corporation
(Retain original Claim Form. Do not submit the Claim Form with the CT23 Tax Return.) ..... + [200] 0.

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 only the original Claim Form. Retain the Certification Form)* ..... + [201] 0.

Other (specify) ______ ..... + 201.1 0.

Total Specified Tax Credits [191] + [192] + [193] + [195] + [196] + [197] + [198] + [199] + [200] + [201] + 201.1 = [220] 0.

Specified Tax Credits *Applied to reduce Income Tax* ..... = [225] 0.

Income Tax [190] – [225] **OR Enter NIL if reporting Non-Capital Loss** ..... = [230] 0.

To 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 18***.

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***.

Corporation's Legal Name

Lakefront Utilities Inc. 1800124 2001-12-31

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Corporate Minimum Tax (CMT)

Determination of Applicability

Applies if *either* Total Assets [249] exceeds $5,000,000 *or* Total Revenue [250] exceeds $10,000,000.
These amounts include the corporation's and associated corporations' share of any partnership(s)/joint venture(s) total assets and total revenue.

Short Taxation Years - Special rules apply for determining total revenue where the taxation year of the corporation or any associated corporation or any fiscal period of any partnership(s)/joint venture(s) of which the corporation or associated corporation is a member, is less than 51 weeks.

Associated Corporation - The total assets or total revenue of associated corporations is the total assets or total revenue for the taxation year ending on or before the date of the claiming corporation's taxation year end.

* Total Assets of the corporation	+ [240]	14,300,220.
* Total Revenue of the corporation	+ [241]	19,419,678.

If you are a member of an associated group (x) [242] X (Yes)

Name of associated corporation (Canadian & foreign) *(If insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (If applicable)	Taxation Year End	* Total assets	* Total Revenue
See attached			+ [243]	+ [244]
			+ [245]	+ [246]
			+ [247]	+ [248]

Aggregate Total Assets [240] + [243] + [245] + [247], etc.	= [249]	14,300,220.
Aggregate Total Revenue [241] + [244] + [246] + [248], etc.	= [250]	19,419,678.

If CMT is applicable to current taxation year, complete section *Calculation: CMT* below and ***Corporate Minimum Tax Schedules A through E on Pages 19, 20 and 21 of CT23.***

Calculation: CMT *(Attach Schedule A: Calculation of CMT Base on Page 19.)*

Gross CMT Payable .... CMT Base From [2135] 0. (If negative, enter zero) X From [30] 100.0000 % (Ontario Allocation) X 4% = [276] 0.

Subtract: Foreign Tax Credit for CMT purposes *(Attach schedule)* — [277] 0.

Subtract: Income Tax — From [190] 0.

Net CMT Payable (If negative, enter Nil on Page 18.) = [280] 0.

If [280] is less than zero and you do not have a CMT credit carryover, transfer [230] from *Page 7* to ***Income tax Summary, on Page 18.***

If [280] is less than zero and you have a CMT credit carryover, complete A & B below.

If [280] is greater than or equal to zero, transfer [230] to *Page 18* and transfer [280] to ***Page 18, and to Schedule D: Continuity of CMT Credit Carryovers, on Page 21.***

CMT Credit Carryover available From [2307] 0.

Application of CMT Credit Carryovers

A. Income Tax (before deduction of specified credits) + From [190] 0.

Gross CMT Payable + From [276] 0.

Subtract: Foreign Tax Credit for CMT purposes — From [277] 0.

If [276] — [277] is negative, enter NIL in [290] = 0. — [290] 0.

Income Tax eligible for CMT Credit = [300] 0.

B. Income tax (after deduction of specified credits) + From [230] 0.

Subtract: CMT credit used to reduce income taxes — [310] 0.

Income Tax = [320] 0.

Transfer to page 18

If A & B apply, [310] ***cannot exceed the lesser of*** [230], [300] ***and your CMT credit carryover available*** [2307].

If only B applies, [310] ***cannot exceed the lesser of*** [230] ***and your CMT credit carryover available*** [2307].

Capital T (Refer to Guide)

If your ...oration is a Financial Institution (s.58(2)), proceed to page 14.

If your corporation is not a member of an associated group and/or partnership and (1) the Gross Revenue and Total Assets as calculated on Page 10 in [480] and [430] are both $1,000,000 or less and the taxation year ends on or after January 1, 2000, or (2) the Gross Revenue and Total Assets as calculated on Page 10 in [480] and [430] are both $1,500,000 or less and the taxation year ends on or after January 1, 2001, it is exempt from Capital Tax for the taxation year. A corporation that meets these criteria should disregard all other Capital Tax items (including the calculation of Taxable Capital). Enter NIL in [550] on Page 13 and complete the return from that point. All other corporations must compute their Taxable Capital in order to determine their Capital Tax payable.

Members of a partnership (limited or general) or a joint venture, must attach all financial statements of each partnership. The Paid-up Capital of each corporate partner must include its share of liabilities that would otherwise be included if the partnership were a corporation. If Investment Allowance is claimed, Total Assets must be adjusted by adding the corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, in addition to any other required adjustments (s.61(5)). Special rules apply to limited partnerships (Inf.B.15-79, Int.B.L-12 and Int.B.L-16)

Any Assets and liabilities of a corporation that are being utilized in a joint venture must be included along with the corporation's other Assets and liabilities when calculating its Taxable Paid-up Capital.

Special rules and rates apply to Non-Resident corporations (s.63, s.64 and s.69(3)).

Paid-up Capital of Non-resident: Paid-up capital employed in Canada of a non-resident subject to tax by virtue of s.2(a) or (b), and whose **business is not carried on solely in Canada** is deemed to be the greater of (1) taxable income in Canada divided by 8 percent or (2) total assets in Canada minus certain indebtedness in accordance with the provisions of s.63(1)(a).

Paid-up Capital

Paid-up capital stock	+ 350	4,684,456.
Retained earnings (If deficit, deduct)	± 351	264,752.
Capital and other surpluses, excluding appraisal surplus (Inf.B.30-83)	+ 352	0.
Loans and advances *(Attach schedule)*	+ 353	102,413.
Bank loans	+ 354	0.
Bankers acceptances	+ 355	0.
Bonds and debentures payable	+ 356	0.
Mortgages payable	+ 357	0.
Lien notes payable	+ 358	7,000,000.
Deferred credits (including income tax reserves, and deferred revenue where it would also be included in paid-up capital for the purposes of the large corporations tax)	+ 359	255,125.
Contingent, investment, inventory and similar reserves	+ 360	0.
Other reserves not allowed as deductions for income tax purposes *(Attach schedule)*	+ 361	0.
Share of partnership(s) or joint venture(s) paid-up capital *(Attach schedule(s))*	+ 362	0.
Subtotal	= 370	12,306,746.
Subtract: Amounts deducted for income tax purposes in excess of amounts booked *(Retain calculations. Do not submit.)*	− 371	173,228.
Deductible R & D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes	− 372	0.
Total Paid-up Capital	= 380	12,133,518.
Subtract: Deferred mining exploration and development expenses (s.62(1)(d))	− 381	0.
Net Paid-up Capital	= 390	12,133,518.

Eligible Investments (Refer to Guide)

Attach computations and list of corporations' names and investment amounts. Short-term investments (bankers acceptances, commercial paper, term deposits, etc.) are eligible for the allowance only if issued for a term of and held for 120 days or more prior to the year end of the investor corporation.

Term deposits and investment certificates in foreign financial institutions for taxation years ending prior to December 15, 1999 *(Refer to Guide)*	+ 400	0.
Bonds, lien notes and similar obligations, (similar obligations, e.g. stripped interest coupons, applies to taxation years ending after October 30, 1998)	+ 402	0.
Mortgages due from other corporations	+ 403	0.
Shares in other corporations (certain restrictions apply) *(Refer to Guide)*	+ 404	0.
Loans and advances to unrelated corporations	+ 405	0.
Eligible loans and advances to related corporations (certain restrictions apply) *(Refer to Guide)*	+ 406	0.
Share of partnership(s) or joint venture(s) eligible investments *(Attach schedule)*	+ 407	0.
Total Eligible Investments	= 410	0.

continued on Page 10

Corporation's Legal Name

Lakefront Utilities Inc.	1800124	2001-12-31	DOLLARS ONLY

Capital T... continued from Page 9

Tot... ssets

Total Assets per balance sheet	+	420	14,300,220.
Mortgages or other liabilities deducted from assets	+	421	0.
Share of partnership(s)/joint venture(s) total assets *(Attach schedule)*	+	422	0.
Subtract: Investment in partnership(s)/joint venture(s)	-	423	0.
Total Assets as adjusted	=	430	14,300,220.
Amounts in 380 and 381 (if deducted from assets)	+	440	0.
Subtract: Amounts in 371, 372 and 381	-	441	173,228.
Subtract: Appraisal surplus if booked	-	442	0.
Add or Subtract: Other adjustments (specify on an attached schedule)	±	443	0.
Total Assets	=	450	14,126,992.
Investment Allowance (410 - 450) x 390 Not to exceed 410	=	460	0.
Taxable Capital 390 - 460	=	470	12,133,518.

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue)	480	4,894,823.
Total Assets (as adjusted)	From 430	14,300,220.

Calculation of Capital Tax for all corporations except Financial Institutions

Note: This version (2001) of the CT23 may only be used for a taxation year that commenced on or after May 6, 1999.

(Financial Institutions use calculations on page 14.)

Important: **If the corporation is a family farm corporation, family fishing corporation or a credit union that is not a Financial Institution, complete only Section A below.**

OR **If the corporation is NOT a member of an associated group and/or partnership, review only the capital tax calculations in Section B and select and complete the one specific subsection (e.g. B4) that applies to the corporation.**

OR **If the corporation IS a member of an associated group and/or partnership, complete Section C. Next review, and if applicable, complete Section D. If Section D is not applicable review Section E and complete the applicable subsection: either E1 or E2. Note: If the corporation is a member of a connected partnership, please refer to the guide for additional instructions before completing the capital tax section.**

SECTION A

This section applies only if the corporation is a family farm corporation, a family fishing corporation or a credit union that is not a Financial Institution.

Enter NIL in 550 on page 13 and complete the return from that point.

SECTION B

This section applies if the corporation is NOT a member of an associated group and/or partnership.

B1. If the taxation year end is before January 1, 2001 and 430 and 480 are both $1,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.

B2. If the taxation year end is after December 31, 2000 and 430 and 480 are both $1,500,000 or less, enter NIL in 550 on page 13 and complete the return from that point.

B3. If the taxation year commences after September 30, 2001 and 430 and 480 on page 10 are both $3,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.

B4 ...axable capital, 470 on page 10 is $2,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.

continued on Page 11

Corporation's Legal Name

Lakefront Utilities Inc. 1800124 2001-12-31

DOLLARS ONLY

Capital Tax Calculation *continued from page 10*

B5. If taxable capital, [470] exceeds $2,000,000 but is $5,000,000 or less, complete the following calculations and transfer the total [508] to [543] and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year after May 4, 1999 and before January 1, 2000

(a) From [470] 0. x .3000% = + [490] 0.

Deduct:

From [470] $2,400,000 − 0. X 1.5% = − [492] 0.

If 2,400,000 − [470] is negative, enter NIL in [492]

([504] = [490] − [492]) = [504] 0. X From [30] 100.0000 % Ontario Allocation X Days in taxation year after May 4, 1999 and before Jan 1, 2000 [552] 0 ÷ 365 (366 if leap year) = + [505] 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 1999 and before January 1, 2001

(b) From [470] 0. x .3000% = + [490] 0.

Deduct:

From [470] $2,800,000 − 0. X 0.75% = − [493] 0.

If 2,800,000 − [470] is negative, enter NIL in [493]

([506] = [490] − [493]) = [506] 0. X From [30] 100.0000 % Ontario Allocation X Days in taxation year after Dec 31, 1999 and before Jan 1, 2001 [553] 0 ÷ 365 (366 if leap year) = + [507] 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 2000 and before October 1, 2001

(c) From [470] 0. x .3000% = + [490] 0.

Deduct:

From [470] $3,200,000 − 0. X 0.5% = − [495] 0.

If 3,200,000 − [470] is negative, enter NIL in [495]

([509] = [490] − [495]) = [509] 0. X From [30] 100.0000 % Ontario Allocation X Days in taxation year after Dec 31, 2000 and before Oct 1, 2001 [554] 0 ÷ 365 (366 if leap year) = + [522] 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(d) Capital Tax for that portion of a taxation year that is after September 30, 2001 for a corporation whose taxable capital is $5,000,000 or less and that is not associated, is NIL. .... + 0.

Total Capital Tax for the taxation year [505] + [507] + [522] .... = [508] 0.

Transfer to [543] on page 13 and complete the return from that point.

B6. If [470] exceeds $5,000,000, complete the following calculations and transfer the amount from [508] to [543] and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year before October 1, 2001

(a) From [470] 0. X From [30] 100.0000 % Ontario Allocation x .3000 % x Days in taxation year before Oct 1, 2001 [559] 0 ÷ 365 (366 if leap year) .... = + [502] 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(b) From [470] 0.

Exemption − 0.

= [471] 0. x From [30] 100.0000 % Ontario Allocation x .3000% x Days in taxation year after Sept 30, 2001 [560] 92 ÷ 365 (366 if leap year) .... = + [523] 0.

Total Capital Tax for the taxation year [502] + [523] .... = [508] 0.

Transfer to [543] on page 13 and complete the return from that point.

** If floating taxation year, refer to Guide.

continued on Page 12

DOLLARS ONLY

Lakefront Utilities Inc. 1800124 2001-12-31

Capital Calculation *continued from page 11*

SEC C

If the corporation is a member of an associated group and/or partnership, complete the following two aggregate taxable capital calculations as applicable, and (x) 510 X (Yes)

Note: Calculation #2 is not required if the taxation year commences after September 30, 2001.

Taxable Capital of the corporation .... + From 470 12,133,518.

Calculation 1

Determine aggregate taxable capital of an associated group and/or partnership having a permanent establishment in Canada

Names of associated corporations or related partners having a permanent establishment in Canada		Taxable Capital
See attached	+ 531	0.
Aggregate Taxable Capital 470 + 531	= 540	12,133,518.

If 540 above is $5,000,000 or less, the corporation's Capital Tax for the portion of the taxation year after September 30, 2001, is NIL.

Enter NIL in 523 in E1(d) or E2(b), as applicable.

If 540 above is greater than $5,000,000, the corporation must compute its share of the $5,000,000 exemption below in order to calculate its Capital Tax for the portion of the taxation year after September 30, 2001.

From 470 12,133,518. ÷ From 540 12,133,518. x 5,000,000 .... = 541 5,000,000.
Transfer to Section E2(b)

Calculation 2

Determine aggregate taxable capital of an associated group and/or partnership that does NOT have a permanent establishment in Canada

Names of Canadian & Foreign associated corporations or related partners with no permanent establishment in Canada		Taxable Capital
	+ 514	0.
Total Aggregate Taxable Capital 540 + 514	= 520	12,133,518.

If 520 is greater than $2,000,000 and less than $3,200,000 and a portion of the taxation year is before October 1, 2001, the corporation must compute the following ratio.

From 470 12,133,518. ÷ From 520 0. = 521 .0000.
Transfer to Section E1(a) and/or (b) and/or (c) as applicable

SECTION D

This section applies if the corporation IS a member of an associated group and/or partnership whose total AGGREGATE taxable capital at 520 is *$2,000,000 or less.*

Enter NIL in 550 and complete the return from that point.

continued on Page 13

Corporation's Legal Name

Lakefront Utilities Inc. 1800124 2001-12-31 DOLLARS ONLY

Capital Tax Calculation *continued from Page 12*

SECTION E

This section applies if the corporation IS a member of an associated group and/or partnership whose total AGGREGATE taxable capital at 520 exceeds $2,000,000.

E1. If the total aggregate taxable capital 520 exceeds $2,000,000 but is $3,200,000 or less, complete the following calculations and transfer the total From 508 to 543 and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year after May 4, 1999 and before January 1, 2000

(a) From 470 0. x .3000% = + 490 0.

Deduct: [$2,400,000 – From 520 0.] x 1.6% x From 521 .0000 = – 492 0. (If 2,400,000 – 520 is negative, enter NIL in 492)

(504 = 490 – 492) = 504 0. x From 30 100.0000% Ontario Allocation x Days in taxation year after May 4, 1999 and before Jan 1, 2000 552 0 ÷ 365 (366 if leap year) = + 505 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 1999 and before January 1, 2001

(b) From 470 0. x .3000% = + 490 0.

Deduct: [$2,800,000 – From 520 0.] x 0.75% x From 521 .0000 = – 493 0. (If 2,800,000 – 520 is negative, enter NIL in 493)

(506 = 490 – 493) = 506 0. x From 30 100.0000% Ontario Allocation x Days in taxation year after Dec 31, 1999 and before Jan 1, 2001 553 0 ÷ 365 (366 if leap year) = + 507 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 2000 and before October 1, 2001

(c) From 470 0. x .3000% = + 490 0.

Deduct: [$3,200,000 – From 520 0.] x 0.6% x From 521 .0000 = – 495 0. (If 3,200,000 – 520 is negative, enter NIL in 495)

(509 = 490 – 495) = 509 0. x From 30 100.0000% Ontario Allocation x Days in taxation year after Dec 31, 2000 and before Oct 1, 2001 657 0 ÷ 365 (366 if leap year) = + 522 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(d) Capital Tax for that portion of a taxation year that is after September 30, 2001 for a corporation whose total aggregate taxable capital at 540 is $5,000,000 or less is NIL. Enter NIL .... = + 523 0.

Total Capital Tax for the taxation year 505 + 507 + 522 + 523 .... = 508 0.

Transfer to 543 *and complete the return from that point.*

E2. If the total aggregate taxable capital at 520 exceeds $3,200,000 complete the following calculations and transfer the total From 508 to 543, and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year before October 1, 2001

(a) From 470 12,133,518. x From 30 100.0000% Ontario Allocation x .3000% x Days in taxation year before Oct 1, 2001 555 0 ÷ 365 (366 if leap year) ...... = + 502 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(b) From 470 12,133,518.
From 541 (section C) – 5,000,000.

= 471 7,133,518. x From 30 100.0000% Ontario Allocation x .3000% x Days in taxation year after Sept 30, 2001 560 92 ÷ 365 (366 if leap year) = + 523 5,394.

Total Capital Tax for the taxation year 502 + 523 .... = 509 5,394.

Transfer to 543 *and complete the return from that point.*

... ting taxation year, refer to Guide.

Capital Tax *before application of specified credits* .... = 543 5,394.

Subtract: Specified Tax Credits applied to reduce capital tax payable *(Refer to Guide)* .... – 548 0.

Capital Tax 543 – 548 .... = 550 5,394. *Transfer to Page 18*

continued on Page 14

Capital T(continued from page 13

Calculation of Capital Tax for Financial Institutions

I.1. Credit Unions only

For taxation years commencing after May 4, 1999 enter NIL in [550] on page 13, and complete the return from that point.

I.2. Other than Credit Unions

(Retain details of calculations for amounts in boxes [565] and [570]. Do not submit with this tax return.)

[565] 0. x 0.00% X From [30] ____% Ontario Allocation x [555] 0 ÷ ** 0 (366 if leap year) = + [569] 0.
Days in taxation year
Lesser of adjusted TPUC and Basic Capital Amount in accordance with Division B.1

[570] 0. x [571] 0.00% X From [30] ____% Ontario Allocation x [555] 0 ÷ ** 0 (366 if leap year) = + [574] 0.
Days in taxation year
Adjusted TPUC in accordance with Division B.1 in excess of Basic Capital Amount
Capital Tax Rate *(Refer to Guide)*

Capital Tax for Financial Institutions – other than Credit Unions (before Sections II) [569] + [574] = [575] 0.

*** If floating taxation year, refer to Guide.*

II. S(; Business Investment Tax Credit

(Retain details of eligible investment calculation and, if claiming an investment in CSBIF, retain the original letter approving the credit issued in accordance with the Community Small Business Investment Fund Act. Do not submit with this tax return.)

Allowable Credit for Eligible Investments ..... – [585] 0.

Financial institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)? (x) [ ] Yes

Capital Tax – Financial Institutions [575] – [585] ..... = [586] 0.
Transfer to [543] on Page 13

Premium Tax (s.74.2 & 74.3) *(Refer to Guide)*

(1) Uninsured Benefits Arrangements ..... [587] 0. x 2% .... = [588] 0.
Applies to Ontario-related uninsured benefits arrangements.

(2) Unlicensed Insurance (enter premium tax payable in [588] and attach a detailed schedule of calculations. If subject to tax under (1) above, add both taxes together and enter total tax in [588].)
Applies to Insurance Brokers and other persons placing insurance for persons resident or property situated in Ontario with unlicensed insurers.

Deduct: Specified Tax Credits applied to reduce premium tax *(Refer to Guide)* ..... – [589] 0.

Premium Tax [588] – [589] ..... = [590] 0.
Transfer to page 18

Lakefront Utilities Inc. 1800124 2001-12-31

DOLLARS ONLY

Reconcil[illegible]et income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

Net income (loss) for federal income tax purposes, per federal T2 SCH 1 ± 600 -677,883. *Transfer to page 16*

Add:

Federal capital cost allowance	+ 601	104,397.
Federal cumulative eligible capital deduction	+ 602	0.
Ontario taxable capital gain	+ 603	0.
Federal non allowable reserves. Balance beginning of year	+ 604	0.
Federal allowable reserves. Balance end of year	+ 605	0.
Ontario non-allowable reserves. Balance end of year	+ 606	0.
Ontario allowable reserves. Balance beginning of year	+ 607	0.
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE)	+ 608	0.
Federal resource allowance	+ 609	0.
Federal depletion allowance	+ 610	0.
Federal foreign exploration and development expenses	+ 611	0.

Management fees, rents, royalties and similar payments to non-arms' length non-residents

Number of Days in Taxation Year

				Days	Total Days		
612 0.	x 5	= 15.5000	x	Days before May 2, 2000: 22 0	÷ 73 92	= + 630	0.
612 0.	x 5	= 14.5000	x	Days after May 1, 2000 and before Jan 1, 2001: 24 0	÷ 73 92	= + 631	0.
612 0.	x 5	= 14.0000	x	Days after Dec 31, 2000 and before Oct 1, 2001: 26 0	÷ 73 92	= + 632	0.
612 0.	x 5	= 12.5000	x	Days after Sept 30, 2001 and before Jan 1, 2003: 28 92	÷ 73 92	= + 633	0.
612 0.	x 5	= 11.0000	x	Days after Dec 31, 2002 and before Jan 1, 2004: 31 0	÷ 73 92	= + 634	0.

Total add-back amount for Management fees, etc. 630 + 631 + 632 + 633 + 634 = 0. + 613 0.

Federal allowable business investment loss + 620 0.

Total of other items not allowed by Ontario but allowed federally *(Attach schedule)* + 614 0.

Federal Scientific Research Expenses claimed in year from federal form T661 0.

Negative Ontario SR&ED Pool amounts from Ontario schedule 161 line 473 + 0.

= 0. + 615 0.

Subtotal of Additions 601 to 611 + 613 + 620 + 614 + 615 = 104,397. 640 104,397. *Transfer to page 16*

continued on Page 16

Lakefront Utilities Inc. 1800124 2001-12-31

DOLLARS ONLY

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

continued from Page 15

Net income (loss) for federal income tax purposes, per federal T2 SCH 1	From ± 600	-877,883.
Subtotal of Additions	From + 640	104,397.

Deduct:

Ontario capital cost allowance	+ 650	104,397.
Ontario cumulative eligible capital deduction	+ 651	0.
Federal taxable capital gain	+ 652	0.
Ontario non-allowable reserves. Balance beginning of year	+ 653	0.
Ontario allowable reserves. Balance end of year	+ 654	0.
Federal non-allowable reserves. Balance end of year	+ 655	0.
Federal allowable reserves. Balance beginning of year	+ 656	0.
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) *(Retain calculations. Do not submit.)*	+ 657	0.
Ontario depletion allowance	+ 658	0.
Ontario resource allowance	+ 659	0.
Ontario research and development super allowance *(Attach schedule)*	+ 660	0.
Government Assistance relating to provincial deductions for scientific research and experimental development added back for federal income tax purposes as a result of the Federal 2000 Budget	+ 674	0.
Ontario current cost adjustment *(Attach schedule)*	+ 661	0.

Ontario New Technology Tax Incentive (ONTTI) Gross-up
Applies only to those corporations whose Ontario allocation is less than 100% in the current taxation year.

Capital Cost Allowance (Ontario) (CCA) on prescribed qualifying intellectual property deducted in the current taxation year 662 0.

ONTTI Gross-up deduction calculation:

Gross-up of CCA: From 662 0. x 100 / From 30 .0000 (Ontario Allocation) – From 662 0. = 683 0.

Workplace Child Care Tax Incentive: (*Applies* to qualifying expenditures incurred after May 5, 1998.)

Qualifying expenditures: 665 0. x 30.00% x 100 / From 30 100.0000 (Ontario Allocation) = 666 0.

Workplace Accessibility Tax Incentive: (*Applies* to qualifying expenditures incurred after July 1, 1998.)

Qualifying expenditures: 667 0. x 100.00% x 100 / From 30 100.0000 (Ontario Allocation) = 668 0.

Number of Employees accommodated 669 0

Ontario School Bus Safety Tax Incentive (OSBSTI): (*Applies* to the eligible acquisition of school buses made within the 3 year period commencing after May 4, 1999.) *(Refer to Guide)*

Qualifying expenditures: 670 0. x 30.00% x 100 / From 30 100.0000 (Ontario Allocation) = 671 0.

Educational Technology Tax Incentive: (*Applies* to qualifying amounts incurred after May 2, 2000.)

Qualifying expenditures: 672 0. x 15.00% x 100 / From 30 100.0000 (Ontario Allocation) = 673 0.

Ontario allowable business investment loss	+ 678	0.
Ontario Scientific Research Expenses claimed in the year from Ontario form CT161	+ 679	0.
Total of other deductions allowed by Ontario *(Attach schedule)*	+ 684	0.

Subtotal of Deductions 650 to 660 + 674 + 661 + 683 + 666 + 668 + 671 + 673 + 678 + 679 + 684 = 104,397. 680 104,397.

Net income (loss) for Ontario Purposes 600 + 640 – 680 = 690 -877,883.

Transfer to Page 4

Corporation's Legal Name 1800124 2001-12-31 DOLLARS ONLY

Lakefront Utilities Inc.

Continuity of Losses Carried Forward

	Non-Capital Losses (1)	Total Capital Losses (9) (10)	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (6)
Balance at Beginning of Year	700 (2) 0	710 (2) 0	720 (2) 0	730 0	740 0	750 0
Add: Current year's losses (7)	701 877,883	711 0	721 0	731 0	741 0	751 0
Losses from predecessor corporations (3)	702 0	712 0	722 0	732 0		752 0
Subtotal	703 877,883	713 0	723 0	733 0	743 0	753 0
Subtract: Utilized during the year to reduce taxable income	704 0	715 (4) 0	724 0	734 (4) 0	744 (4) 0	754 (4) 0
Expired during the year	705 0		725 0	735 0	745 0	
Carried back to prior years to reduce taxable income (5)	706 (2) to Page 18 0	716 (2) to Page 18 0	726 (2) to Page 18 0	736 (2) to Page 18 0	746 0	
Subtotal	707 0	717 0	727 0	737 0	747 0	757 0
Balance at End of Year	709 (8) 877,883	719 0	729 0	739 0	749 0	759 0

Notes:

(1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.

(2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5), as made applicable by s.34.

(3) Includes losses on amalgamation (fed.s.87(2.1) and s.87(2.11) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.

(4) To the extent of applicable gains/income/at-risk amount only.

(5) Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.

(6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.

(7) Include amount form 11 if taxable income is adjusted to claim unused foreign tax credit for federal purposes.

(8) Amount in 709 must equal total of 829 + 839.

(9) Total Capital Losses for a year is the excess of 100% of the Capital Losses in the taxation year minus 100% of the Capital Gains (less any reserves) in the taxation year. Total Capital Losses is before the inclusion rate has been applied.

(10) In the 2001 CT23 this column now refers to Total Capital Losses (100% of loss), whereas previously the column referred to Net Capital Losses (75% of loss or after the inclusion rate has been applied). Loss amounts that are not carried at 100% of the loss must be grossed back up to 100% by multiplying the balance by 1.333333. No adjustment is required where losses are carried at 100% of the loss amount.

Analysis of Balance by Year of Origin

Year of Origin (oldest year first) year month day	Non-Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only (9) (10)	Farm Losses	Restricted Farm Losses
800 1993-09-30				850 0	870 0
801 1994-09-30				851 0	871 0
802 1995-09-30				852 0	872 0
803 1996-09-30	820 0	830 0	840 0	853 0	873 0
804 1997-09-30	821 0	831 0	841 0	854 0	874 0
805 1998-09-30	822 0	832 0	842 0	855 0	875 0
806 1999-09-30	823 0	833 0	843 0	856 0	876 0
807 2000-09-30	824 0	834 0	844 0	857 0	877 0
808 2001-09-30	825 0	835 0	845 0	858 0	878 0
809 2001-12-31	826 877,883	836 0	846 0	859 0	879 0
Total	829 877,883	839 0	849 0	869 0	889 0

Request for Loss Carry-Back (s.80(16))

Applies to co...ations requesting a reassessment of the return of one or more previ... taxation years under s.80(16) with respect to one or more types of loss... ...ied back.

- If, after applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34.
- Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.
- Refunds arising from the loss carry-back adjustment may be applied by the Minister of Finance to amounts owing under ***any Act administered by the Ministry of Finance.***
- Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.
- The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:
  1) the first day of the taxation year after the loss year,
  2) the day on which the corporation's return for the loss year is delivered to the Minister, or
  3) the day on which the Minister receives a request in writing from the corporation to reassess the particular taxation year to take into account the deduction of the loss.
- If a loss is being carried back to a predecessor corporation, enter the predecessor corporation's account number and taxation year end in the spaces provided under Application of Losses below.

Application of Losses

	Predecessor Ontario Corporation's Tax Account No. (MOF)	Taxation Year Ending (year month day)	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
Total amount of loss			910 877,883	920 0	930 0	940 0
Deduct: Loss to be carried back to preceding taxation years and applied to reduce taxable income						
i) 3rd preceding		901	911 0	921 0	931 0	941 0
ii) 2nd preceding		902	912 0	922 0	932 0	942 0
iii) 1st preceding		903	913 0	923 0	933 0	943 0
Total loss to be carried back			From 708 0	From 718 0	From 728 0	From 738 0
Balance of loss available for carry-forward			919 877,883	929 0	939 0	949 0

Summary

Income tax	+ From 230 or 320		0.
Corporate Minimum Tax	+ From 280		0.
Capital Tax	+ From 550		5,394.
Premium Tax	+ From 590		0.
Total Tax Payable	=	950	5,394.
Subtract: Payments	–	960	18,000.
Capital Gains Refund (s.48)	–	965	0.
Qualifying Environmental Trust Tax Credit *(Refer to Guide)*	–	985	0.
Specified Tax Credits *(Refer to Guide)*	–	955	0.
Other (specify)	–		0.
Balance	=	970	-12,606.
If payment due — Enclosed *		990	0.
If overpayment: Refund *(Refer to Guide)*	=	975	12,606.
Apply to (year month day)		980	0.

(includes credit interest)

* Make your cheque (drawn on a Canadian financial institution) or a money order in Canadian funds, ***payable to the MINISTER OF FINANCE*** and print your Ontario Corporation's Tax Account No. (MOF) on the back of cheque or money order.

Certification

I am an authorized signing officer of the corporation. I certify that this CT23 return, including all schedules and statements filed with or as part of this CT23 return, has been examined by me and is a true, correct and complete return and that the information is in agreement with the books and records of the corporation. I further certify that the financial statements accurately reflect the financial position and operating results of the corporation as required under section 75 of the *Corporations Tax Act*. The method of computing income for this taxation year is consistent with that of the previous year, except as specifically disclosed in a statement attached.

Name (please print)

STEWART CUNNINGHAM

Title

TREASURER

Full Residence Address

Signature | Date

Note: Section 76 of the Corporations Tax Act provides penalties for making false or misleading statements or omissions.

Corporation's Legal Name

Lakefront Utilities Inc. 1800124 2001-12-31

DOLLARS ONLY

Corporate Minimum Tax - Schedule A: Calculation of CMT Base

Banks: Net income/loss as per report accepted by Superintendent of Financial Institutions (SFI) under Bank Act (Canada), adjusted so consolidation/equity methods are not used.

Net Income/Loss (unconsolidated, determined in accordance with GAAP) ± 2100 -894,670.

Subtract (to the extent reflected in net income/loss):

Provision for recovery of income taxes	+ 2101	0.		
Provision for deferred income taxes (credits)	+ 2102	0.		
Equity income from corporations	+ 2103	0.		
Share of partnership(s)/joint venture(s) income	+ 2104	0.		
Dividends received/receivable deductible under fed.s.112	+ 2105	0.		
Dividends received/receivable deductible under fed.s.113	+ 2106	0.		
Dividends received/receivable deductible under fed.s.83(2)	+ 2107	0.		
Federal Part VI.1 tax paid on dividends declared and paid after May 5, 1997, under fed.s.191.1(1) 0. X 9/4	+ 2108	0.		
Subtotal	=	0.	- 2109	0.

Add (to extent reflected in net income/loss):

Provision for current taxes	+ 2110	0.		
Provision for deferred income taxes (debits)	+ 2111	0.		
Equity losses from corporations	+ 2112	0.		
Share of partnership(s)/joint venture(s) losses	+ 2113	0.		
Dividends that have been deducted to arrive at net income per Financial Statements. *Applies* to dividends that have been declared and paid after May 5, 1997,s.57.4(1.1) (excluding dividends under fed.s.137(4.1))	+ 2114	0.		
Subtotal	=	0.	+ 2115	0.

Add/Subtract:

Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years

Fed.s.85	+ 2116	0.	or - 2117	0.
** Fed.s.85.1	+ 2118	0.	or - 2119	0.
** Fed.s.97	+ 2120	0.	or - 2121	0.
** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years	+ 2122	0.	or - 2123	0.
** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years	+ 2124	0.	or - 2125	0.
** Amounts relating to s.57.10 election/regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years	+ 2126	0.	or - 2127	0.
Interest allowable under ss.20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income			- 2150	0.

Subtotal (Additions)	= 0.		+ 2128	0.
Subtotal (Subtractions)		= 0.	- 2129	0.
** Other adjustments			± 2130	0.
Subtotal ± 2100 - 2109 + 2115 + 2128 - 2129 ± 2130			= 2131	-894,670.
** Share of partnership(s)/joint venture(s) adjusted net income/loss			± 2132	0.
Adjusted net income (loss) (If loss, transfer to 2202 *in Schedule B: Continuity of CMT Losses Carried Forward, Page 20.)*			= 2133	-894,670.

Deduct: * CMT losses: pre-1994 Loss	+ From 2210	0.		
* CMT losses: other eligible losses	+ From 2211	0.		
	=	0.	- 2134	0.

* CMT losses applied cannot exceed adjusted net income or increase a loss

** *Retain calculations. Do not submit with this tax return.*

CMT Base = 2135 0.

Transfer to CMT Base on Page 8

Corpora[illegible] Minimum Tax (CMT)

Sc[illegible]ule B: Continuity of CMT Losses Carried Forward

Balance at Beginning of year (1), (2)			2201	0.
Add: Current year's losses	+ 2202	894,670.		
Losses from predecessor corporations on amalgamation (3)	+ 2203	0.		
Losses from predecessor corporations on wind-up (3)	+ 2204	0.		
Amalgamation (x) 2205 [ ] Yes Wind-up (x) 2206 [ ] Yes				
Subtotal	=	894,670.	+ 2207	894,670.
Adjustments (attach schedule)			± 2208	0.
CMT losses available 2201 + 2207 ± 2208			= 2209	894,670.
Subtract: Pre-1994 loss utilized during the year to reduce adjusted net income	+ 2210	0.		
Other eligible losses utilized during the year to reduce adjusted net income (4)	+ 2211	0.		
Losses expired during the year	+ 2212	0.		
Subtotal	=	0.	- 2213	0.
Balances at End of Year (5) 2209 − 2213			= 2214	894,670.

Notes:

(1) Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.

(2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. (see s.57.5(3) and s.57.5(7))

(3) Include and indicate whether CMT losses 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.57.5(8) and s.57.5(9))

(4) CMT losses must be used to the extent of the lesser of the adjusted net income 2133 and CMT losses available 2209.

(5) Amount in 2214 must equal sum of 2270 + 2290.

Schedule C: Analysis of CMT Losses Year End Balance by Year of Origin

For a pre-1994 loss, use the date of the last taxation year end before your corporation's first taxation year commencing after 1993.

	Year of Origin (oldest year first) year month day		CMT Losses of Corporation		CMT Losses of Predecessor Corporations
2240	2001-12-31	2260	894,670	2280	0
2241		2261	0	2281	0
2242		2262	0	2282	0
2243		2263	0	2283	0
2244		2264	0	2284	0
2245		2265	0	2285	0
2246		2266	0	2286	0
2247		2267	0	2287	0
2248		2268	0	2288	0
2249		2269	0	2289	0
Totals		2270	894,670	2290	0

The sum of amounts 2270 + 2290 *must equal amount in* 2214.

Corporat[illegible] Minimum Tax (CMT)

Schedule D: Continuity of CMT Credit Carryovers

Balance at Beginning of year (1)		+ 2301	0.
Add: Current year's CMT Credit (280 on page 8, if negative, enter NIL)	+ From 280: 0.		
CMT Credit Carryovers from predecessor corporations (2) Amalgamation (x) 2303 [ ] Yes Wind-up (x) 2304 [ ] Yes	+ 2302: 0.		
Subtotal	= 0.	+ 2305	0.
Adjustments (*Attach schedule*)		± 2306	0.
CMT credit carryover available 2301 + 2305 ± 2306		= 2307	0.
			Transfer to Page 8
Subtract: CMT Credit utilized during the year to reduce income tax (Page 8)	+ From 310: 0.		
CMT Credit expired during the year	+ 2308: 0.		
Subtotal	= 0.	- 2309	0.
Balance at End of Year (3) 2307 - 2309		= 2310	0.

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) 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))

(3) [illegible]unt in 2310 must equal sum of 2370 + 2390.

Schedule E: 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	2001-12-31	2360 0	2380 0
2341		2361 0	2381 0
2342		2362 0	2382 0
2343		2363 0	2383 0
2344		2364 0	2384 0
2345		2365 0	2385 0
2346		2366 0	2386 0
2347		2367 0	2387 0
2[illegible]		2368 0	2388 0
2349		2369 0	2389 0
Totals		2370 0	2390 0.

The sum of amounts 2370 + 2390 *must equal amount in* 2310.

orp. Tax Acct. No. : 1800124 Year Ended: 2001-12-31

NTARIO CT23 SUPPLEMENTARY - LIST OF ASSOCIATED CORPORATIONS

me of Associated rpor	Ontario Corp. Tax Number	Taxation Year end	Taxable Capital	Total Assets (Note 1)	Total Revenue (Note 1)	Taxable Income (Note 2)	No Perm Estab in Canada
wn of Cobourg Holdings				0	0	0	0
xefront Utility Services Inc				0	0	0	0
bourg Networks Inc.				0	0	0	0
OTALS				0	0	0	0

ote 1: Enter total assets and total revenues only if "Corporate Minimum Tax (CMT)" is applicable.

ote 2: Enter Taxable Income amounts only if "Surtax on a CCPC" is applicable
(i.e. IDSBC is applicable).

ntario CT23 Supplementary

CCH Canadian Ltd. - Corporate Taxprep ver. 1-2002, 2001/2002 Update

akefront Utilities Inc.   Ont. Sch. 006
orp. Tax Acct. No. : 1800124   Year Ended: 2001-12-31

Summary of Capital Cost Allowance

s the corporation electing under regulation 1101(5g)? [Y/N] N

1 lass umber	2 Ontario unde-preciated capital cost at the beginning of the year (unde-preciated capital cost at the end of the prior year's CCA schedule)	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Net adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Ontario unde-preciated 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) See note 2 below	8 Reduced unde-preciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Recapture of capital cost allowance	11 Terminal loss	12 Ontario capital cost allowance (column 8 multiplied by column 9; or a lower amount)	13 Ontario unde-preciated capital cost at the end of the year (column 6 minus column 12)
1	183,149	0	0	0	183,149	0	183,149	4	0	0	1,847	181,302
1	9,854,401	135,695	0	0	9,990,096	67,847	9,922,249	4	0	0	100,038	9,890,058
10	39,921	0	0	6,702	33,219	0	33,219	30	0	0	2,512	30,707
12	83,545	0	0	56,431	27,114	0	27,114	100	0	0	0	27,114
10	123,855	0	0	0	123,855	0	123,855	30	0	0	0	123,855
12	459,785	0	0	0	459,785	0	459,785	100	0	0	0	459,785
Total	10,744,656	135,695	0	63,133	10,817,216	67,847	10,749,371		0	0	104,397	10,712,821
							Enter in boxes		[650]	[650]	[650] on the CT23	

ote 1. 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) of the "Income Tax Act" (Canada).

ote 2. The net cost of acquisitions is the cost of acquisitions plus or minus certain adjustments from column 4.

ote 3. If the taxation year is shorter than 365 days, prorate the CCA claim.

ote 4. Ontario recapture should be included in net income after deducting the federal recapture and the Ontario terminal loss is deducted from net income after including the federal terminal loss.

Appendix 19

2001 Notice of Assessments

ITAS_CT_AssessmentSummar

LegalName	: LAKEFRONT UTILITIES INC.
ClientNumber	: 1510194611
AccountNumber	: 001
StatuteAccountNo	: 1800124
RegionalOfficeId	: 35
DecodeOfRegionalOfficeId	:
DecodeResolvedStatuteId	: HYDRO PIL
DecodeOfStatuteId	:
DecodeOfStatusId	:
NetAccountBalance	: -565,155.00
NotepadInd	: Y
WorkStackCount	: 0
NumberObjection	: 0
PHONE_NO	: 905-372-2193
PhoneExtensionNumber	:
OrigAtpStartDate	: 2001-10-01
OrigAtpEndDate	: 2001-12-31
ReturnReceiptDate	: 2002-10-07
ReturnDueDate	: 2002-06-30
AssessmentTransactionId	: 13
AssessmentIssueDate	: 2002-10-29
DecodeAssessmentReason	: ASSESSMENT
PrevAssessmentTranId	: 0
TaxAssessed	: 6,702.00
CapitalGainsRefund	: 0.00
MrtCreditRefund	: 0.00
SpecifiedCrDeemedPymt	: 0.00
FraudPenalty	: 0.00
PenaltyLateFiling	: 0.00
AssessmentInterest	: -251.17
TotalAssessmentLiab	: 6,450.83
H_subtotal	: 6,450.83
PaymentsTransfers	: -18,000.00
TotAssessmentRefund	: 0.00
NonAssessmentPenalty	: 0.00
SmallBalanceAdj	: 0.00
Waivers	: 0.00
Subtotal	: -18,000.00
Total	: -11,549.17

Appendix 20

2002 T2 Federal Tax Return

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

T2 CORPORATION INCOME TAX RETURN

Schedule 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, including proposed legislation, see the corresponding items in the *T2 Corporation - Income Tax Guide 2002.*

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, see items 1 to 5 in the guide.

055 Do not use this area

COPY FOR YOUR FILES

Identification

Business number (BN) (item 11) 001 NR

Corporation's name (item 12)

002 Lakefront Utilities Inc.

Has the corporation changed its name since the last time we were notified? 003 ☐ Yes ☒ No

If *yes*, do you have a copy of the articles of amendment? 004 ☐ Yes ☐ No

Address of head office (item 13)

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

011 207 Division Street

012 P.O.Box 577

City	Province
015 Cobourg	016 ON
Country (other than Canada)	Postal code
017	018 K9A 4L3

To which taxation year does this return apply? (item 17)

From 060 2002/01/01 to 061 2002/12/31

Has there been an acquisition of control to which subsection 249(4) applies since the previous taxation year? 063 ☐ Yes ☒ No

If *yes*, provide date control was acquired 065

Is the corporation a professional corporation that is a member of a partnership? (item 18) 067 ☐ Yes ☒ No

Mailing address (if different from head office address) (item 14)

Has the address changed since the last time we were notified?

020 Yes ☐ No ☒

021 C/o

022 207 Division Street

023 P.O.Box 577

City	Province
025 Cobourg	026 ON
Country (other than Canada)	Postal code
027	028 K9A 4L3

Is this the first year of filing after:

Incorporation? (item 19) 070 ☐ Yes ☒ No

Amalgamation? (item 20) 071 ☐ Yes ☒ No

If *yes*, complete Schedule 24

Has there been a wind-up of a subsidiary under section 88 during the current taxation year?(item 21)

If *yes*, complete Schedule 24 072 ☐ Yes ☒ No

Is this the final taxation year before amalgamation? (item 22) 076 ☐ Yes ☒ No

Location of books and records (item 15)

031 207 Division Street

032 P.O.Box 577

City	Province
035 Cobourg	036 ON
Country (other than Canada)	Postal code
037	038 K9A 4L3

Is this the final return up to dissolution? (item 23) 078 ☐ Yes ☒ No

Is the corporation a resident of Canada? (item 24) 080 ☒ Yes ☐ No

If *no*, give the country of residence. 081

040 Type of corporation at end of taxation year (item 16)

1 ☒ Canadian controlled private corporation (CCPC)

2 ☐ Other private corporation

3 ☐ Public corporation

4 ☐ Corporation controlled by a public corporation

5 ☐ Other corporation (please specify, below)

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

Is the non-resident corporation claiming an exemption under an income tax treaty? (item 24) 082 ☐ Yes ☒ No

If *yes*, complete Schedule 91

If the corporation is exempt from tax under section 149, tick one of the following boxes: (item 25)

085 1 ☐ Exempt under 149(1)(e) or (l)

2 ☐ Exempt under 149(1)(j)

3 ☐ Exempt under 149(1)(t)

4 ☐ Exempt under other paragraphs of section 149

Do not use this area

091	092	093	094	095	096
097					

Attachments

Guide item			Yes	Schedule
27	Is the corporation related to any other corporations?	150	X	9
28	Does the corporation have any non-resident shareholders?	151		19
29	Is the corporation an associated Canadian-controlled private corporation (CCPC)?	160	X	23
30	Is the corporation an associated CCPC that is claiming the expenditure limit?	161		49
32	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		11
33	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		44
34	Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164		14
35	Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165		15
37	Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166		T5004
38	Is the corporation a member of a partnership for which an identification number has been assigned?	167		T5013
40	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		22
41	Did the corporation have any foreign affiliates during the year?	169		25
42	Has the corporation made any payments to non-residents of Canada under subsections 202(1) and 105(1) of the federal *Income Tax Regulations*?	170		29
43	Has the corporation had any non-arm's length transactions with a non-resident?	171		T106
47	Has the corporation made payments to, or received amounts from a retirement compensation arrangement?	172		-----
46	Does the corporation (private corporations only) have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173	X	50
55	Is the net income/loss shown on financial statements different from the net income for income tax purposes?	201	X	1
78-81	Has the corporation made any charitable donations or gifts of cultural or ecological property?	202		2
82,104	Has the corporation received dividends or paid taxable dividends for purposes of the dividend refund?	203		3
69-76	Is the corporation claiming any type of losses?	204	X	4
131	Is the corporation claiming a provincial tax credit or does it have a permanent establishment in more than one jurisdiction?	205		5
56	Has the corporation realized any capital gains or incurred any capital losses during the taxation year?	206		6
102	(i) Is the corporation claiming the small business deduction and reporting income from : (a) property (other than dividends), (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		7
57	Does the corporation have any property that is eligible for capital cost allowance?	208	X	8
58	Does the corporation have any property that is eligible capital property?	210		10
59	Does the corporation have any resource-related deductions?	212		12
60	Is the corporation claiming reserves of any kind?	213		13
61	Is the corporation claiming a patronage dividend deduction?	216		16
62	Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing?	217		17
149	Is the corporation an investment corporation or a mutual fund corporation?	218		18
130	Is the corporation carrying on business in Canada while not a Canadian corporation?	220		20
117	Is the corporation claiming any federal or provincial foreign tax credits, or logging tax credits?	221		21
154	Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	226		26 *
110	Does the corporation have any Canadian manufacturing and processing profits?	227		27
120	Is the corporation claiming an investment tax credit?	231		31
63	Is the corporation claiming any scientific research and experimental development expenditures?	232		T661/T665
123	Is the corporation subject to Part 1.3 tax?	233	X	33/34/35
123	Is the corporation a member of a related group with one or more members subject to gross Part 1.3 tax?	236	X	36
123	Is the corporation claiming a surtax credit?	237		37
127	Is the corporation subject to gross Part VI tax on capital of financial institutions?	238		38
127	Is the corporation claiming a Part I tax credit?	242		42
128	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		43
128	Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244		45
124	Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	249		46
127	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		39
127	For life insurance corporations: Is the corporation a member of a related group of insurance corporations with one or more members subject to the additional gross Part VI tax?	251		40
127	For deposit-taking institutions: Is the corporation a member of a related group of financial institutions (other than life insurance corporations) with one or more members subject to the additional Part VI tax?	252		41
151	Is the corporation claiming a Canadian film or video production tax credit refund?	253		T1131

Attachments - Continued from page 2

Guide item		Yes	Schedule
129	Is the corporation subject to Part XIII.1 tax?	☐	92 *
152	Is the corporation claiming a film or video production services tax credit refund?	☐	T1177
44	Did the corporation have any foreign affiliates that are not controlled foreign affiliates?	☐	T1134-A
44	Did the corporation have any controlled foreign affiliates?	☐	T1134-B
44	Did the corporation own specified foreign property in the year with a cost amount over $100,000	☐	T1135
44	Did the corporation transfer or loan property to a non-resident trust?	☐	T1141
44	Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	☐	T1142
-	Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	☐	T1145
-	Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	☐	T1146
-	Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	☐	T1174

Additional information

Is the corporation inactive? (item 48) **280** 1 Yes ☐ 2 No ☒

Has the major business activity changed since the last return was filed? (enter yes for first time filers) (item 49) **281** 1 Yes ☐ 2 No ☒

What is the corporation's major business activity? (item 50) **282** ____

(Only complete if *yes* was entered at line 281.)

If the major activity involves the resale of goods, indicate whether is is wholesale or retail (item 51) **283** 1 Wholesale ☐ 2 Retail ☐

Specify the principal product(s) mined, manufactured, sold, constructed, or service provided, giving the approximate percentage of the total revenue that each product or service represents. (item 52)

284	Dist. Electricity	**285**	100.000 %
286		**287**	%
288		**289**	%

Did the corporation immigrate to Canada during the taxation year? (item 53) **291** 1 Yes ☐ 2 No ☒

Did the corporation emigrate from Canada during the taxation year? (item 54) **292** 1 Yes ☐ 2 No ☒

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements or GIFI (item 77)				300	395,242	A
Deduct:	Charitable donations from Schedule 2 (item 78)	311				
	Gifts to Canada or a province from Schedule 2 (item 79)	312				
	Cultural gifts from Schedule 2 (item 80)	313				
	Ecological gifts from Schedule 2 (item 81)	314				
	Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3 (item 82)	320				
	Part VI.1 tax deduction from Schedule 43 (item 83)*	325				
	Non-capital losses of preceding taxation years from Schedule 4 (item 84)	331	288,000			
	Net capital losses of preceding taxation years from Schedule 4 (item 85)	332				
	Restricted farm losses of prior taxation years from Schedule 4 (item 86)	333				
	Farm losses of prior taxation years from Schedule 4 (item 87)	334				
	Limited partnership losses of prior years from Schedule 4 (item 88)	335				
	Taxable capital gains or taxable dividends allocated from a central credit union (item 89)	340				
	Prospector's and grubstaker's shares (item 90)	350				
	Subtotal		288,000		288,000	B
				Subtotal	107,242	C
Add:	Section 110.5 additions and/or subparagraph 115(1)(a)(vii) additions (item 91)			355		D
Taxable income (amount C plus amount D) (item 92)				360	107,242	
Income exempt under paragraph 149(1)(t) (item 93)				370		
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370) (item 94)						Z

* If the taxation year ends after December 31, 2002, use "3" instead of "9/4" in the calculation of the Part VI.1 tax deduction indicated in item 83 of the *T2 Corporation Income Tax Guide*.

Small business deduction

Canadian-controlled private corporations throughout the taxation year

Income from active business carried on in Canada from Schedule 7 (item 95)	**400**	395,242	A
Taxable income from line 360 or amount Z, whichever applies, **minus** 10/3 of the amount that would be deductible at line 632*, and 10/4 of line 636** on page 7, and **minus** any amount that, because of federal law, is exempt from Part I tax (item 96)	**405**	107,242	B

Business limit:

$200,000 x	Number of days in the taxation year before 2003 / Number of days in the taxation year	365 / 365	=	200,000
$225,000 x	Number of days in the taxation year in 2003 / Number of days in the taxation year	/ 365	=	
Maximum business limit before allocation to associated corporations				200,000

Business limit (for associated corporations, enter business limit from Schedule 23) (item 97)	**410**	200,000	C

Reduction to business limit: (item 98)

Amount C 200,000 X **415** *** 5,190 D / 11,250 = 92,267 E

Reduced business limit (amount C minus amount E) (if negative, enter "0")	**425**	107,733	F
Small business deduction - 16% of the least of amounts A, B, C, and F	**430**	17,159	G

(enter amount G of line 9 on page 7)

* Calculate the amount of foreign non-business income tax credit deductible at line 632 without reference to the refundable tax on 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 at line 636 without reference to the corporate tax reductions under section 123.4.

*** **Large corporation tax for preceding year** - Enter the total gross Part I.3 tax for the corporation for its preceding taxation year, before deducting the surtax credits, increased to reflect a full-year tax liability if the previous year is less than 51 weeks. For associated corporations, see Schedule 23 for the special rules that apply.

Accelerated tax reduction (item 99)

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

Reduced business limit (amount from line 425) 107,733 x 300,000 / 200,000 = 161,600 A

Net active business income (amount from line 400)*			395,242	B
Taxable income from line 360 or amount Z on page 3, whichever applies, minus 10/4 of line 636** on page 7 and minus any amount that, because of federal law is exempt from Part I tax	107,242	C		
Deduct:				
Aggregate investment income (amount from line 440)		D		
Amount C minus amount D (if negative, enter "0")	107,242	▶	107,242	E
The least of amounts A, B, or E above			107,242	F
Amount Z from Part 9 of Schedule 27 ______ x 100 / 7 =		G		
Amount QQ from Part 13 of Schedule 27		H		
Resource allowance (amount from line 346 of Schedule 1) ______ x 3 =		I		
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)		J		
Least of amounts on lines 400, 405, 410, and 425 of the small business deduction	107,242	K		
Total of amounts G, H, I, J, and K	107,242	▶	107,242	L
Amount F minus amount L (if negative, enter "0")				M

Amount M ______ x Days in the taxation year after December 31, 2000 / Days in the taxation year 365 / 365 = ______ N

Accelerated tax reduction - 7% of amount N ______ O

(Enter amount O on line 637 of page 7)

* 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.

General tax reduction for Canadian-controlled private corporations (item 100)

Canadian-controlled private corporations throughout taxation year

Taxable income from line 360 or amount Z of page 3			107,242	A
Amount Z from Part 9 of Schedule 27	x 100 / 7 =		B	
Amount QQ from Part 13 of Schedule 27			C	
Resource allowance (amount from line 346 of Schedule 1)	x 3 =		D	
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)			E	
Least of amounts on lines 400, 405, 410, and 425 of the small business deduction		107,242	F	
Aggregate investment income from line 440 of page 6			G	
Amount used to calculate the accelerated tax reduction (amount M on page 4)			H	
Total of amounts B, C, D, E, F, G, and H		107,242 ▸		107,242 I
Amount A minus amount I (if negative, enter "0")				J

Amount J ______ x Number of days in the taxation year in 2001 ______ / Number of days in the taxation year 365 x 1% = ______ K

Amount J ______ x Number of days in the taxation year in 2002 365 / Number of days in the taxation year 365 x 3% = ______ L

Amount J ______ x Number of days in the taxation year in 2003 ______ / Number of days in the taxation year 365 x 5% = ______ M

General tax reduction for Canadian-controlled private corporations - total of amounts K, L and M ______ N
(enter amount N on line 638 of page 7)

General tax reduction (item 101)

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

Taxable income from line 360 or amount Z of page 3				A
Amount Z from Part 9 of Schedule 27	x 100 / 7 =		B	
Amount QQ from Part 13 of Schedule 27			C	
Resource allowance (amount from line 346 of Schedule 1)	x 3 =		D	
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)			E	
Least of amounts on lines 400, 405, 410, and 425 of the small business deduction			E1	
Total of amounts B, C, D, E and E1		▸		F
Amount A minus amount F (if negative, enter "0")				G

Amount G ______ x Number of days in the taxation year in 2001 ______ / Number of days in the taxation year x 1% = ______ H

Amount G ______ x Number of days in the taxation year in 2002 ______ / Number of days in the taxation year x 3% = ______ I

Amount G ______ x Number of days in the taxation year in 2003 ______ / Number of days in the taxation year x 5% = ______ J

General tax reduction - total of amounts H, I and J ______ K
(enter amount K on line 639 of page 7)

Refundable portion of Part I tax (item 102)

Canadian-controlled private corporations throughout the taxation year

Aggregate investment income (Amount P from Part 1 of Schedule 7)	**440**	X 26 2/3 % =			A
Foreign non-business income tax credit from line 632 on page 7					
Deduct:					
Foreign investment income (Amount O from Part 1 of Schedule 7)	**445**	X 9 1/3 % = (if negative, enter "0")			B
Amount A **minus** amount B (if negative, enter "0")					C
Taxable income from line 360 on page 3			107,242		
Deduct:					
Least of amounts on lines 400, 405, 410, and 425 on page 4		107,242			
Foreign non-business income tax credit from line 632 on page 7	x 25/9 =				
Foreign business income tax credit from line 636 on page 7	x 10/4 =				
		107,242	107,242		
			X 26 2/3% =		D
Part I tax payable minus investment tax credit refund (line 700 minus line 780 on page 8)			14,070		
Deduct corporate surtax from line 600 on page 7			1,201		
Net amount			12,869	12,869	E
Refundable portion of Part I tax - the least of amounts C, D, and E			**450**	0	F

Refundable dividend tax on hand (item 103)

Refundable dividend tax on hand at the end of the preceding tax year	**460**			
Deduct dividend refund for the previous taxation year	**465**			
				A
Add the total of:				
Refundable portion of Part I tax from line 450 above				
Total Part IV tax payable from line 360 on page 2 of Schedule 3				
Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation	**480**			
				B
Refundable dividend tax on hand at the end of the taxation year - Amount A plus Amount B		**485**	0	

Dividend refund (item 104)

Private and subject corporations at the time taxable dividends were paid in the taxation year

Taxable dividends paid in the taxation year from line 460 on page 2 of Schedule 3	X 1/3		A
Refundable dividend tax on hand at the end of the taxation year from line 485 above			B
Dividend refund - Lesser of amounts A and B (enter this amount on line 784 on page 8)		0	

Part I tax

Base amount of Part I tax - 38% of taxable income (line 360 or amount Z, whichever applies) from page 3 (item 105)			550	40,752	A
Corporate surtax calculation (item 106)					
Base amount from line A above		40,752	1		
Deduct:					
10% of taxable income (line 360 or amount Z, whichever applies) from page 3		10,724	2		
Investment corporation deduction from line 620 below			3		
Federal logging tax credit from line 640 below			4		
Federal qualifying environment trust tax credit from line 648 below			5		
For a mutual fund corporation or an investment corporation throughout the taxation year, enter the least of a, b and c below on line 6:					
28% of taxable income from line 360 on page 3	a				
28% of taxed capital gains	b		6		
Part I tax otherwise payable (line A **plus** line C and D **minus** line F)	c				
Total of lines 2 to 6		10,724	7		
Net amount (line 1 minus line 7)		30,028	8		
Corporate surtax - 4% of the amount on line 8			600	1,201	B
Recapture of investment tax credit from line XX in Part 16 on page 8 of Schedule 31 (item 107)			602		C
Calculation for the refundable tax on Canadian-controlled private corporation's investment income (for a CCPC throughout the taxation year) (item 108)					
Aggregate investment income from line 440 on page 6			i		
Taxable income from line 360 on page 4	107,242				
Deduct: The least of amounts on lines 400, 405, 410, and 425 on page 4	107,242				
Net amount			ii		
Refundable tax on CCPC's investment income - 6 2/3 % of the lesser of amounts i or ii			604		D
Subtotal (add lines A, B, C, and D)				41,953	E
Deduct:					
Small business deduction from line 430 on page 4		17,159	9		
Federal tax abatement (item 109)	608	10,724			
Manufacturing and processing profits deduction from amount BB or VV of Schedule 27 (item 110)	616				
Investment corporation deduction (item 111)	620				
(Taxed capital gains **624** ______)					
Additional deduction - credit unions from Schedule 17 (item 112)	628				
Federal foreign non-business income tax credit from Schedule 21 (item 113)	632				
Federal foreign business income tax credit from Schedule 21 (item 114)	636				
Accelerated tax reduction from amount O of page 4 (item 115)	637				
General tax reduction for CCPC's from amount N of page 5 (item 116)	638				
General tax reduction from amount K of page 5 (item 116)	639				
Federal logging tax credit from Schedule 21 (item 117)	640				
Federal political contribution tax credit (item 118)	644				
Federal political contributions **646** ______					
Federal qualifying environmental trust tax credit (item 119)	648				
Investment tax credit from Schedule 31 (item 120)	652				
Subtotal		27,883		27,883	F
Part I tax payable - Line E minus line F (enter amount G on line 700 on page 8) (item 121)				14,070	G

Summary of tax and credits

Federal tax

Part I tax payable from page 5 (item 122)	700	14,070
Part I.3 tax payable from Schedule 33, 34, or 35 (item 123)	704	5,242
Part II tax payable from Schedule 46 (item 124)	708	
Part IV tax payable from Schedule 3 (item 125)	712	
Part IV.1 tax payable from Schedule 43 (item 126)	716	
Part VI tax payable from Schedule 38 (item 127)	720	
Part VI.1 tax payable from Schedule 43 (item 128)	724	
Part XIII.1 tax payable from Schedule 92 (item 129)	727	
Part XIV tax payable from Schedule 20 (item 130)	728	
Total federal tax		19,312

Add provincial and territorial tax

Provincial or territorial jurisdiction (item 131) **750** ON
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial and territorial tax payable (except Quebec, Ontario and Alberta) (item 132)	760	
Provincial tax on large corporations (New Brunswick and Nova Scotia) (item 146)	765	

Total tax payable **770** 19,312 A

Deduct other credits

Investment tax credit refund from Schedule 31 (items 147)	780	
Dividend refund from Page 4 (items 148)	784	
Federal capital gains refund from Schedule 18 (item 149)	788	
Federal qualifying environmental trust tax credit refund (item 150)	792	
Canadian film or video production tax credit refund from Form T1131 (item 151)	796	
Film or video production services tax credit refund from Form T1177 (item 152)	797	
Tax withheld at source (item 153)	800	
Total payments on which tax has been withheld (item 153)	801	
Allowable refund for non-resident-owned investment corporations - Schedule 26 (item 154)	804	
Provincial and territorial capital gains refund from Schedule 18 (item 155)	808	
Provincial and territorial refundable tax credits from Schedule 5 (item 156)	812	
Royalties deductible under Syncrude Remission Order	815	
Tax remitted under Syncrude Remission Order (item 157)	816	
Tax instalments paid (item 158)	840	

Total credits **890** B

Refund Code (item 159) **894** ☐ Overpayment (item 162)

Balance (line A minus line B) 19,312

Direct Deposit Request (item 163)

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.
We do not charge or refund a difference of less than $2.

Balance unpaid (item 162) 19,312

Enclosed payment (item 161) **898**

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 is due? (item 160) **896** 1 Yes ☒ 2 No ☐ NA ☐

Certification (item 164)

950 CUNNINGHAM (Surname) **951** STEWART (First name) **954** TREASURER (Position, office or rank)

955 ______ (Date) **956** (905) 372-2193 (Telephone number)

Is the contact person the same as the authorized signing officer? If *no*, complete the information below. **957** 1 Yes ☒ 2 No ☐

958 ______ (Name) **959** ( ) - (Telephone number)

Language of correspondence - Langue de correspondance (item 165)

990 Language of choice/Langue de choix 1 English / Anglais ☒ 2 Français / French ☐

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NET INCOME (LOSS) FOR INCOME TAX PURPOSES — Schedule 1

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

Net income (loss) after taxes and extraordinary items per financial statements			A	262,096
Add:				
Provision for income taxes - current	**101**	62,703		
Amortization of tangible assets	**104**	662,166		
Total of fields 101 to 199	**500**	724,869	▶	724,869
Deduct:				
Capital cost allowance - Schedule 8	**403**	567,799		
Total of fields 300 to 394	**499**	23,924		
Total of fields 401 to 499	**510**	591,723	▶	591,723
Net income (loss) for income tax purposes (enter on line 300 of the T2 return)				395,242

Deduct:

Other deductions:

700 Provincial capital tax	**390**	23,924
Total of fields 300 to 394 (Enter this amount at line 499)		23,924

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NON-CAPITAL LOSS CONTINUITY AND CARRY BACK — Schedule 4

Part 1 - Non-capital loss

Non-capital loss continuity by year

Year of origin	Balance at end of prior year	Transfers on amalgamation or wind-up	Section 80 adjustments	Other adjustments	Current year loss net of carry-back	Applied	Ending balance
		Expired					
2000/12/31							
2001/12/31	877,883					288,000	589,883
2002/12/31							
Totals	877,883					288,000	589,883

Current year non-capital loss

Net income (loss) for income tax purposes		395,242
Deduct:		
Net capital losses deducted in the year		
Taxable dividends deductible under sections 112, 113 or subsection 138(6)		
Amount of Part VI.1 tax deductible		
Amount deductible as prospector's and grubstaker's shares - Paragraph 110(1)(d.2)		
	▶	
Subtotal - if positive, enter "0"		
Deduct: Section 110.5 - addition for foreign tax credits		
Add: Current year farm loss		
Current year non-capital loss (if positive, enter "0")		

Non-capital loss continuity and carry-back request

	Line		
Non-capital losses at end of preceding taxation year		877,883	
Losses expired after 7 years	100 -		
Non-capital losses - beginning balance	102 =	877,883	877,883
Transfers from wind-up of wholly-owned subsidiary and amalgamation	105 +		
Current year non-capital loss from above	110		
Deduct - Non-capital loss carry back to:			
1st preceding taxation year against taxable income	901		
2nd preceding taxation year against taxable income	902		
3rd preceding taxation year against taxable income	903		
1st preceding taxation year against taxable dividends subject to Part IV tax	911		
2nd preceding taxation year against taxable dividends subject to Part IV tax	912		
3rd preceding taxation year against taxable dividends subject to Part IV tax	913		
Current year non-capital loss net of carryback			+
Subtotal			= 877,883
Deduct:			
Amount applied against taxable income (enter on line 331 of T2 return)	130	288,000	
Amount applied against dividends subject to Part IV tax	135		
Section 80 adjustments	140		
Other adjustments	150		
		288,000	- 288,000
Non-capital losses - ending balance	180 =		589,883

NON-CAPITAL LOSS CONTINUITY AND CARRY BACK

Election under paragraph 88(1.1)(f)

Paragraph 88(1.1)(f) election indicator 190 ☐ Yes

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

Part 2 - Farm loss

Farm loss continuity by year

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

Farm loss continuity and carry-back request

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

NON-CAPITAL LOSS CONTINUITY AND CARRY BACK

Part 3 - Restricted farm loss

Restricted farm loss continuity by year

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

Current year restricted farm loss

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

Restricted farm loss continuity and carry-back request

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

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CAPITAL LOSS CONTINUITY AND CARRY BACK

Schedule 4

Part 1 - Capital loss

Capital loss continuity and carry-back request

Actual capital losses at end of preceding taxation year	200		
Transfers from wind-up of wholly-owned subsidiary and amalgamation	205		
Current year capital loss	210		
		Subtotal	
Allowable business investment loss expired as a non-capital loss	X 4/3	220	
		Subtotal	

Deduct:

Amount applied against current year capital gain **(see note 1)**	225		
Section 80 adjustments	240		
Other adjustments	250		
		Subtotal	

Deduct - capital loss carry back to: (see note 2)

	Net loss applied		Inclusion rate			Actual
1st preceding taxation year		÷		% =	951	
2nd preceding taxation year		÷		% =	952	
3rd preceding taxation year		÷		% =	953	
			Subtotal			

Capital losses - ending balance	280	
Current year capital loss available for carryforward		

Note 1
On line 332 of the T2 return, enter the amount from line 225 multiplied by the current year inclusion rate (see Schedule 6.)

Note 2
Enter on lines 225, 951, 952, or 953, whichever is applicable, the actual amount of the loss. At the time of the application of the loss carryback, the net capital loss amount will be calculated at the inclusion rate of the year to which the net capital loss it is applied.

Part 2 - Listed personal property loss

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

Listed personal property loss continuity and carry-back request

Listed personal property losses at end of preceding taxation year				
Deduct: Listed personal property losses expired after seven taxation years		500		
Listed personal property losses - beginning of taxation year		502		
Current year listed personal property loss (from Schedule 6)		510		

Deduct - Listed personal property loss carry back to:

1st preceding taxation year	961			
2nd preceding taxation year	962			
3rd preceding taxation year	963			
Listed personal property losses net of carry-back				+
			Subtotal	=

Deduct:

Amount applied against listed personal property gain (enter on line 655 of Schedule 6)	530	-
Other adjustments	550	-
Listed personal property losses - closing balance	580	=

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LIMITED PARTNERSHIP LOSSES

Schedule 4

Current year limited partnership losses

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

Limited partnership losses from prior taxation years that may applied in the current year

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

Continuity of limited partnership losses that can be carried forward to future taxation years

Partnership identifier	Losses at end of preceding taxation year	Losses transferred from amalgamation or wind-up of subsidiary	Current year limited partnership loss (from column 620)	Limited partnership losses applied (cannot exceed 650)	Limited partnership losses closing balance
660	**662**	**664**	**670**	**675**	**680**
			Total (enter this amount on line 335 of the T2 return)		

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CAPITAL COST ALLOWANCE

Schedule 8

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

1 Class **200**	2 UCC at start of year **201**	3 Cost of additions in the year **203**	4 Net adjustments **205**	5 Proceeds of dispositions in the year **207**	7 Adjustment for additions (1/2 x (col 3 - 5)) **211**	8 Base amount for CCA	9 Rate % **212**	10 CCA for the year (col 8 x 9 or a lower amount) **217**	11 Recapture of CCA **213**	12 Terminal loss **215**	13 UCC at the end of the year **220**
1	181,302					181,302	4	7,252			174,050
1	9,890,058	257,721				10,147,779	4	405,911			9,741,868
10	30,707	9,287				39,994	30	11,998			27,996
12	27,114	1,283				28,397	100	28,397			
10	123,855					123,855	30	37,157			86,698
12	459,785		(382,701)			77,084	100	77,084			
Totals	10,712,821	268,291	(382,701)			10,598,411		567,799			10,030,612

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RELATED AND ASSOCIATED CORPORATIONS

Schedule 9

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

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

Name	Country (if not Canada)	Business # (Canadian corporation only)	Code note 1	Common shares		Preferred shares		Book value of capital stock
				# owned	% owned	# owned	% owned	
100	**200**	**300**	**400**	**500**	**550**	**600**	**650**	**700**
Town of Cobourg Holdings		NR	1					
Lakefront Utility Services Inc		NR	3					
Cobourg Networks Inc.		NR	3					
		RC	0					

Note 1 : Enter the code number of the relationship that applies: 1- Parent 2 - Subsidiary 3 - Associated 4 - Related, but not associated

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AGREEMENT AMONG ASSOCIATED CCPCs TO ALLOCATE THE BUSINESS LIMIT

Schedule 23

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to allocate the business limit for purposes of the small business deduction. Information from this schedule will be used to determine the date the balance of tax is due and to calculate the business limit reduction.
- 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) 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 "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 amount allocated to each corporation that has an association code 1 in column 3. The total of all amounts in column 4 cannot exceed $200,000.
Column 5: Complete column for a CCPC that 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. Enter the taxation year to which this agreement applies.

Allocation of the business limit

Date filed (for departmental use only) 025

Enter the calendar year to which the agreement applies 050 2002

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 100	2 Business Number 200	3 Association code 300	4 Allocation of business limit * 400	5 Year end to which this agreement applies 500
Lakefront Utilities Inc.	NR	1	200,000	
Town of Cobourg Holdings	NR	1		
Lakefront Utility Services Inc	NR	1		
Cobourg Networks Inc.	NR	1		
	RC	0		
		TOTALS	$ 200,000	

If the taxation year of the corporation filing this form is less than 51 weeks, enter the prorated business limit in this box. $ 200,000

Names of all the corporations in the group	Last taxation year ending in the preceding calendar year: Taxable income	Grossed-up taxable income	Reduced business limit	Gross Part I.3 tax for business limit reduction	Current year: Grossed-up reduced business limit
Lakefront Utilities Inc.			50,411	5,190	107,733
Town of Cobourg Holdings					
Lakefront Utility Services Inc					
Cobourg Networks Inc.					
TOTALS	$	$	$ 50,411	$ 5,190	$ 107,733

* Each corporation will enter the amount allocated to it in column 4 on line 410 of the T2 return unless the corporation's taxation year is less than 51 weeks, in which case the amount allocated in column 4 must be prorated by the number of days in the taxation year divided by 364.

Reduction to the business limit under subsection 125(5.1)

The reduction to the business limit applies when any member of the associated group had gross Part I.3 tax payable (before deduction of the surtax credits) for its last taxation year ending in the preceding calendar year. The amount to be entered at line 415 of the T2 return includes the gross Part I.3 tax payable for each corporation that has an "associated code" of 1 or 4 in column 3 for its last taxation year ending in the preceding calendar year.

Note: If the taxation year of any of the associated corporations was less than 51 weeks, the amount of gross Part I.3 tax is the unprorated amount before the application of subsection 181.1(2).

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PART I.3 TAX ON LARGE CORPORATIONS

Schedule 33

- This schedule is for use by corporations (other than financial institutions and insurance corporations) that have Part I.3 tax payable before the deduction for surtax credits.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal *Income Tax Act*.
- 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 in respect of its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or in respect of 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 carried 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 processing incidental to or connected therewith) natural products belonging to or acquired from its members or customers.
- File the completed Schedule 33 with the *T2 Corporation Income Tax return* within six months from the end of the taxation year.

Filing date (for departmental use only) 100 ______

Complete the following areas to determine the amounts needed to calculate Part I.3 tax. If the corporation was not resident in Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 5, "Taxable capital employed in Canada - Non-resident corporation."

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			
Capital stock (or members' contributions if incorporated without share capital)	103	4,684,456		
Retained earnings	104	526,848		
Contributed surplus	105			
Any other surpluses	106			
Deferred unrealized foreign exchange gains	107			
All loans and advances to the corporation	108	652,473		
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, bankers' acceptances, or similar obligations	109	7,000,000		
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 (that would be determined under lines 101, 107, 108, 109, 111, and 112) in respect of 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 (see note below)	112			
Subtotal		12,863,777	12,863,777	A

Deduct the following amount:

Deferred tax debit balance at the end of the year	121			
Any deficit deducted in computing the shareholders' equity	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	124			
Subtotal				B

Capital for the year (amount A minus amount B) (if negative, enter "0") 190 12,863,777

Note: lines 101, 107, 108, 109, 111, and 112 are determined as follows:
- Amounts owing to the member or to corporations that are other 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.
- Amounts at these lines apply to partnerships in the same way that they apply to corporations.
- The proportion of the total amounts is determined in accordance with the corporation's share of the partnership's income or loss for the fiscal period of the partnership

PART I.3 TAX ON LARGE CORPORATIONS

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, 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 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	407	
Investment allowance for the year	490	

Note: 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 of the Act (other than by reason of paragraph 181.1(3)(d) of the Act).

Part 3 - Taxable capital

Capital for the year (line 190)		12,863,777	C
Deduct: Investment allowance for the year (line 490)			D
Taxable capital for the taxation year (amount C minus amount D) (if negative, enter "0")	500	12,863,777	

Part 4 - Taxable capital employed in Canada - Canadian resident corporation

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

Taxable capital for the year (line 500) 12,863,777 x $\dfrac{\text{Taxable income earned in Canada}}{\text{Taxable income}}$ **610** $\dfrac{107{,}242}{107{,}242}$ = **690** 12,863,777

Notes: 1) Regulation 8601 gives details on calculating the amount of taxable income earned in Canada.
2) 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.
3) In the case of an airline corporation, Regulation 8601 should be considered when completing the above calculation.

Part 5 - Taxable capital employed in Canada - Non-resident corporation

To be completed by a corporation that was not resident in Canada throughout the year and carried on a business through a permanent establishment in Canada.

Total of all amounts 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 the 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 in Canada	712			
Total amount of carrying value at the end of the 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 in Canada	713			
Total deductions (add lines 711, 712, and 713)				E
Taxable capital employed in Canada (line 701 minus amount E) (if negative, enter "0")			790	

PART I.3 TAX ON LARGE CORPORATIONS

Part 6 - Calculation of gross Part I.3 tax

Taxable capital employed in Canada for the year (line 690 or 790, whichever applies)		12,863,777	
Deduct: Capital deduction claimed for the year (Enter $10,000,000 or, for related corporations, the amount allocated on Schedule 36)	**801**	10,000,000	
Excess of taxable capital employed in Canada over capital deduction	**811**	2,863,777	
Gross Part I.3 Tax: Line 811 2,863,777 x .00225 =		6,443	F

Where the taxation year of a corporation is less than 51 weeks, calculate the amount of tax payable as follows:

Amount F 6,443 X Number of days in the year ( ) / 365 = ______ G

Gross Part I.3 tax (Amount F or G, whichever applies)	**820**	6,443	

Part 7 - Calculation of current year surtax credits

- Corporations can claim a credit against their Part I.3 tax for the amount of Canadian surtax payable. This is called the surtax credit.
- Any unused surtax credit can be carried back three years or carried forward seven years. Unused surtax credits must be applied in order of the oldest first.
- Refer to subsection 181.1(7) of the Act when calculating the amount deductible in respect of a corporation's unused surtax credits where control of the corporation has been acquired between the year in which the credits arose and the year in which you want to claim them.

Current year surtax equals current year Canadian surtax payable.

Canadian surtax payable:

For a corporation that was not resident in Canada throughout the year, the lesser of a and b, below:

a) line 600 from the T2 return	1			
b) line 700 plus line 660 from the T2 return	2			
Lesser of lines 1 and 2				H

In any other case, the lesser of lines c and d below:

c) line 600 from your T2 return 1,201 x (line 690 / line 500)	3	1,201		
d) line 700 plus line 660 from the T2 return	4	14,070		
Lesser of lines 3 and 4		1,201	1,201	I
Current year surtax credit (amount H or I, whichever applies)	**830**		1,201	

Part 8 - Calculation of Part I.3 tax credit available for carry-forward

Amount on line 830	1,201	
Less: Part I.3 tax before deducting surtax credits (line 820)	6,443	J
Net amount	(5,242)	K
If amount on line K is *positive*, it represents the amount of Part I.3 tax credits that may be carried forward from taxation years prior to 1992 and applied this year to reduce Canadian surtax payable. Refer to Schedule 37 for unused Part I.3 tax credit balance.		L
Note: The portion of amount K carried forward should be entered at line 660 of the T2 return. If amount on line K is *negative*, it represents the amount of unused surtax credit of other years that may be applied to reduce Part I.3 tax payable in the current year.	5,242	M

Part 9 - Calculation of current year unused surtax credit

Amount K (if positive)		
Less: Part I.3 tax credits claimed (carried forward from taxation years prior to 1992, see amount L above)		
Current year unused surtax credit (enter this amount on Schedule 37)	**850**	

Part 10 - Calculation of net Part I.3 tax payable

Gross Part I.3 tax (line 820)			6,443	N
Deduct: the following amounts:				
Current year surtax credit applied (the lesser of lines 820 and 830)	**861**	1,201		
Unused surtax credit from prior years applied	**862**			
Total (cannot exceed amount on line 820)		1,201	1,201	O
Net Part I.3 tax payable (amount N minus amount O) Enter this amount at line 704 of the T2 return	**870**		5,242	

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

AGREEMENT AMONG RELATED CORPORATIONS - PART I.3 TAX

Schedule 36

- Members of a related group of corporations should use this schedule to allocate the capital deduction of $10,000,000 among the members of the related group. **Do not file this agreement if no members of the related group are liable to pay Part I.3 tax.**
- In cases where a related corporation has more than one taxation year ending in a calendar year, it is required to file an agreement for each taxation year ending in that calendar year.
- A corporation that is related to any other corporation at any time in a taxation year of the corporation ending 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.

Date filed (for departmental use only)	010	
Is this an amended agreement?	020	☐ 1 Yes ☒ 2 No
Enter the calendar year to which the agreement applies	030	2002

AGREEMENT

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 which is exempt from Part I.3 tax under subsection 181.1(3) is not required to be included.

Names of all corporations which are members of the related group **200**	Business number **300**	Allocation of capital deduction for the year **400**	Taxation year-end to which this agreement applies * **500**
Lakefront Utilities Inc.	NR	10,000,000	2002/12/31
Town of Cobourg Holdings	NR	0	yyyy/mm/dd
Lakefront Utility Services Inc	NR	0	yyyy/mm/dd
Cobourg Networks Inc.	NR	0	yyyy/mm/dd
	RC	0	yyyy/mm/dd
	TOTAL (not to exceed $10,000,000)	$ 10,000,000	

* 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 another 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.

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

SHAREHOLDER INFORMATION

Schedule 50

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

Name of shareholder **100**	Business Number * **200**	Social Insurance Number * **300**	Percentage common shares **400**	Percentage preferred shares **500**
Town of Cobourg Holding Inc	NR		100.000	
	RC			

* If the shareholder is a trust, fields 200 and 300 will be blank.

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BUSINESS CONSENT FORM

Use this form to consent to the release of confidential information about your Business Number (BN) account(s) to the representative named below, or to cancel consent for an existing representative.

- Complete Parts 1, 2, and 5 to name a representative.
- Complete Parts 3, 4, and 5 to cancel consent for an existing representative.
- Complete all parts of this form if you want to both name a new representative and cancel consent for an existing representative.

If you have questions, such as where to send this form, call us at 1-800-959-5525.

Part 1 – Consent to release of information to a representative

Client's name: Lakefront Utilities Inc. Business Number: NR

I consent to the release of confidential information about my BN account(s) by the Canada Customs and Revenue Agency to the representative named below.

BDO DUNWOODY LLP

Representative's name (If a firm, enter the name of the firm. If an individual, enter the first and last name of the individual.)

If you named a firm as your representative, and you want to specify a particular individual of that firm, enter that individual's first and last name.

(905) 946-1066

Representative's telephone number

(905) 946-9524

Representative's fax number

Part 2 – Details of consent

A. Which accounts?

I request that this consent apply to all accounts. ☒ OR

I request that this consent apply only to the following accounts.

(Check the appropriate box or boxes. If you wish to authorize access to more than one account of the same type, for example RP0002 and RP0003, please print the account numbers in the spaces provided.)

Corporate income tax	RC0001 ☐	RC	RC
GST/HST	RT0001 ☐	RT	RT
Payroll deductions	RP0001 ☐	RP	RP
Import/Export	RM0001 ☐	RM	RM

B. Which years?

I request that this consent apply to all years. ☒ OR

I request that this consent apply only to the following years:

1. All year-ends up to:
2. All year-ends beginning in: and all years after that.
3. The following year-ends only:

BUSINESS CONSENT FORM

Part 3 – Cancellation of consent to release of information to a representative

Client's name: Lakefront Utilities Inc. Business Number: NR

I cancel all previous consents for all representatives. ☐ OR

I cancel my consent to the release of confidential information about my BN account(s) by the Canada Customs and Revenue Agency to the representative named below.

____

Representative's name (If a firm, enter the name of the firm. If an individual, enter the first and last name of the individual.)

____

If you named a firm as your representative, and you want to cancel the consent for a particular individual of that firm, enter that individual's first and last name.

( ) - Representative's telephone number

( ) - Representative's fax number

Part 4 – Details of cancellation of consent

A. Which accounts?

I request that this cancellation of consent apply to all accounts. ☐ OR

I request that this cancellation of consent apply only to the following accounts.
(Check the appropriate box or boxes. If you wish to cancel access to more than one account of the same type, for example RP0002 and RP0003, please print the account numbers in the spaces provided.)

Corporate income tax	RC0001 ☐	RC ____	RC ____
GST/HST	RT0001 ☐	RT ____	RT ____
Payroll deductions	RP0001 ☐	RP ____	RP ____
Import/Export	RM0001 ☐	RM ____	RM ____

B. Which years?

I request that this consent apply to all years. ☐ OR

I request that this consent apply only to the following years:

1. All year-ends up to: ____
2. All year-ends beginning in: ____ and all years after that.
3. The following year-ends only: ____ ____ ____ ____

Part 5 – Signature

Print your name STEWART CUNNINGHAM Title TREASURER

This form must be signed by an owner, partner, director, trustee, or officer.

Sign here ▶ ____________ Date ________

Appendix 21

2002 CT23 Provincial Tax Return

Ontario

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

2001 (Revised) CT23 Corporations Tax and Annual Return

For taxation years commencing after May 4, 1999

Corporations Tax Act - Ministry of Finance (MOF)
Corporations Information Act - Ministry of Consumer and Business Services (MCBS)
(formerly Ministry of Consumer and Commercial Relations)

This return is a combination of the Ministry of Finance (MOF) CT23 Corporations Tax Return and the MCBS 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 3-18, together with the applicable schedules on pages 19-22. **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 MCBS Schedules A or K on pages 23 and 24) 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.

COPY FOR YOUR FILES

Ministry Use

MCBS Annual Return Required? *(Refer to Guide)* Yes [X] No [ ]

Corporation's legal name and mailing address
Lakefront Utilities Inc.

207 Division Street
P.O.Box 577

City	Province	Country	Postal code
Cobourg	ON		K9A 4L3

Ontario Corporations Tax Account No. (MOF): 1800124

This CT23 Return covers the Taxation Year
Start: 2002/01/01
End: 2002/12/31

Has address changed since last filed return? Yes [ ] Date of change

Date of Incorporation or Amalgamation: 2000/05/01

Registered/Head Office Address
207 Division Street
P.O.Box 577

City	Province	Country	Postal code
Cobourg	ON		K9A 4L3

Ontario Corporation No. (MCBS): 1800124

Location of books and records
207 Division Street
P.O.Box 577

City	Province	Country	Postal code
Cobourg	ON		K9A 4L3

Canada Customs and Revenue Agency Business No.: NR RC

Name of person to contact regarding this Return	Telephone no.	Fax no.
STEWART CUNNINGHAM	(905) 372-2193	(905) 372-2581

Jurisdiction Incorporated: ONTARIO

Address of Principal Office in Ontario (*Extra-Provincial Corporations only*) (MCBS)

City	Province	Country	Postal code

If not incorporated in Ontario, indicate date Ontario business activity commenced and ceased:
Commenced
Ceased
(Not Applicable) [X]

Former Corporation Name (*Extra-Provincial Corporations only*) ***Not applicable*** [ ] (MCBS)

Information on Directors/Officers/Administrators must be completed on MCBS Schedule A or K as appropriate. If additional space is required for Schedule A, only this schedule may be photocopied. State number submitted (MCBS). No. of Schedule(s): 0

Preferred Language / *Langue de préférence*
English / anglais [X] French / français [ ]

If there is **no change** to the Directors'/Officers'/Administrators' information previously submitted to MCBS, please check ✓ this box. Schedule(s) A and K are not required (MCBS). [X] No Change

Ministry Use

Certification (MCBS)

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

Name of Authorized Person
STEWART CUNNINGHAM

Title: D [ ] Director O [X] Officer P [ ] Other individual having knowledge of the affairs of the Corporation

Note: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

Taxation Year End

Exempt From Filing (EFF) Corporations Tax Return Declaration

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)

I, ______________________________ declare that:

The above corporation satisfies **all** of the exempt from filing criteria (a) through (f) below for the taxation year and therefore qualifies under the *orporations Tax Act* as exempt from filing an Ontario Corporations Tax Return.

Criteria for exempt from filing status:

a) has filed a federal income tax return (T2) with Canada Customs and Revenue Agency for the taxation year;
b) had no Ontario taxable income for the taxation year (subject to the provisions in NOTE 2 below);
c) had no Ontario Corporations Tax payable for the taxation year;
d) was a Canadian-controlled private corporation throughout the taxation year (i.e. generally a private corporation with 50% or more shares owned by Canadian residents as defined by the *Income Tax Act*(Canada));
e) had provided its Canada Customs and Revenue Agency business number to the Ministry of Finance, Corporations Tax Branch; and
f) is NOT subject to the Corporate Minimum Tax (i.e. alone or as part of an associated group whose total assets exceed $5 million or whose total revenues exceed $10 million for the taxation year).

NOTE 1: Filing of this declaration and the Annual Return does NOT constitute the filing of a Corporations Tax Return under section 75 of the *Corporations Tax Act.*

Signature	Title/Relationship to Corporation	Telephone number	Date
		( ) -	

Please note that making a false statement to avoid compliance with the *Corporations Tax Act* is an offence which can result in a penalty and/or fine.

NOTE 2: EFF corporations filing losses to be carried back and applied to prior years or applied to future years, *must file a tax return* completed with all the related schedules for the taxation year of the loss and for the taxation year to which the loss is being applied.

The following 3 items MUST be completed if the EFF declaration only is being submitted at this time. In cases where the annual return, which includes page 1, is **also** being filed, completion of these fields is NOT necessary

1. Corporation's Mailing Address

City Province Country Postal code

2. Ontario Corporation No. (MCBS)

3. Canada Customs and Revenue Agency Business No. RC

A corporation **must file** an **Exempt From Filing Corporations Tax Return Declaration** form for each taxation year that the corporation is exempt from filing, within 6 months after the end of its taxation year, to the address shown at the top of Page 1.

If you check "Yes" to ALL of the following criteria you are eligible to file the CT23 Short-Form Corporations Tax Return. To obtain a copy contact the Revenue Operations and Client Services Branch. *(Refer to Guide)*

Yes	No	
[X]	[ ]	(a) The corporation is a Canadian-controlled private corporation (CCPC) throughout the taxation year. Indicate Share Capital with full voting rights owned by Canadian Residents 100 % (nearest whole percent)
[X]	[ ]	(b) The corporation's taxable income for the taxation year is $200,000 or less. For a taxation year with less than 51 weeks, taxable income must be grossed-up. *(Refer to guide)*
[X]	[ ]	(c) The corporation is NOT a member of a partnership/joint venture or a member of an associated group of corporations during the taxation year.
[ ]	[X]	(d) The corporation's taxation year ends on or after January 1, 2000 and its gross revenue and total assets are each $1,000,000 or less and the corporation is not a financial institution; **OR** The corporation's taxation year ends on or after January 1, 2001, and its gross revenue and total assets are each $1,500,000 or less and the corporation is not a financial institution.
[X]	[ ]	(e) The corporation is NOT claiming a tax credit other than the Incentive Deduction for Small Business Corporations (IDSBC), Co-operative Education Tax Credit (CETC) or Graduate Transitions Tax Credit (GTTC).
[X]	[ ]	(f) The corporation's Ontario allocation factor is 100%.

NOTE: Family Farm or Fishing corporations that have a year ending on or after January 1, 2000 and that are NOT subject to the Corporate Minimum Tax, may also use the **CT23 Short-Form Corporations Tax Return** if the corporation checks "Yes" to (a),(b),(c), (e) and (f) above.

CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

Type of Corporation - Please check (✓) box(es) if applicable in sections 1 & 2

[1]
- 1 [X] 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 %) 100 %

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

[2]
- 1 [ ] Family Farm Corporation s.1(2)
- 2 [ ] Family Fishing Corporation s.1(2)
- 3 [ ] Mortgage Investment Corp 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 Corp 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 Corp 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 institutions 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 [X] Hydro successor, Municipal Electrical Utility or subsidary 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)

Please check (✓) box(es) if applicable:

- [ ] First Year of Filing
- [ ] Amended Return
- [ ] Taxation Year End has changed - Canada Customs and Revenue Agency approval required
- [ ] Final Taxation Year up to Dissolution (wind-up)
- [ ] Final Taxation Year before Amalgamation
- [ ] Floating Fiscal Year End
- [ ] Transfer or Receipt of Asset(s) involving a corporation having a Canadian permanent establishment outside Ontario
- [ ] Acquisition of Control fed s.249(4)

Date control was acquired: ____________

		Yes	No
Was the corporation inactive throughout the taxation year?		[ ]	[X]
Has the corporation's Federal T2 Return been filed with the Canada Customs and Revenue Agency (CCRA)?		[X]	[ ]
Are you requesting a refund due to:	the Carry-back of a Loss?	[ ]	[X]
	an Overpayment?	[X]	[ ]
	a Specified Refundable Tax Credit?	[ ]	[X]
Are you a Member of a Partnership or a Joint Venture?		[ ]	[X]

Income Tax

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) (Inter.Bulletin 2617). Attach a schedule (or a copy of federal T2 SCH 5) showing allocation of gross revenue, salaries and wages, including applicable percentages.

Net income (loss) for Ontario purposes (per reconciliation schedule, page 16)		From 690 ±	395,242
Subtract: Charitable donations		1 -	
Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property *(Attach schedule)*		2 -	
Subtract: Taxable dividends deductible, per federal T2 SCH 3		3 -	
Subtract: Ontario political contributions *(Attach schedule)*		4 -	
Subtract: Federal Part VI.1 tax	X 9/4	5 -	
Subtract: Prior years' losses applied -	Non-capital losses	From 704 -	288,000
	Net capital losses (page 17) From 715 X inclusion rate 50.000000 %	714 -	
	Farm losses	From 724 -	
	Restricted farm losses	From 734 -	
	Limited partnership losses	From 754 -	
Taxable income (Non-capital loss)		10 =	107,242
Addition to taxable income for unused foreign tax deduction for federal purposes		11 +	
Adjusted taxable income 10 + 11 (if 10 is negative, enter 11)		20 =	107,242

Taxable Income — **Number of days in Taxation Year**

	Taxable income	Ontario Allocation	Rate	Days	Total days		
From 10 (or 20)	107,242	X30 100.0000 %	X 14.5 %	X 24 (Days after May 1, 2000 and before Jan 1, 2001)	÷ 73 365 =	25 +	
From 10 (or 20)	107,242	X30 100.0000 %	X 14.0 %	X 26 (Days after Dec 31, 2000 and before Oct 1, 2001)	÷ 73 365 =	27 +	
From 10 (or 20)	107,242	X30 100.0000 %	X 12.5 %	X 28 (Days after Sept 30, 2001 and before Jan 1, 2003) 365	÷ 73 365 =	29 +	13,405
From 10 (or 20)	107,242	X30 100.0000 %	X 11.0 %	X 31 (Days after Dec 31, 2002 and before Jan 1, 2004)	÷ 73 365 =	32 +	

Taxable Income Payable (before deduction of tax credits) 25 + 27 + 29 + 32 — 40 = 13,405

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

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

Did 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 year? (✓) ☒ Yes ☐ No

Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a))			50	395,242
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	51 +	107,242		
Add: Losses of other years deducted for federal purposes (fed.s.111)	52 +	288,000		
Subtract: Losses of other years deducted for Ontario purposes (s.34)	53 -	288,000		
	=	107,242 ▸	54	107,242
Federal Business limit for the year before application of fed.s.125(5.1) (not exceeding $200,000) *(Attach T2 SCH 23 if associated)*	55 +	200,000		

Add: Ontario enhancement of federal business limit

Number of days in Taxation Year

	Days	Total Days	From			
40,000 X	(Days from 26 above)	÷ 73 365	X 55	200,000 ÷200,000	42 +	
80,000 X	(Days from 28 above) 365	÷ 73 365	X 55	200,000 ÷200,000	43 +	80,000
120,000 X	(Days from 31 above)	÷ 73 365	X 55	200,000 ÷200,000	46 +	

Ontario enhancement of federal business limit 42 + 43 + 46 = 80,000 — 44 + 80,000

Business Limit for Ontario purposes 55 + 44 = 280,000 ▸ 45 280,000

Income eligible for the IDSBC From 30 100.0000 % *Ontario Allocation X 56 107,242 (Least of **50**, **54** or **45**) 60 = 107,242

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

Number of Days in Taxation Year

Calculation of IDSBC Rate	7.5% X 76	Days after Dec 31, 1999 and before Oct 1, 2001:	÷ 73	Total Days: 365	77 +		
	6.5 % X 28	Days after Sept 30, 2001 and before Jan 1, 2003: 365	÷ 73	Total Days: 365	79 +	6.5000	
	5.5 % X 31	Days after Dec 31, 2002 and before Jan 1, 2004:	÷ 73	Total Days: 365	89 +		
IDSBC Rate for Taxation Year 77 + 79 + 89					78 =	6.5000	
Claim	From 60	107,242	X From 78	6.5000 %	70 =	6,971	

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 in **114** below.

Surtax on Canadian-controlled private corporations (s.41.1).

Applies if you have claimed the Incentive Deduction for Small Business Corporations.
** ***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.
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 +	107,242
If you are a member of an associated group (✓) **81** ☐ (Yes)			
Taxable income of associated corporations *(Attach schedule)*		82 +	
Aggregate Taxable Income		85 =	107,242

Number of days in Taxation Year

Subtract: 200,000 X	558	Days before Jan 1, 2001:	÷	73	Total Days: 365 =	111 +		
240,000 X	26	Days after Dec 31, 2000 and before Oct 1, 2001:	÷	73	Total Days: 365 =	112 +		
280,000 X	28	Days after Sept 30, 2001 and before Jan 1, 2003: 365	÷	73	Total Days: 365 =	113 +	280,000	
320,000 X	31	Days after Dec 31, 2002 and before Jan 1, 2004:	÷	73	Total Days: 365 =	115 +		
				111 + 112 + 113 + 115		=	280,000 ▶	114 - 280,000
(If negative, enter nil)								86 =

Number of Days in Taxation Year

Calculation of Specified Rate for Surtax	5.0% X 76	Days after Dec 31, 1999 and before Oct 1, 2001:	÷ 73	Total Days: 365	93 +	
	4.333% X 28	Days after Sept 30, 2001 and before Jan 1, 2003: 365	÷ 73	Total Days: 365	95 +	4.3330
	3.667% X 31	Days after Dec 31, 2002 and before Jan 1, 2004:	÷ 73	Total Days: 365	96 +	
Specified rate of surtax for Taxation Year 93 + 95 + 96					94 =	4.3330
From 86		X From 94	4.3330 % =		87 =	
From 87		X From 60	107,242	÷ From 114: 280,000	88 =	
Surtax: Lesser of **70** or **88**					100 =	

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

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 the federal T2 SCH 27 including necessary changes for Ontario tax purposes (e.g. different C.C.A. claimed).

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	120 +	
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC)	From 56 -	107,242
Add: Adjustment for Surtax on Canadian-controlled private corporations From 100 ÷ From 30 100.0000 % ÷ From 78 6.5000 % = 121 *Ontario Allocation	122 +	
Lesser of 56 or 121	130 =	
120 - 56 + 122		
Taxable income	From 10 +	107,242
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC)	From 56 -	107,242
Add: Adjustments for Surtax on Canadian-controlled private corporations	From 122 +	
Subtract: Taxable income 10 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 =	

Number of Days in Taxation Year

Claim 143	X From 30	100.0000 % (*Ontario Allocation)	2.0% X	Days before Oct 1, 2001: 152	÷ 73 Total Days: 365 =	153 +
Claim 143	X From 30	100.0000 % (*Ontario Allocation)	1.5% X	Days after Sept 30, 2001 and before Jan 1, 2003: 28 365	÷ 73 Total Days: 365 =	154 +
Claim 143	X From 30	100.0000 % (*Ontario Allocation)	1.0% X	Days after Dec 31, 2002 and before Jan 1, 2004: 31	÷ 73 Total Days: 365 =	155 +

M&P claim for taxation year 153 + 154 + 155 — 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 =

Note: The M&P for corporations that generate electrical energy for sale, or produce steam for use in the generation of electrical energy for sale, or produce steam for uses other than the generation of electrity, has not yet received legislative authority at the time of printing. (Refer to Guide.)

Credit for Foreign Taxes Paid (s.40)

Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Info. Bulletins 15-79 & 2739) *(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 = 6,434

Specified Tax Credits *(Refer to Guide)*

Ontario Innovation Tax Credit (OITC) (s.43.3) ***Applies*** to research and 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** Summary Schedule F — **192** +

Ontario Film and Television Tax Credit (OFTTC) (s.43.5)
Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions.
Eligible credit from **5899** Claim Form Certified by Ontario Film Development Corp.
*(Retain original Claim Form. Do **not** submit the Claim Form with the CT23 Tax Return.)* — **193** +

Graduate Transitions Tax Credit (GTTC) (s.43.6)
Applies to employment of eligible unemployed graduate students. No. of Graduates from **6596** **194**
Eligible Credit from **6598** Summary Schedule G — **195** +

Ontario Book Publishing Tax Credit (OBPTC) (s.43.7)
Applies to qualifying expenditures in respect of eligible literary works by first-time Canadian authors.
Eligible Credit from **6900** OBPTC Claim Form *(Attach **only** the original Claim Form. Retain the Certification Form)* — **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** Claim Form certified by Ontario Film Development Corp.
*(Retain original Claim Form. Do **not** submit the Claim Form with the CT23 Tax Return.)* — **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 non-Canadian content film and television productions.
Eligible Credit from **7300** Claim Form certified by Ontario Film Development Corporation
*(Retain original Claim Form. Do **not** submit the Claim Form with the CT23 Tax Return.)* — **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** Claim Form certified by Ontario Film Development Corporation
*(Retain original Claim Form. Do **not** submit the Claim Form with the CT23 Tax Return.)* — **200** +

Ontario Sound Recording Tax Credit (OSRTC) (s.43.12)
Applies to qualifying expenditures in respect to eligible Canadian sound recordings.
Eligible Credit from **7500** OSRTC Claim Form *(Attach **only** the original Claim Form. Retain the Certification Form)* — **201** +

Total Specified Tax Credits: 191 + 192 + 193 + 195 + 196 + 197 + 198 + 199 + 200 + 201 — **220** =

Specified Tax Credits ***Applied to reduce Income Tax*** — **225** =

Income Tax **190 - 225 OR Enter NIL if reporting Non-Capital Loss** — **230** = 6,434

To 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 18***.

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***.