



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

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

Send one completed copy of this return, including schedules and the *General Index of Financial Information (GIFI)*, to your tax services office or tax centre. You have to file the return within six months after the end of the corporation's taxation year. For more information on when and how to file T2 returns, see items 1 to 5 in the guide.

055 Do not use this area

Identification

Business number (BN) (item 11) 001 86420 5893 RC 0001

Corporation's name (item 12)

002

FORT FRANCES POWER CORPORATION

Has the corporation changed its name since the last time we were notified? 003 ☐ Yes ☒ NoIf 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

011 320 Portage Avenue

012

City Province, territory, or state

015 Fort Frances 016 ON

Country (other than Canada) Postal code/Zip code

017 018 P9A 3P9

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

From 060 2003/01/01 to 061 2003/12/31

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

022 320 Portage Avenue

023

City Province, territory, or state

025 Fort Frances 026 ON

Country (other than Canada) Postal code/Zip code

027 028 P9A 3P9

Is this the first year of filing after:

Incorporation? (item 19) 070 ☐ Yes ☒ NoAmalgamation? (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 ☒ NoIs this the final taxation year before amalgamation? (item 22) 076 ☐ Yes ☒ NoIs this the final return up to dissolution? (item 23) 078 ☐ Yes ☒ NoIs the corporation a resident of Canada? (item 24) 080 ☒ Yes ☐ No

If no, give the country of residence. 081

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

Location of books and records (item 15)

031 320 Portage Avenue

032

City Province, territory, or state

035 Fort Frances 036 ON

Country (other than Canada) Postal code/Zip code

037 038 P9A 3P9

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

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

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

Do not use this area

091	092	093	094	095	096
097					

Guide item		Attachments	Yes	Schedule
27	Is the corporation related to any other corporations?	150	<input type="checkbox"/>	9
28	Does the corporation have any non-resident shareholders?	151	<input type="checkbox"/>	19
29	Is the corporation an associated Canadian-controlled private corporation (CCPC)?	160	<input type="checkbox"/>	23
30	Is the corporation an associated CCPC that is claiming the expenditure limit?	161	<input type="checkbox"/>	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	<input type="checkbox"/>	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	<input type="checkbox"/>	44
34	Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164	<input type="checkbox"/>	14
35	Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165	<input type="checkbox"/>	15
37	Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166	<input type="checkbox"/>	T5004
38	Is the corporation a member of a partnership for which an identification number has been assigned?	167	<input type="checkbox"/>	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	<input type="checkbox"/>	22
41	Did the corporation have any foreign affiliates during the year?	169	<input type="checkbox"/>	25
42	Has the corporation made any payments to non-residents of Canada under subsections 202(1) and 105(1) of the federal <i>Income Tax Regulations</i> ?	170	<input type="checkbox"/>	29
43	Has the corporation had any non-arm's length transactions with a non-resident?	171	<input type="checkbox"/>	T106
47	Has the corporation made payments to, or received amounts from a retirement compensation arrangement?	172	<input type="checkbox"/>	—
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	<input checked="" type="checkbox"/>	50
55	Is the net income/loss shown on financial statements different from the net income for income tax purposes?	201	<input checked="" type="checkbox"/>	1
78-81	Has the corporation made any charitable donations, gifts to Canada, a province, or a territory, or gifts of cultural or ecological property?	202	<input type="checkbox"/>	2
82, 104	Has the corporation received dividends or paid taxable dividends for purposes of the dividend refund?	203	<input type="checkbox"/>	3
69-76	Is the corporation claiming any type of losses?	204	<input checked="" type="checkbox"/>	4
132	Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	205	<input type="checkbox"/>	5
56	Has the corporation realized any capital gains or incurred any capital losses during the taxation year?	206	<input type="checkbox"/>	6
103	(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	<input type="checkbox"/>	7
57	Does the corporation have any property that is eligible for capital cost allowance?	208	<input checked="" type="checkbox"/>	8
58	Does the corporation have any property that is eligible capital property?	210	<input checked="" type="checkbox"/>	10
59	Does the corporation have any resource-related deductions?	212	<input type="checkbox"/>	12
60	Is the corporation claiming reserves of any kind?	213	<input type="checkbox"/>	13
61	Is the corporation claiming a patronage dividend deduction?	216	<input type="checkbox"/>	16
62	Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	217	<input type="checkbox"/>	17
150	Is the corporation an investment corporation or a mutual fund corporation?	218	<input type="checkbox"/>	18
131	Was the corporation carrying on business in Canada as a non-resident corporation?	220	<input type="checkbox"/>	20
118	Is the corporation claiming any federal or provincial foreign tax credits, or logging tax credits?	221	<input type="checkbox"/>	21
155	Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	226	<input type="checkbox"/>	26 *
111	Does the corporation have any Canadian manufacturing and processing profits?	227	<input type="checkbox"/>	27
121	Is the corporation claiming an investment tax credit?	231	<input type="checkbox"/>	31
63	Is the corporation claiming any scientific research and experimental development expenditures?	232	<input type="checkbox"/>	T661/T665
124	Is the corporation subject to Part 1.3 tax?	233	<input type="checkbox"/>	33/34/35
124	Is the corporation a member of a related group with one or more members subject to gross Part 1.3 tax?	236	<input type="checkbox"/>	36
124	Is the corporation claiming a surtax credit?	237	<input type="checkbox"/>	37
128	Is the corporation subject to gross Part VI tax on capital of financial institutions?	238	<input type="checkbox"/>	38
128	Is the corporation claiming a Part I tax credit?	242	<input type="checkbox"/>	42
129	Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	243	<input type="checkbox"/>	43
129	Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244	<input type="checkbox"/>	45
125	Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	249	<input type="checkbox"/>	46
128	For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	250	<input type="checkbox"/>	39
128	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	<input type="checkbox"/>	40

Attachments - Continued from page 2**Guide item****Yes Schedule**

128 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	<input type="checkbox"/>	41
152 Is the corporation claiming a Canadian film or video production tax credit refund?	253	<input type="checkbox"/>	T1131
130 Is the corporation subject to Part XIII.1 tax?		<input type="checkbox"/>	92 *
153 Is the corporation claiming a film or video production services tax credit refund?		<input type="checkbox"/>	T1177
44 Did the corporation have any foreign affiliates that are not controlled foreign affiliates?		<input type="checkbox"/>	T1134-A
44 Did the corporation have any controlled foreign affiliates?		<input type="checkbox"/>	T1134-B
44 Did the corporation own specified foreign property in the year with a cost amount over \$100,000?		<input type="checkbox"/>	T1135
44 Did the corporation transfer or loan property to a non-resident trust?		<input type="checkbox"/>	T1141
44 Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?		<input type="checkbox"/>	T1142
- Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?		<input type="checkbox"/>	T1145
- Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?		<input type="checkbox"/>	T1146
- Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?		<input type="checkbox"/>	T1174

Additional information

Is the corporation inactive? (item 48)	280	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
Has the major business activity changed since the last return was filed? (enter yes for first time filers) (item 49)	281	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
What is the corporation's major business activity? (item 50) (Only complete if yes was entered at line 281.)	282		
If the major activity involves the resale of goods, indicate whether is is wholesale or retail (item 51)	283	1 Wholesale <input type="checkbox"/>	2 Retail <input checked="" type="checkbox"/>
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	Electrical Energy	285 99.000 %
	286	Other	287 1.000 %
	288		289 %
Did the corporation immigrate to Canada during the taxation year? (item 53)	291	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
Did the corporation emigrate from Canada during the taxation year? (item 54)	292	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements or GIFI (item 77)	300	40,853	A
Deduct: Charitable donations from Schedule 2 (item 78)	311		
Gifts to Canada or a province, or a territory 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		
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			B
Subtotal (amount A minus amount B) (if negative, enter "0")		40,853	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	40,853	
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** **40,853** ATaxable income from line 360 on page 3, **minus** 10/3 the amount at line 632* on page 7, **minus** 3 times the amount at line 636** on page 7, and **minus** any amount that, because of federal law, is exempt from Part I tax (item 96) **405** **40,853** B**Calculation of the business limit: (item 97)**

for all CCPCs, calculate the amount at line 4 below

\$200,000 x Number of days in the taxation year before 2003 = 1

Number of days in the taxation year 365

\$225,000 x Number of days in the taxation year in 2003 = 225,000 2

Number of days in the taxation year 365

\$250,000 x Number of days in the taxation year in 2004 = 3

Number of days in the taxation year 365

Add amounts at line 1, 2, and 3 **225,000** 4Business limit (see notes 1 and 2 below) **410** **225,000** C**Notes:** 1. For CCPCs that are not associated, enter the amount from line 4 at line 410. However, if the corporation's taxation year is less than 51 weeks, prorate the amount from line 4 by the number of days in the taxation year divided by 365, and enter the result on line 410.

2. For associated CCPCs, use Schedule 23 to calculate the amount to be entered at line 410

Business limit reduction: (item 98)Amount C **225,000** X **415 ***** D = **11,250** EReduced business limit (amount C minus amount E) (if negative, enter "0") **425** **225,000** F**Small business deduction - 16% of the least of amounts A, B, C, and F** **430** **6,536** G

(enter amount G of line 9 on page 7)

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) **225,000** x **300,000** = **300,000** A**225,000**Net active business income (amount from line 400)* **40,853** BTaxable income from line 360 on page 3 **minus** 3 times the amount at line 636** on page 7, and **minus** any amount that, because of federal law, is exempt from Part I tax (item 96) **40,853** C**Deduct:**

Aggregate investment income (amount from line 440 of page 6) D

Amount C minus amount D (if negative, enter "0") **40,853** **40,853** EAmount A, B, or E above, whichever is less **40,853** F

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

Amount QQ from Part 13 of Schedule 27 H

Taxable resource income from line 435 on page 5 I

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

Amount on line 400, 405, 410 or 425, whichever is less **40,853** KTotal of amounts G, H, I, J, and K **40,853** **40,853** L

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

Accelerated tax reduction - 7% of amount M N

(Enter amount N 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.

Resource deduction (item 100)

Taxable resource income		435	A
Amount A _____ x	Number of days in the taxation year in 2003	365	
	Number of days in the taxation year	365	x 1% = B
Amount A _____ x	Number of days in the taxation year in 2004		
	Number of days in the taxation year	365	x 2% = C
Resource deduction - amount B plus amount C		438	D
(enter amount D on line 10 of page 7)			

General tax reduction for Canadian-controlled private corporations (item 101)**Canadian-controlled private corporations throughout taxation year**

Taxable income from line 360 page 3			40,853	A
Amount Z from Part 9 of Schedule 27	x 100 / 7 =			B
Amount QQ from Part 13 of Schedule 27				C
Taxable resource income from line 435 above				D
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)				E
Amounts on lines 400, 405, 410, and 425 on page 4, whichever is less		40,853		F
Aggregate investment income from line 440 of page 6				G
Amount used to calculate the accelerated tax reduction (amount M of page 4)				H
Total of amounts B, C, D, E, F, G, and H		40,853	▶	40,853 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			
	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
Amount J _____ x	Number of days in the taxation year after 2003			
	Number of days in the taxation year	365	x 7% =	N
General tax reduction for Canadian-controlled private corporations - total of amounts K, L, M and N				O
(enter amount O on line 638 of page 7)				

General tax reduction (item 102)**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 on page 3				A
Amount Z from Part 9 of Schedule 27	x 100 / 7 =			B
Amount QQ from Part 13 of Schedule 27				C
Taxable resource income from line 435 above				D
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)				E
Total of amounts B, C, D and E			▶	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
Amount G _____ x	Number of days in the taxation year after 2003			
	Number of days in the taxation year		x 7% =	K
General tax reduction - total of amounts H, I, J and K				L
(enter amount L on line 639 of page 7)				

Refundable portion of Part I tax (item 103)**Canadian-controlled private corporations throughout the taxation year**Aggregate investment income 440 X 26 2/3 % = **A**

(Amount P from Part 1 of Schedule 7)

Foreign non-business income tax credit from line 632 on page 7 **Deduct:**Foreign investment income 445 X 9 1/3 % = (Amount O from Part 1 of Schedule 7) (if negative, enter "0") **B**Amount A minus amount B (if negative, enter "0") **C**Taxable income from line 360 on page 3 40,853**Deduct:**

Least of amounts on lines 400, 405, 410, and 425

on page 4 40,853

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 3 = 40,853 ▶40,853X 26 2/3% = **D**

Part I tax payable minus investment tax credit refund

(line 700 minus line 780 on page 8) 5,361**Deduct** corporate surtax from line 600 on page 7 458Net amount 4,903 ▶4,903 **E****Refundable portion of Part I tax - the least of amounts C, D, and E**4500 **F****Refundable dividend tax on hand (item 104)**Refundable dividend tax on hand at the end of the preceding tax year 460**Deduct** dividend refund for the previous taxation year 465**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**Refundable dividend tax on hand at the end of the taxation year - amount A plus amount B**4850**Dividend refund (item 105)****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 106)**550** 15,524 **A****Corporate surtax calculation (item 107)**Base amount from line A above 15,524 **1****Deduct:**10% of taxable income (line 360 or amount Z, whichever applies) from page 3 4,085 **2**Investment corporation deduction from line 620 below 3Federal logging tax credit from line 640 below 4Federal 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** 6Part I tax otherwise payable
(line A plus line C and D minus line F) 4,903 **c**Total of lines 2 to 6 4,085 **7**Net amount (line 1 minus line 7) 11,439 **8****Corporate surtax** - 4% of the amount on line 8 **600** 458 **B**Recapture of investment tax credit from line PPP in Part 21 on page 8 of Schedule 31 (item 108) **602** **C****Calculation for the refundable tax on Canadian-controlled private corporation's investment income**
(for a CCPC throughout the taxation year) (item 109)Aggregate investment income from line 440 on page 6 **i**Taxable income from line 360 on page 4 40,853**Deduct:**The least of amounts on lines 400, 405, 410, and 425 on page 4 40,853Net 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) 15,982 **E****Deduct:**Small business deduction from line 430 on page 4 6,536 **9**Federal tax abatement (item 110) **608** 4,085Manufacturing and processing profits deduction from amount BB of Schedule 27 (item 111) **616**Investment corporation deduction (item 112) **620**
(Taxed capital gains **624**)Additional deduction - credit unions from Schedule 17 (item 113) **628**Federal foreign non-business income tax credit from Schedule 21 (item 114) **632**Federal foreign business income tax credit from Schedule 21 (item 115) **636**Accelerated tax reduction from amount N of page 4 (item 116) **637**Resource deduction from line 438 of page 5 **10**General tax reduction for CCPC's from amount O of page 5 (item 117) **638**General tax reduction from amount L of page 5 (item 117) **639**Federal logging tax credit from Schedule 21 (item 118) **640**Federal political contribution tax credit (item 119) **644**Federal political contributions **646**Federal qualifying environmental trust tax credit (item 120) **648**Investment tax credit from Schedule 31 (item 121) **652**Subtotal 10,621 **F****Part I tax payable** - Line E minus line F (enter amount G on line 700 on page 8) (item 122) 5,361 **G**

Summary of tax and credits**Federal tax**

Part I tax payable from page 7 (item 123)	700	5,361
Part I.3 tax payable from Schedule 33, 34, or 35 (item 124)	704	
Part II surtax tax payable from Schedule 46 (item 125)	708	
Part IV tax payable from Schedule 3 (item 126)	712	
Part IV.1 tax payable from Schedule 43 (item 127)	716	
Part VI tax payable from Schedule 38 (item 128)	720	
Part VI.1 tax payable from Schedule 43 (item 129)	724	
Part XIII.1 tax payable from Schedule 92 (item 130)	727	
Part XIV tax payable from Schedule 20 (item 131)	728	
Total federal tax		5,361

Add provincial and territorial taxProvincial or territorial jurisdiction (item 132) **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 133) **760**Provincial tax on large corporations (New Brunswick and Nova Scotia) (item 147) **765****Total tax payable 770 5,361 A****Deduct other credits**

Investment tax credit refund from Schedule 31 (items 148)	780
Dividend refund from Page 4 (items 149)	784
Federal capital gains refund from Schedule 18 (item 150)	788
Federal qualifying environmental trust tax credit refund (item 151)	792
Canadian film or video production tax credit refund from Form T1131 (item 152)	796
Film or video production services tax credit refund from Form T1177 (item 153)	797
Tax withheld at source (item 154)	800
Total payments on which tax has been withheld (item 154) 801	
Allowable refund for non-resident-owned investment corporations - Schedule 26 (item 155)	804
Provincial and territorial capital gains refund from Schedule 18 (item 156)	808
Provincial and territorial refundable tax credits from Schedule 5 (item 157)	812
Royalties deductible under Syncrude Remission Order 815	
Tax remitted under Syncrude Remission Order (item 158)	816
Tax instalments paid (item 159)	840
Total credits 890	

Refund Code **894** ☐ Overpayment (item 163)**Balance (line A minus line B) 5,361 I****Direct Deposit Request (item 164)**

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 numberIf 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 163) **5,361**Enclosed payment (item 162) **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 161)

896 1 Yes ☐ 2 No ☒ NA ☐**Certification (item 165)****950** McCaig Surname **951** Mark First name **954** CEO Position, office or rank**955** 2004/05/25 Date **956** (907) 274-9291 Telephone numberIs 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 166)****990** Language of choice/Langue de choix 1 English / Anglais ☒ 2 Français / French ☐

**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** (52,954)

Add:

Provision for income taxes - current	101	<u>63,605</u>	
Provision for income taxes - deferred	102	<u>(90,758)</u>	
Amortization of tangible assets	104	<u>322,062</u>	
Total of fields 101 to 199	500	<u>294,909</u>	▶ 294,909

Deduct:

Gain on disposal of assets per financial statements	401	<u>1,675</u>	
Capital cost allowance - Schedule 8	403	<u>196,453</u>	
Cumulative eligible capital deduction - Schedule 10	405	<u>2,974</u>	
Total of fields 401 to 499	510	<u>201,102</u>	▶ 201,102

Net income (loss) for income tax purposes (enter on line 300 of the T2 return) 40,853

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							
2002/12/31							
2003/12/31							
Totals							

Current year non-capital loss

Net income (loss) for income tax purposes	40,853
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

Non-capital losses at end of preceding taxation year			
Losses expired after 7 years	100 -		
Non-capital losses - beginning balance	102 =		
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	
Deduct:			
Amount applied against taxable income (enter on line 331 of T2 return)	130		
Amount applied against dividends subject to Part IV tax	135		
Section 80 adjustments	140		
Other adjustments	150		
Non-capital losses - ending balance			- 180 =

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.

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							
2003/12/31							
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 =

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							
2003/12/31							
Totals							

Current year restricted farm loss

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 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 =



Part 1 - Capital loss

Capital loss continuity and carry-back request

Actual capital losses at end of preceding taxation year	200	18,660	
Transfers from wind-up of wholly-owned subsidiary and amalgamation	205		
Current year capital loss	210		
		Subtotal	18,660
Allowable business investment loss expired as a non-capital loss	X 4/3	220	
		Subtotal	18,660
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	+	50.0000 % = 951	
2nd preceding taxation year	+	% = 952	
3rd preceding taxation year	+	% = 953	
		Subtotal	
Capital losses - ending balance		280	18,660
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 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					
2003/12/31					
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	=	

**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)					

Canada Customs
and Revenue AgencyAgence des douanes
et du revenu du Canada**CAPITAL COST ALLOWANCE****Schedule 8**Is the corporation electing under regulation 1101(5q)? 101 1 Yes ☐ 2 No ☐

1 Class	2 UCC at start of year	3 Cost of additions in the year 203	4 Net adjustments	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 %	10 CCA for the year (col 8 x 9 or a lower amount) 217	11 Recapture of CCA 213	12 Terminal loss	13 UCC at the end of the year 220
200	201	203	205	207	211		212	217	213	215	220
1	197,516					197,516	4	7,901			189,615
1	3,734,726	59,817			29,909	3,764,634	4	150,585			3,643,958
8	14,431	6,991			3,496	17,926	20	3,585			17,837
8	9,314	4,019			2,010	11,323	20	2,265			11,068
10	95,054					95,054	30	28,516			66,538
10	8,964	5,797			2,899	11,862	30	3,559			11,202
12	42					42	100	42			
Totals	4,060,047	76,624			38,314	4,098,357		196,453			3,940,218

**CUMULATIVE ELIGIBLE CAPITAL DEDUCTION****Schedule 10**

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

Part 1 - Calculation of current year deduction and carry-forwardCumulative eligible capital - balance at beginning of taxation year (if negative, enter nil) **200** 42,489 **A****Add:**

Cost of eligible capital property acquired during the taxation year **222** **B**
 Transfer from predecessor or subsidiary corporation **224** **C**
 Other adjustments **226** **D**
 (add amounts B, C, and D) x 3/4 = **E**
Subtotal (amount A plus amount E) 230 42,489 **F**

Deduct:

Proceeds of sale (less outlays and expenses) from the disposition
 of all eligible capital property during the taxation year **242** **G**
 The gross amount of a reduction in respect of a forgiven debt
 obligation as provided for in subsection 80(7) **244** **H**
 Other adjustments **246** **I**
 (add amounts G, H, and I) x 3/4 = **248** **J**

Cumulative eligible capital balance (amount F minus amount J) 42,489 **K**
 (if amount K is negative, enter "0" at line M and proceed to Part 2)

Current year deduction amount K 42,489 x 7% = **250** 2,974 **L**
 (Deduct amount L on line 405 of Schedule 1)

Cumulative eligible capital balance at the end of the taxation year **300** 39,515 **M**

Note: The maximum current year deduction is 7%. You can claim any amount up to the maximum. If your fiscal period starts after December 21, 2000, and is less than 365 days, prorate the calculation for line 250 by multiplying by the number of days in the year divided by 365.

Part 2 - Amount to be included in income arising from disposition

(complete this part only if line K is negative)

Amount from line K above (show as a positive amount) **N**Total of cumulative eligible capital deductions from income for
taxation years beginning after June 30, 1988 **400** **1**Total of all amounts which reduced cumulative eligible capital
in the current or prior years under subsection 80 (7) **401** **2**Total of cumulative eligible capital deductions claimed
for taxation years beginning before July 1, 1988 **402** **3**Negative balances in the cumulative eligible
capital account that were included in income for taxation
years beginning before July 1, 1988 **408** **4**Line 3 minus line 4 **409** **5**Total of lines 1, 2, and 5 **6**Line T from schedule 10 of previous taxation years ending after February 27, 2000 **7**Line 6 minus line 7 **O**Line N minus line O (cannot be negative) **P**Amount on line 5 X 1/2 **Q**Line P minus line Q **R**Amount on line R X 66.6667 * **S**Lessor of line N or line O **T**Amount to be included in income on line 108 of schedule 1, line S plus line T **410**

* For taxation years ending after February 27, and before October 18, 2000, use the fraction 8/9 to calculate line S

* For taxation years ending after October 17, 2000 use the fraction 2/3 to calculate line S

**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 Fort Frances	NR		100.000	
	RC			

* If the shareholder is a trust, enter NR at field 200 or NA at field 300.

**BALANCE SHEET INFORMATION****Schedule 100**

Assets	Code	Amount
Cash and deposits	1000	1,141,480
Accounts Receivable	1060	444,832
Inventories	1120	167,666
Work in progress	1125	576,864
Other short term Canadian investments	1186	1,123,810
Deferred income taxes	1481	90,758
Prepaid expenses	1484	26,425
Land	1600	100,000
Buildings	1680	1,068,548
Accumulated amortization of buildings	1681	(889,796)
Machinery, equipment, furniture and fixtures	1740	6,981,155
Accumulated amortization of machinery, equipment, furniture and fixtures	1741	(3,822,585)
Motor vehicles	1742	517,934
Accumulated amortization of motor vehicles	1743	(422,409)
Computer equipment / software	1774	48,342
Accumulated amortization of computer equipment / software	1775	(41,201)
Other machinery and equipment	1785	100,680
Accumulated amortization of other machinery and equipment	1786	(83,329)
Furniture and fixtures	1787	81,613
Accumulated amortization of furniture and fixtures	1788	(71,180)
Intangible assets	2010	62,010
Accumulated amortization of intangible assets	2011	(13,239)
Total assets	2599	7,188,378

Liabilities	Code	Amount
Bank overdraft	2600	
Amounts payable and accrued liabilities	2620	1,240,526
Taxes payable	2680	9,596
Deposits received	2961	70,923
Other long term liabilities	3320	124,559
Total liabilities	3499	1,445,604

Equity	Code	Amount
Common shares	3500	5,807,390
Retained earnings / deficit	3600	(64,616)
Total equity	3620	5,742,774
Total liabilities and equity	3640	7,188,378

Retained earnings	Code	Amount
Retained earnings/deficit-start	3660	(11,662)
Net income / loss	3680	(52,954)
Total retained earnings	3849	(64,616)

**INCOME STATEMENT INFORMATION****Schedule 125****Details**

Operating name, if different from the corporations' legal name

0001

Description of operation, if filing multiple Schedules 125

0002

Revenue	Code	Amount
Trade sales of goods and services	8000	5,238,782
Total sales of goods and services	8089	5,238,782
Realized gains / losses on sale of investments	8211	1,675
Other revenue	8230	128,085
Expense recoveries	8249	1,432,292
Total revenue	8299	6,800,834

Cost of sales	Code	Amount
Opening inventory	8300	
Purchases / cost of materials	8320	4,120,211
Cost of sales	8518	4,120,211
Gross profit / loss (item 8089 - item 8518)	8519	1,118,571

Operating expenses	Code	Amount
Amortization of tangible assets	8670	322,062
Interest and bank charges	8710	247
Collection and credit costs	8717	48,761
Repairs and maintenance - machinery and equipment	8964	220,829
Other expenses	9270	1,432,292
General and administrative expenses	9284	736,539
Total operating expenses	9367	2,760,730
Total expenses	9368	6,880,941
Net non-farming income	9369	(80,107)

Farming revenue	Code	Amount
Grains and oilseeds	9370	
Total farm revenue	9659	

Farming expenses	Code	Amount
Crop expenses	9660	
Total farm expenses	9898	
Net farm income	9899	
Net income / loss before taxes and extraordinary items	9970	(80,107)

Summary

Complete this section if only one Schedule 125 is filed, Schedule 140 is used to summarize the information from multiple Schedules 125.

Extraordinary items	9975-	
Legal settlements	9976-	
Unrealized gains / losses	9980+	
Unusual items	9985-	
Current income taxes	9990-	63,605
Deferred income tax provision	9995-	(90,758)
Net income / loss after taxes and extraordinary items	9999=	(52,954)

**NOTES CHECKLIST****Schedule 141****Involvement of accountant****0100** Who reported on/prepared the corporation's financial statements?

- 1 an independent auditor with a report that expressed no reservation ☒
- 2 an independent auditor with a report that expressed a reservation ☐
- 3 an independent accountant with a review engagement report that expressed no reservation ☐
- 4 an independent accountant with a review engagement report that expressed a reservation ☐
- 5 an independent accountant who conducted a compilation engagement with no review ☐
- 6 an independent accountant with a compilation engagement and review engagement resulting in no reservation ☐
- 7 an independent accountant with a compilation engagement and review engagement resulting in a reservation ☐
- 8 prepared by an employee/associate/management of the company, or a person on behalf of the company, without the involvement of an independent accountant ☐

Other informationWere any notes to the financial statements prepared? **101** ☒ Yes ☐ No

If yes, complete the following:

Are any values presented at other than cost? **102** ☐ Yes ☒ NoHas there been a change in accounting policies since the last return? **103** ☐ Yes ☒ NoAre subsequent events mentioned in the notes? **104** ☐ Yes ☒ NoIs re-evaluation of asset information mentioned in the notes? **105** ☐ Yes ☒ NoIs contingent liability mentioned in the notes? **106** ☐ Yes ☒ NoIs information regarding commitments mentioned in the notes? **107** ☐ Yes ☒ NoDoes the corporation have investments in joint venture(s) or partnerships? **108** ☐ Yes ☒ NoIf yes, are you filing financial statements of the joint venture(s) or partnership(s)? **109** ☐ Yes ☐ No

CDA

Capital dividend account continuity

Summary

	Prior years	Current year	Total
Non-taxable (non-deductible) portion of capital gain (loss)	(9,330)		(9,330)
Non-taxable portion of allowable business investment (loss)	+		
A. Net non-taxable gain eligible for CDA (Enter "0" if negative)	=		
B. Capital dividends received	+		
ECP amount included in income under 14(1)(b)			
Amount(s) deducted under 20(4.2) or portion of allowable capital loss under 20(4.3)			
C. Net non taxable portion of ECP proceeds eligible for CDA	+		
D. Net proceeds (in excess of adjusted cost base) of life insurance policy where corporation is beneficiary	+		
E. Non taxable portion of capital gains distributed from a trust	+		
F. Non taxable portion of capital dividends distributed from a trust	+		
G. Subtotal (A to F)	=		
H. Capital dividends paid	-		
I. Capital dividend account at end of the year (G - H) (Enter "0" if negative)	=		

Adjustments

Adjusted CDA balance

Instalments

Federal tax instalments

Instalment base

Year-end	Estimate for current year 2004/12/31	First instalment base 2003/12/31	Second instalment base 2002/12/31
Taxable income		40,853	226,926
Base amount of Part I tax		15,524	86,232
Corporate surtax		458	2,542
Refundable tax on CCPC's investment income			
Small business deduction		6,536	32,000
Federal tax abatement		4,085	22,693
Manufacturing and processing profits deduction			
Foreign tax credits			
Tax reductions			1,885
Political contribution tax credit			
Investment tax credit			
Other credits			
Part I tax payable		5,361	32,196
Part I.3 tax payable			
Part VI tax payable			
Part VI.1 tax payable			
Net provincial or territorial tax payable			
Total tax payable		5,361	32,196
Days in taxation year	365	365	365
Tax payable adjusted for short taxation years		5,361	32,196
Estimated credits for the current year:			
Investment tax credit refund			
Dividend refund			
Other			
Total estimated credits			
Instalment base		5,361	32,196
Monthly payment		447	2,683

Instalment payment options

☐ 1. based on estimated taxes for the current year

☒ 2. based on the first instalment base

☐ 3. based on the first and second instalment base

☐ 4. instalments are not required

Instalment payments

Date	Instalments required	Instalments paid	Instalments payable
2004/01/31	447		
2004/02/29	447		
2004/03/31	447		
2004/04/30	447		
2004/05/31	447		2,235
2004/06/30	447		447
2004/07/31	447		447
2004/08/31	447		447
2004/09/30	447		447
2004/10/31	447		447
2004/11/30	447		447
2004/12/31	447		447
Total	5,364		5,364

May 25, 2004

BDO Dunwoody LLP
375 Scott Street
Fort Frances, Ontario
P9A 1H1

McCaig
FORT FRANCES POWER CORPORATION

Dear McCaig:

We enclose your copy of the tax return with supporting schedules and financial statements for FORT FRANCES POWER CORPORATION. We have prepared this return based on the information you provided to us.

We have also included the T2 Return and Schedule Information (T2 RSI), which is the keying summary required by Canada Customs and Revenue Agency (CCRA). Please sign page 5 of RSI Schedule 200 and Form RC59, Business Consent Form. Mail the T2 RSI to CCRA on or before June 30, 2004.

The T2 return shows a balance owing of \$5,361.

The CT23 Tax Return is being filed on disk. In addition to the disk, please submit the following to the Ontario Ministry of Finance:

- Signed copy of CT23 Certification Form - Diskette Filing
- Financial Statements
- Consent Form

The CT23 return shows a balance owing of \$4,475.

If you have any questions about your return(s), please contact me at 807-274-9848.

Sincerely yours,

BDO Dunwoody LLP

Enclosure



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

2003

CT23 Corporations Tax and Annual Return

For taxation years commencing
after September 30, 2001

Corporations Tax Act - Ministry of Finance (MOF)

Corporations Information Act - Ministry of Consumer and Business Services (MCBS)

This return is 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 is a common page required for both returns. For tax purposes, depending on which criteria the corporation satisfies, it must complete either the Exempt from Filing (EFF) declaration on page 2 or file the CT23 Return on pages 3-17, together with the applicable schedules on pages 18-21. 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 Schedule A on pages 22 and 23, and Schedule K on page 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.

MCBS Annual Return Required? (Not required if already filed or Annual Return exempt. Refer to Guide)

☒ Yes

☐ No

Page 1 of 24

Corporation's Legal Name (including punctuation)

FORT FRANCES POWER CORPORATION

Mailing address

320 Portage Avenue

City Province Country Postal code
Fort Frances ON CA P9A 3P9

Has the mailing address changed since last filed CT23 Return?

☐ Yes

Date of change

Registered/Head Office Address

320 Portage Avenue

City Province Country Postal code
Fort Frances ON CA P9A 3P9

Location of Books and Records

320 Portage Avenue

City Province Country Postal code
Fort Frances ON CA P9A 3P9

Name of person to contact regarding this CT23 Return

Mark McCaig

Telephone No.

(907) 274-9291

Fax No.

() -

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

(MCBS)

City Province Country Postal code

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

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). ▶

☒ No Change

Preferred Language / Langue de préférence

☒ English
anglais

☐ French
français

Ministry Use



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

Name of Authorized Person

Mark McCaig

Title: ☐ Director ☐ Officer ☐ 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****Page 2 of 24**

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 *Corporations Tax Act* as exempt from filing an Ontario Corporations Tax Return.

Criteria for exempt from filing status:

- | | |
|--|---|
| <p>a) has filed a federal income tax return (T2) with Canada Customs and Revenue Agency for the taxation year;</p> <p>b) had no Ontario taxable income for the taxation year (subject to the provisions in NOTE 2 below);</p> <p>c) had no Ontario Corporations Tax payable for the taxation year;</p> | <p>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 <i>Income Tax Act</i> (Canada));</p> <p>e) had provided its Canada Customs and Revenue Agency business number to the Ministry of Finance, Corporations Tax Branch; and</p> <p>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).</p> |
|--|---|

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 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*.

NOTE 2: The following loss situations will require otherwise EFF corporations to file a CT23 tax return complete with all related schedules and financial statements:

1. If a corporation has a loss in the current taxation year that is to be carried back and applied to a previous taxation year(s), regardless of whether the loss is the same as for federal purposes or not, a CT23 tax return is required for the current taxation year. The corporation must also provide information indicating that the loss is to be carried back and specify the year and the amount of loss to be carried back to each taxation year.

2. If a corporation has a prior year loss, that is not the same for both federal and Ontario purposes and the corporation is applying a loss carryforward from the prior year to the current year, a CT23 tax return is required for the current taxation year, and if not previously filed, a CT23 tax return for the prior taxation year in which the loss was incurred is also required. Although a tax return for the loss year is not required where the loss is not being applied, the Corporations Tax Branch will accept the filing of a tax return for a loss year at the time the loss is incurred.
3. If a corporation has a prior year loss, that is the same for both federal and Ontario purposes, but in the current taxation year the corporation is applying a different amount of loss for Ontario than the loss amount being applied for federal income tax purposes, the corporation is required to file a CT23 tax return for the current taxation year only.

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.**

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 Corporation Tax Return.
To obtain a copy, contact the Ministry Information Centre at the numbers listed on page 2 of the Guide.**

Yes	No		Yes	No	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	(a) The corporation is a Canadian-controlled private corporation (CCPC) throughout the taxation year. <div style="text-align: right;">(nearest whole percentage)</div> Indicate Share Capital with full voting rights owned by Canadian Residents <u>100</u> %	<input type="checkbox"/>	<input checked="" type="checkbox"/>	(d) 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; OR The corporation's taxation year commences after September 30, 2001, and its gross revenue and total assets are each \$3,000,000 or less and the corporation is not a financial institution.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	(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)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	(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).
<input checked="" type="checkbox"/>	<input type="checkbox"/>	(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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	(f) The corporation's Ontario allocation factor is 100%.

NOTE: Family Farm or Fishing corporations that have a taxation 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**CT23 Page 3 of 24****Identification continued (for CT23 filers only)****Type of Corporation - Please check (✓) box(es) if applicable in sections 1 & 2**

1	<input checked="" type="checkbox"/> 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	<input type="checkbox"/> Other Private		
3	<input type="checkbox"/> Public	Share Capital with full voting rights owned by Canadian residents.	(nearest %) 100 %
4	<input type="checkbox"/> Non-share Capital		
5	<input type="checkbox"/> Other (specify)		

2	<input type="checkbox"/> Family Farm Corporation s.1(2)	14	<input type="checkbox"/> Bare Trustee Corporation
<input type="checkbox"/>	Family Fishing Corporation s.1(2)	15	<input type="checkbox"/> Branch of Non-resident s.63(1)
<input type="checkbox"/>	Mortgage Investment Corp s.47	16	<input type="checkbox"/> Financial institutions prescribed by Regulation only
<input type="checkbox"/>	Credit Union s.51	17	<input type="checkbox"/> Investment Dealer
<input type="checkbox"/>	Bank Mortgage Subsidiary s.61(4)	18	<input type="checkbox"/> Generator of electrical energy for sale or producer of steam for use in the generation of electrical energy for sale
<input type="checkbox"/>	Bank s.1(2)	19	<input type="checkbox"/> Hydro successor, Municipal Electrical Utility or subsidiary of either
<input type="checkbox"/>	Loan and Trust Corporation s.61(4)	20	<input type="checkbox"/> Producer and seller of steam for uses other than for the generation of electricity
<input type="checkbox"/>	Non-resident Corp s.2(2)(a) or (b)	21	<input type="checkbox"/> Insurance Exchange s.74.4
<input type="checkbox"/>	Non-resident Corporation s.2(2)(c)	22	<input type="checkbox"/> Farm Feeder Finance Co-operative Corporation
<input type="checkbox"/>	Mutual Fund Corporation s.48	23	<input type="checkbox"/> Professional Corporation (incorporated professionals only)
<input type="checkbox"/>	Non-resident owned investment Corp s.49		
<input type="checkbox"/>	Non-resident ship or aircraft under reciprocal agreement with Canada s.28(b)		

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

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

<input type="checkbox"/> First Year of Filing	<input type="checkbox"/> Final Taxation Year up to Dissolution(wind-up) (Note: For discontinued businesses, see Guide.)	<input type="checkbox"/> Transfer or Receipt of Asset(s) involving a corporation having a Canadian permanent establishment outside Ontario
<input type="checkbox"/> Amended Return	<input type="checkbox"/> Final Taxation Year before Amalgamation	<input type="checkbox"/> Acquisition of Control fed s.249(4) Date control was acquired: _____
<input type="checkbox"/> Taxation Year End has changed - Canada Customs and Revenue Agency approval required	<input type="checkbox"/> Floating Fiscal Year End	

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

Income Tax**CT23 Page 4 of 24**

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

Net income (loss) for Ontario purposes (per reconciliation schedule, page 15)	From 690±	40,853
Subtract: Charitable donations	1 -	
Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property (Attach schedule 2)	2 -	
Subtract: Taxable dividends deductible, per federal T2 SCH 3	3 -	
Subtract: Ontario political contributions (Attach schedule 2A) (Int.B. 3002)	4 -	
Subtract: Federal Part VI.1 tax X 9/3	5 -	
Subtract: Prior years' losses applied - Non-capital losses	From 704	
	From 715	inclusion
Net capital losses (page 16) X rate 50.000000 % =	714	
Farm losses	From 724-	
Restricted farm losses	From 734-	
Limited partnership losses	From 754-	
Taxable income (Non-capital loss)	10 =	40,853
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 =	40,853

Taxable Income		Number of days in Taxation Year			
		Days after Sept 30, 2001 and before Jan 1, 2004	Total days		
From 10 (or 20)	40,853 X 30 100.0000 % X 12.5 %	X 33 365	+ 73 365	=	29+ 5,107
	Ontario Allocation	Days after Dec 31, 2003	Total days		
From 10 (or 20)	40,853 X 30 100.0000 % X 14.0 %	X 34	+ 73 365	=	32+
	Ontario Allocation				
Income Tax Payable (before deduction of tax credits)	29 + 32			40	5,107

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	40,853
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	51 +	40,853
Add: Losses of other years deducted for federal purposes (fed.s.111)	52 +	
Subtract: Losses of other years deducted for Ontario purposes (s.34)	53 -	
	=	40,853 ▶ 54 40,853
Federal Business limit for the year before application of fed.s.125(5.1) (not exceeding \$200,000)	55	200,000

Add: Ontario enhancement of federal business limit

Number of days in Taxation Year			
Days after Sept. 30, 2001 and before Jan. 1, 2003	Total Days	From	
80,000 X 28	+ 73 365	X 55 200,000	+200,000 43+
Days after Dec. 31, 2002 and before Jan. 1, 2004	Total Days	From	
120,000 X 31 365	+ 73 365	X 55 200,000	+200,000 46+ 120,000
Days after Dec. 31, 2003	Total Days	From	
200,000 X 34	+ 73 365	X 55 200,000	+200,000 47+
Ontario enhancement of federal business limit	43 + 46 + 47	=	120,000 44+ 120,000
Business Limit for Ontario purposes	55 + 44	=	320,000 ▶ 45 320,000

Income eligible for the IDSBC	From 30 100.0000 % X	56 40,853	60 =	40,853
	*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)).

Income Tax *continued from Page 4*

		Number of Days in Taxation Year			
		Days after Sept 30, 2001 and before Jan 1, 2003		Total Days	
Calculation of IDSBC Rate	6.5 % X 28		+ 73	365	= 79 +
		Days after Dec 31, 2002 and before Jan 1, 2004		Total Days	
	7.0 % X 31	365	+ 73	365	= 89 + 7.0000
		Days after Dec 31, 2003		Total Days	
	8.5 % X 34		+ 73	365	= 90 +
IDSBC Rate for Taxation Year 79 + 89 + 90					78 = 7.0000
Claim	From 60	40,853	X From 78	7.0000 %	70 = 2,860

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 + 40,853

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

Taxable income of associated corporations (Attach schedule) 82 +
Aggregate Taxable Income 85 = 40,853

		Number of days in Taxation Year			
		Days after Sept 30, 2001 and before Jan 1, 2003		Total Days	
Subtract: 280,000 X	28		+ 73	365	= 113 +
		Days after Dec 31, 2002 and before Jan 1, 2004		Total Days	
320,000 X	31	365	+ 73	365	= 115 + 320,000
		Days after Dec 31, 2003		Total Days	
400,000 X	34		+ 73	365	= 116 +
113 + 115 + 116					= 320,000
					114 - 320,000
(If negative, enter nil)					86 =

		Number of Days in Taxation Year			
		Days after Sept 30, 2001 and before Jan 1, 2003		Total Days	
Calculation of Specified Rate for Surtax	4.333% X 28		+ 73	365	= 95 +
		Days after Dec 31, 2002 and before Jan 1, 2004		Total Days	
	4.667% X 31	365	+ 73	365	= 96 + 4.6670
		Days after Dec 31, 2003		Total Days	
	4.667% X 34		+ 73	365	= 97 +
Specified rate of surtax for Taxation Year 95 + 96 + 97					94 = 4.6670
From 86	X From 94	4.6670 % =			87 =
From 87	X From 60	40,853 + From 114	320,000		88 =
Surtax: Lesser of 70 or 88					100 =

Income Tax *continued from Page 5***CT23 Page 6 of 24****Additional Deduction for Credit Unions (s.51(4))** *(Attach schedule 17)*110 XXXXXXXXXX**Manufacturing and Processing Profits Credit (M&P) (s.43)****Applies** to Eligible Canadian Profits from manufacturing and processing, farming, mining, logging and fishing carried on in Canada, as determined by regulations.

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

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

Eligible Canadian Profits	120	
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC)	From 56	- 40,853

Add: Adjustment for Surtax on Canadian-controlled private corporations		
From 100 _____ + From 30 <u>100.0000</u> % + From 78 <u>7.0000</u> % = 121 _____		
*Ontario Allocation		

Lesser of 56 or 121	122+	
120 - 56 + 122	130=	

Taxable income	From 10	+ 40,853
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC)	From 56	- 40,853
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	=

Claim **Number of Days in Taxation Year**

143 _____	X From	30	<u>100.0000</u> % X 1.5% X	33	<u>365</u>	+	73	<u>365</u> = 154+
Lesser of 130 or 142			*Ontario Allocation					
Days after Sept 30, 2001 and before Jan 1, 2004								
143 _____	X From	30	<u>100.0000</u> % X 2.0% X	34		+	73	<u>365</u> = 156+
Lesser of 130 or 142			*Ontario Allocation					
Days after Dec 31, 2003								

M&P claim for taxation year **154 + 156** 160 XXXXXXXXXX***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 XXXXXXXXXX**Manufacturing and Processing Profits Credit for Corporations that Produce and Sell Steam for uses other than the Generation of Electricity** 162 XXXXXXXXXX**Credit for Foreign Taxes Paid (s.40)****Applies** if you paid tax to a jurisdiction outside Canada on foreign investment income (Int.B. 3001) *(Attach schedule)*. 170 XXXXXXXXXX**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 XXXXXXXXXX**Subtotal of Income Tax** 40 - 70 + 100 - 110 - 160 - 161 - 162 - 170 - 180 190 XXXXXXXXXX

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 **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** either Claim Form from Ontario Media Development Corporation (OMDC)

or Ministry of Finance (MFO) CT Schedule 193/199, as applicable.

(Attach the original Certification/Claim Form received from the OMDC or the original Certification Form received from the OMDC along with a completed MOF CT Schedule 193/199, as applicable.)

193

Graduate Transitions Tax Credit (GTTC) (s.43.6)*Applies* to employment of eligible unemployed post secondary graduate.No. of Graduates from **6596**
194Eligible 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 eligible Canadian authors.Eligible Credit from **6900** OBPTC Claim Form *(Attach both the original Claim Form and 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 Media Development Corporation*(Attach the original Claim/Certification 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 productions where the OFTTC has not been claimed.Eligible Credit from **7300** either Claim Form from Ontario Media Development Corporation (OMDC)

or Ministry of Finance (MFO) CT Schedule 193/199, as applicable

(Attach the original Certification/Claim Form received from the OMDC or the original Certification Form received from the OMDC along with a completed MOF CT Schedule 193/199, as applicable.)

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 Media Development Corporation*(Attach original Claim/Certification Form.)*

200

Ontario Sound Recording Tax Credit (OSRTC) (s.43.12)*Applies* to qualifying expenditures in respect of eligible Canadian sound recordings.Eligible Credit from **7500** OSRTC Claim Form *(Attach both the original Claim Form and the 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 (amount cannot be negative)

230

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 17**.

OR

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

Corporate Minimum Tax (CMT)

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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 +	7,188,378	
* Total Revenue of the corporation			241 + 6,800,834

If you are a member of an associated group (✓) 242 ☐ (Yes)

Total Assets of associated corporations (Attach schedule)	243 +		
Total Revenue of associated corporations (Attach schedule)			244 +

Aggregate Total Assets	249 =	7,188,378	
Aggregate Total Revenue			250 = 6,800,834

If CMT is applicable to current taxation year, complete section **Calculation: CMT** below and **Corporate Minimum Tax Schedules A through E on pages 18, 19 and 20 of CT23**.**Calculation: CMT** (Attach Schedule A: Calculation of CMT Base on page 18.)

Gross CMT Payable	CMT Base From 2135	X	From 30	100.0000 % X 4%	276 =
		If negative, enter zero		Ontario Allocation	

Subtract: Foreign Tax Credit for CMT purposes (Attach schedule)	277	
---	-----	--

Subtract: Income Tax	From 190 -	2,247
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Net CMT Payable (if negative, enter Nil on page 17.)	280	
---	-----	--

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 17**.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 17** and transfer **280** to **Page 17, and to Schedule D: Continuity of CMT Credit Carryovers, on Page 20**.

CMT Credit Carryover available	From 2307	
---------------------------------------	-----------	--

Application of CMT Credit Carryovers

A.	Income Tax (before deduction of specified credits)	From 190 +	2,247
-----------	--	------------	-------

Gross CMT payable	From 276 +	
-------------------	------------	--

Subtract: Foreign Tax Credit for CMT purposes	From 277 -	
---	------------	--

If 276 - 277 is negative, enter NIL in 290	=		290 -
--	---	--	-------

Income Tax eligible for CMT Credit	300 =	2,247
---	-------	-------

B.	Income Tax (after deduction of specified credits)	From 230 +	2,247
-----------	---	------------	-------

Subtract: CMT credit used to reduce income taxes	310 -	
--	-------	--

Income Tax	320 =	2,247
-------------------	-------	-------

Transfer to Page 17

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 Tax (Refer to Guide and Int.B. 3011)

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If your corporation is a Financial Institution (s.58(2)), complete lines 480 and 430 on page 10 then proceed to page 13.

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 \$1,500,000 or less and the taxation year ends on or after January 1, 2001, or (2) the Gross Revenue and Total Assets as calculated on Page 10 in 480 and 430 are both \$3,000,000 or less and the taxation year commences after September 30, 2001, your corporation 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 12 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 or joint venture of which they are a member. 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 (Int.B. 3017).

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) (Int.B. 3010).

Paid-up Capital

Paid-up capital stock (Int.B. 3012 and 3015)	350 +	5,807,390
Retained earnings (if deficit, deduct) (Int.B. 3012)	351 ±	(64,616)
Capital and other surpluses, excluding appraisal surplus (Int.B. 3012)	352 +	
Loans and advances (Attach schedule)(Int.B. 3013)	353 +	
Bank loans (Int.B. 3013)	354 +	
Bankers acceptances (Int.B. 3013)	355 +	
Bonds and debentures payable (Int.B. 3013)	356 +	
Mortgages payable (Int.B. 3013)	357 +	
Lien notes payable (Int.B. 3013)	358 +	
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) (Int.B. 3013)	359 +	
Contingent, investment, inventory and similar reserves (Int.B. 3012)	360 +	
Other reserves not allowed as deductions for income tax purposes (Attach schedule) (Int.B. 3012)	361 +	
Share of partnership(s) or joint venture(s) paid-up capital (Attach schedule(s)) (Int.B. 3017)	362 +	
Subtotal	370 =	5,742,774
Subtract: Amounts deducted for income tax purposes in excess of amounts booked (Retain calculations. Do not submit.) (Int.B. 3012)	371 -	
Deductible R&D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes (Int.B. 3015)	372 -	
Total Paid-up Capital	380 =	5,742,774
Subtract: Deferred mining exploration and development expenses (s.62(1)(d)) (Int.B. 3015)	381 -	
<i>Electrical Generating Corporations Only</i> - All amounts with respect to electrical generating assets, except to the extent that they have been deducted by the corporation in computing its income for income tax purposes for the current or any prior taxation year, that are deductible by the corporation under clause 11(10)(a) of the Corporations Tax Act, and the assets are used both in generating electricity from a renewable or alternative energy source and are qualifying property as prescribed by regulation		
	382	
Net Paid-up Capital	390	

Eligible Investments (Refer to Guide and Int.B. 3015)

Attach computations and list of corporations' names and investment amounts. Short-term investments (bankers acceptances, commercial paper, 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.

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

Capital Tax *continued from Page 9*

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Total Assets (Int.B. 3015)

Total Assets per balance sheet	420 +	7,188,378
Mortgages or other liabilities deducted from assets	421 +	
Share of partnership(s)/joint venture(s) total assets (<i>Attach schedule</i>)	422 +	
Subtract: Investment in partnership(s)/joint venture(s)	423 -	
Total Assets as adjusted	430 =	7,188,378
Amounts in 360 and 361 (if deducted from assets)	440 +	
Subtract: Amounts in 371, 372 and 381	441 -	
Subtract: Appraisal surplus if booked	442 -	
Add or Subtract: Other adjustments (specify on an attached schedule)	443 ±	
Total Assets	450 =	7,188,378

Investment Allowance (410 + 450) X 390

Not to exceed 410 460 =

Taxable Capital 390 - 460

470 = 5,742,774

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue)

Gross Revenue of the corporation 6,800,834

Corporation's Share of partnership(s)/joint venture(s) Gross Revenue (*Attach schedule*)

Aggregate of Gross Revenue 6,800,834 480 = 6,800,834

Total Assets (as adjusted) From 430 7,188,378**Calculation of Capital Tax for all corporations except Financial Institutions***Note: This version (2003) of the CT23 may only be used for a taxation year that commenced after September 30, 2001.**(Financial Institutions use calculations on page 13.)*

- 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 below and select and complete the one specific subsection (e.g. B3) that applies to the corporation.
- OR** If the corporation IS a member of an associated group and/or partnership, complete Section C on page 11. and if applicable, complete Section D or Section E on page 12. Note: if the corporation is a member of a connected partnership, please refer to the 2003 CT23 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** (Int.B. 3018).

Enter NIL in 550 on page 12 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 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 12 and complete the return from that point.**B2.** If taxable capital, 470 on page 10, is \$5,000,000 or less, enter NIL in 550 on page 12 and complete the return from that point.**B3.** If taxable capital, 470 on page 10 exceeds \$5,000,000, complete the following calculation and transfer the amount from 523 to 543 on page 12, and complete the return from that point.

+ From 470	5,742,774						
-	5,000,000						
=	471	742,774	x From 30	100.0000	x 0.3% x 555	365	= 523 + 2,228
			Ontario Allocation		**365/366		Transfer to 543 on page 12 and complete the return from that point

**** If floating taxation year, refer to Guide.***continued on Page 11*

Capital Tax Calculation *continued from page 10*

CT23 Page 11 of 24

This section applies **ONLY** to a corporation that is a member of an associated group (excluding financial institutions and corporations exempt from capital tax) and/or partnership. You must check either 509 or 524 and complete this section before you can calculate your capital tax calculation under either Section D or Section E.

C1. ☒ **509** (✓ if applicable) **All corporations that you are associated with do not have a permanent establishment in Canada.**
 If taxable capital **470** on page 10 is \$5,000,000 or less, enter NIL in **550** on page 12 and complete the return from that point.
 If taxable capital **470** on page 10 exceeds \$5,000,000 proceed to **Section D**, enter \$5,000,000 in **542** Section D, and complete Section D and the return from that point

C2. ☒ **524** (✓ if applicable) **One or more of the corporations that you are associated with maintains a permanent establishment in Canada**
 If the taxation year **ends before January 1, 2003**, you must complete the *Calculation* below.
 If the taxation year **ends after December 31, 2002**, you and your associated group may continue to allocate the \$5,000,000 taxable capital exemption by completing the *Calculation* below. Or, the associated group may **file an election** under subsection 69(2.1) of the Corporations Tax Act, whereby total assets are used to allocate the taxable capital exemption among the associated group. Once a ss.69(2.1) election is filed, all members of the group will then be required to file in accordance with the election and allocate a portion (portion is henceforth referred to as **Net Deduction**) of the \$15,000 capital tax effect, relating to the \$5,000,000 taxable capital exemption, to each corporation in the group on the basis of the ratio that each corporation's total assets multiplied by its Ontario allocation is to the total assets of the group.
 The total asset amounts and Ontario allocation percentages to be used for this calculation must be taken from each corporation's financial information from its last taxation year ending in the immediately preceding calendar year.
 In addition, although each corporation in the associated group may deduct its Net Deduction amount as apportioned by the total asset formula, the group may, at the group's option, reallocate the group's total Net Deduction among the group on what ever basis the corporate group wishes, as long as the total of the reallocated amounts does not exceed the group's total Net Deduction amount originally calculated for the associated group.

Calculation Do NOT complete this calculation if ss.69(2.1) election is filed

Taxable Capital form **470** on page 10 From **470** +

Determine aggregate taxable capital of an associated group (excluding financial institutions and corporations exempt from capital tax) and/or partnership having a permanent establishment in Canada

Taxable Capital of associated corporations (<i>Attach schedule</i>)	531 +
Total Aggregate Taxable Capital 470 + 531	540

If **540** above is \$5,000,000 or less, the corporation's Capital Tax for the taxation year, is NIL.

Enter NIL in **523** in section D on page 12, 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 taxation year under Section D on page 12.

From **470** _____ + From **540** _____ X 5,000,000

541 =

Transfer to Section 542 in D on page 12

Ss.69(2.1) Election Filed

☒ **591** (✓ if applicable) **Election filed. Attach a copy of the election with this CT23 Return.**
 Proceed to **Section E** on page 12.

Complete the following calculation and transfer the amount From **523** to **543**, and complete the return from that point.

+ From 470 - 542 = 471	x	From 30	<div style="border: 1px solid black; padding: 2px; display: inline-block;">100.0000</div> %	x 0.3% x	Days in the taxation year 555	= 523 + <div style="border: 1px solid black; padding: 2px; display: inline-block;">365</div>	Total Capital Tax for the taxation year <i>Transfer to 543 and complete the return from that point</i>
		Ontario Allocation			^{**} (365/366)		

5月10日

+	From 470 _____ X From 30 100.0000 x 0.3%	= 561 + _____
-	Capital tax deduction relating to your corporation's capital tax deduction, on ss.69(2.1) election form	From 995 _____ 562 = _____

Capital Tax 562 X $\frac{\text{Days in taxation year}}{365} = \frac{555}{365} = 563 +$
 ** (365/366) *Transfer to 543 and complete the return from that point*

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

Capital Tax before application of specified credits	543	=	2,228
Subtract: Specified Tax Credits applied to reduce capital tax payable (Refer to Guide)	546	=	
Capital Tax 543 - 546 (amount cannot be negative)	550	=	2,228
<i>Transfer to page 17</i>			

Capital Tax *continued from page 12*

CT23 Page 13 of 24

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 12, 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 x 0.6% x From 30 % x 555 + **365/366 = 569 +

Lesser of adjusted TPUC
and Basic Capital Amount
in accordance with
Division B.1

Ontario Allocation

570 x 571 x From 30 % x 555 + **365/366 = 574 +

Adjusted TPUC
in accordance with
Division B.1 in excess
of Basic Capital Amount

Capital Tax Rate
(Refer to Guide)

Ontario Allocation

Capital Tax for Financial Institutions - other than Credit Unions (before Section II) 569 + 574 **575**

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

Financial Institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)? ☒ Yes

Capital Tax - Financial Institutions 575 - 585 **586**

Transfer to 543 on Page 12

Premium Tax (s.74.2 & 74.3) (refer to Guide)

- (1) Uninsured Benefits Arrangements **587** x 2% **588**
- 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 Ontario with unlicensed insurers.

Deduct: Specified Tax Credits applied to reduce premium tax (Refer to guide) **589**

Premium Tax 588 - 589 **590**

Transfer to Page 17

Reconcile net 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± 40,853
Transfer to Page 15

Add:

Federal capital cost allowance	601 +	196,453
Federal cumulative eligible capital deduction	602 +	2,974
Ontario taxable capital gain	603 +	
Federal non-allowable reserves. Balance beginning of year	604 +	
Federal allowable reserves. Balance end of year	605 +	
Ontario non-allowable reserves. Balance end of year	606 +	
Ontario allowable reserves. Balance beginning of year	607 +	
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE)	608 +	
Federal resource allowance	609 +	
Federal depletion allowance	610 +	
Federal foreign exploration and development expenses	611 +	
Management fees, rents, royalties and similar payments to non-arms' length non-residents		

Number of days in Taxation YearDays after Sept. 30, 2001
and before Jan. 1, 2004

Total days

612 X 5/12.5 X 33 365 + 73 365 = 633+

Days after Dec. 31, 2003

Total days

612 X 5/14.0 X 34 + 73 365 = 634+

Total add-back amount for Management fees, etc. 633 + 634 =

Federal Scientific Research Expenses claimed in year from line 460 of fed. form T661
excluding any negative amount in 473 from Ont. CT23 schedule 161

Add any negative amount in 473 from Ont. CT23 Schedule 161

Federal allowable business investment loss

Total of other items not allowed by Ontario but allowed federally (Attach schedule)

Sub Total of Additions 601 to 611 + 613 + 615 + 616 + 620 + 614

613+

615+

616+

620+

614+

= 199,427 640

199,427

Transfer to Page 15

Deduct:

Ontario capital cost allowance (excludes amounts deducted under 675)	650 +	196,453
Ontario cumulative eligible capital deduction	651 +	2,974
Federal taxable capital gain	652 +	
Ontario non-allowable reserves. Balance beginning of year	653 +	
Ontario allowable reserves. Balance end of year	654 +	
Federal non-allowable reserves. Balance end of year	655 +	
Federal allowable reserves. Balance beginning of year	656 +	
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) (Retain calculations. Do not submit.)	657 +	
Ontario depletion allowance	658 +	
Ontario resource allowance	659 +	
Ontario current cost adjustment (Attach schedule)	661 +	
Incentive for new electricity supply (section 13.6 deduction from income) (Applies only to electrical generating corporations.)	674 +	
CCA for investments in qualifying energy-efficient equipment and for assets used to generate electricity from natural gas, alternative or renewable resources.	675 +	
Subtotal of deductions for this page 650 to 659 + 661 + 674 + 675	681	199,427

Transfer to Page 15

**Reconcile net income (loss) for federal income tax purposes with net income (loss)
for Ontario purposes if amounts differ***Continued from page 14*

Net income (loss) for federal income tax purposes, per federal T2 SCH 1	From 600 ±	40,853
Sub Total of Additions	From 640 =	199,427

Sub Total of deductions on page 14 From **681**= 199,427

Deduct:**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

ONTTI Gross-up deduction calculation:

From Gross-up of CCA

662 x 100/ 30 100.0000 - From 662 663

Ontario allocation

Workplace Child Care Tax Incentive

Qualifying expenditures: 665 x 30% x 100/ 30 100.0000 666

Ontario Allocation

Workplace Accessibility Tax Incentive

Qualifying expenditures: 667 x 100% x 100/ 30 100.0000 668

Ontario Allocation

Number of**Employees accommodated 669****Ontario School Bus Safety Tax Incentive (OSBSTI):** *(Applies to the eligible acquisition of school buses purchased after May 4, 1999 and before January 1, 2006.) (Refer to Guide)*

Qualifying expenditures 670 x 30% x 100/ 30 100.0000 671

Ontario Allocation

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

Qualifying expenditures 672 x 15% x 100/ 30 100.0000 673

Ontario Allocation

Ontario allowable business investment loss

678 +

**Ontario Scientific Research Expenses claimed in year in 477 from Ont. CT23
Schedule 161**

679 +

**Amount added to income federally for an amount that was negative on
federal form T661, line 454 or 455 (if filed after June 30, 2003)**

677 +

Total of other deductions allowed by Ontario *(Attach schedule)*

664 +

Total of Deductions 681 + 663 + 666 + 668 + 671 + 673 + 678 + 679 + 677 + 664 = 199,427 **680** 199,427

Net income (loss) for Ontario purposes 600 + 640 - 680 **690**= 40,853
Transfer to Page 4

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)	710 (2) 18,660	720 (2)	730	740	750
Add:	701	711	721	731	741	751
Current year's losses (7)						
Losses from predecessor corporations (3)	702	712	722	732		752
	703	713	723	733	743	753
Subtotal						
Subtract:	704 (2)	715 (2)(4)	724 (2)	734 (2)(4)	744 (4)	754 (4)
Utilized during the year to reduce taxable income	705		725	735	745	
Expired during the year						
Carried back to prior years to reduce income (5)	706 (2) To Pg 17	716 (2) To Pg 17	726 (2) To Pg 17	736 (2) To Pg 17	746	
	707	717	727	737	747	757
Subtotal						
Balance at End of Year	709 (8)	719 18,660	729	739	749	759

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) Include 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 amounts from 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) Commencing 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)	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				850	870
801				851	871
802				852	872
803	820	830	840	853	873
804	821	831	841	854	874
805	822	832	842	855	875
806	823	833	843	856	876
807	824	834	844	857	877
808	825	835	845	858	878
809	826	836	846	859	879
Total	829	839	849	869	889

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

Applies to corporations requesting a reassessment of the return of one or more previous taxation years under s.80(16) with respect to one or more types of losses carried 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 carryback adjustment may be applied by the Minister of Finance to amounts owing under **any Act administered by the Minister 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:
 - the first day of the taxation year after the loss year,
 - the day on which the corporation's return for the loss year is delivered to the Minister, or
 - 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	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
Total amount of loss	910	920	930	940
Deduct: Loss to be carried back to preceding taxation years and applied to reduce taxable income.				
Predecessor Corporation's Account No. (MOF) Taxation Year Ending	911	921	931	941
i) 3rd preceding 901 2000/03/31	912	922	932	942
ii) 2nd preceding 902 2001/03/31	913	923	933	943
iii) 1st preceding 903 2002/03/31	From 706	From 716	From 726	From 736
Total loss to be carried back	919	929	939	949
Balance of loss available for carryforward				

Summary

Income Tax	From 230 or 320	+	2,247
Corporate Minimum Tax	From 280	+	
Capital Tax	From 550	+	2,228
Premium Tax	From 590	+	
Total Tax Payable	950	=	4,475
Subtract: Payments	960	-	
Capital Gains Refund (s.48)	965	-	
Qualifying Environmental Trust Tax Credit (Refer to Guide)	985	-	
Specified Tax Credits (Refer to Guide)	955	-	
Balance	970	=	4,475
If payment due	Enclosed *	990	
If overpayment: Refund (Refer to Guide)	975	=	
Apply to	980		
(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 the cheque or money order. (Refer to guide for other payment methods.)

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		
Mark McCaig		
Title		
CEO		
Full Residence Address		
City		
Province	Country	Postal Code
Signature		Date
		2004/05/25

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

**Corporate Minimum Tax - Schedule A:
Calculation of CMT Base**

CT23 Schedule A

Page 18 of 24

**Banks** - Net income/loss as per report accepted by Superintendent of Financial Institutions (SFI) under the Bank Act (Canada), adjusted so consolidation/equity methods are not used.Net income/(loss) (unconsolidated, determined in accordance with GAAP) **2100±** (52,954)**Subtract (to the extent reflected in net income/loss):**

Provision for recovery of income taxes / benefit of current income taxes	2101+	
Provision for deferred income taxes (credits) / benefit of future income taxes	2102+	90,758
Equity income from corporations	2103+	
Share of partnership(s)/joint venture(s) income	2104+	
Dividends received/receivable deductible under fed.s.112	2105+	
Dividends received/receivable deductible under fed.s.113	2106+	
Dividends received/receivable deductible under fed.s.83(2)	2107+	
Federal Part VI.1 tax on dividends declared and paid, under fed.s.191.1(1) _____ x 9/3 =	2108+	

Subtotal = **90,758** ▶ **2109-** **90,758****Add (to extent reflected in net income/loss):**

Provision for current taxes / cost of current income taxes	2110+	63,605
Provision for deferred income taxes (debits) / cost of future income taxes	2111+	
Equity losses from corporations	2112+	
Share of partnership(s)/joint venture(s) losses	2113+	
Dividends that have been deducted to arrive at net income per Financial Statements s.57.4(1.1) (excluding dividends under fed.s.137(4.1))	2114+	

Subtotal = **63,605** ▶ **2115+** **63,605****Add/Subtract:**

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

** Fed.s.85	2116+	or	2117-
** Fed.s.85.1	2118+	or	2119-
** Fed.s.97	2120+	or	2121-

** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years **2122+** or **2123-**

** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years **2124+** or **2125-**

** Amounts relating to s.57.10 election/regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years **2126+** or **2127-**

Interest allowable under ss. 20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income **2150-**

Subtotal (Additions) = **2128+****Subtotal (Subtractions)** = **2129-****** Other adjustments** **2130±****Subtotal ± 2100 - 2109 + 2115 + 2128 - 2129 ± 2130** **2131=** (80,107)**** Share of partnership(s)/joint venture(s) adjusted net income/loss** **2132±****Adjusted net income (loss) (if loss, transfer to 2202 in Schedule B)** **2133=** (80,107)

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

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

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

CMT Base **2135=**

Transfer to CMT Base on page 8

Corporate Minimum Tax (CMT)



Schedule D: Continuity of CMT Credit Carryovers

CMT credit continuity by year

Year of origin	Beginning balance	Transfers on amalgamation or wind-up	Adjustments	Current year credit	Applied	Expired	Ending balance
2001/12/31							
2002/12/31							
2003/12/31							
Totals							

Balance at Beginning of year (1) 2301

Add: Current year's CMT Credit (280 on page 8. If negative, enter NIL) From 280 +
 CMT Credit Carryovers from predecessor corporations (2) 2302
 Amalgamation (✓) 2303 ☐ Yes Wind-up (✓) 2304 ☐ Yes

Subtotal = 2305 +

Adjustments (Attach schedule) 2306

CMT credit carryover available 2301 + 2305 ± 2306 2307 =
 Transfer to Page 8

Subtract: CMT credit utilized during the year to reduce income tax (Page 8) From 310 +
 CMT credit expired during the year 2308 +

Subtotal = 2309 -

Balance at End of Year (3) 2307 - 2309 2310 =

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) Amount in 2310 must equal the sum of 2370 + 2390.

Schedule E: Analysis of CMT Credit Carryovers Year-End Balance by Year of Origin

Year of Origin (oldest year first)	CMT Credit Carryovers of Corporation	CMT Credit Carryovers of Predecessor Corporations
2340	2360	2380
2341	2361	2281
2342	2362	2382
2343	2363	2383
2344	2364	2384
2345	2365	2385
2346	2366	2386
2347 2001/12/31	2367	2387
2348 2002/12/31	2368	2388
2349 2003/12/31	2369	2389
Totals	2370	2390

The sum of amounts 2370 and 2390 must equal the amount in 2310.

OS4C
Schedule 4

Ontario capital loss continuity

Part 1 - Capital loss

Capital loss continuity and carry-back request

Capital losses at end of preceding taxation year		Gross amount	18,660
Transfers from wind-up of wholly-owned subsidiary and amalgamation		+	
Current year capital loss		+	
	Subtotal	=	18,660
Allowable business investment loss expired as a non-capital loss	X 4/3	+	
	Subtotal	=	18,660
Deduct:			
Amount applied against current year capital gain		-	
Section 80 adjustments		-	
Other adjustments		-	
	Subtotal	=	
Deduct - capital loss carry back to:			
	Loss applied	Inclusion rate	Total
1st preceding taxation year	+	50.0000 %	=
2nd preceding taxation year	+	%	=
3rd preceding taxation year	+	%	=
	Subtotal		-
Capital losses - ending balance		=	18,660
Current year capital loss available for carryforward			

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
2000/12/31					
2001/12/31					
2002/12/31					
2003/12/31					
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			
Listed personal property losses - beginning of taxation year			
Current year listed personal property loss			
Deduct - Listed personal property loss carry back to:			
1st preceding taxation year			
2nd preceding taxation year			
3rd preceding taxation year			
Listed personal property losses net of carry-back			+
	Subtotal		=
Deduct:			
Amount applied against listed personal property gain			-
Other adjustments			-
Limited personal property losses - closing balance			=



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

Ontario Capital Cost Allowance Schedule 8

ONTARIO CAPITAL COST ALLOWANCE

Corporation's Legal Name FORT FRANCES POWER CORPORATION		Ontario Corporations Tax Account No. (MOF) 1800090	Taxation Year End 2003/12/31
---	--	--	--

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

1 Class number	2 Ontario undepreciated capital cost at the beginning of the year	3 Cost of acquisitions during the year See note 1 below	4 Net adjustments	5 Proceeds of dispositions during the year	6 Ontario undepreciated capital cost (col 2 + 3 or col 2 - 4 - 5)	7 50% rule See note 2 below	8 Reduced undepreciated capital cost (col 6 - 7)	9 CCA rate %	10 Recapture of capital cost allowance	11 Terminal loss	12 Ontario capital cost allowance (col 8 x 9 or a lower amount)	13 Ontario undepreciated capital cost at the end of the year (col 6 - 12)
1	197,516				197,516		197,516	4			7,901	189,615
1	3,734,726	59,817			3,794,543	29,909	3,764,634	4			150,585	3,643,958
8	14,431	6,991			21,422	3,496	17,926	20			3,585	17,837
8	9,314	4,019			13,333	2,010	11,323	20			2,265	11,068
10	95,054				95,054		95,054	30			28,516	66,538
10	8,964	5,797			14,761	2,899	11,862	30			3,559	11,202
12	42				42		42	100			42	
Totals	4,060,047	76,624				38,314	4,098,357				196,453	3,940,218

Enter in box **650** on the CT23

Note 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).

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

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

Note 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.

Corporation's Legal Name FORT FRANCES POWER CORPORATION	Ontario Corporations Tax Account No. (MOF) 1800090	Taxation Year End 2003/12/31
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- For use by a corporation that has eligible capital property.
- A separate cumulative eligible capital account must be kept for each business.

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

Ontario Cumulative eligible capital - balance at beginning of taxation year (if negative, enter zero) 42,489 A

Add:	Cost of eligible capital property acquired during the taxation year	+		B	
	Amount transferred on amalgamation or wind-up of subsidiary	+		C	
	Other adjustments	+		D	
Total of B + C + D		=		x 3/4=	E
Subtotal A + E				=	42,489 F

Deduct:	Ontario proceeds of sales (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year	+		G	
	The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7) of the <i>Income Tax Act</i> (Canada)	+		H	
	Other adjustments	+		I	
Total of G + H + I		=		x 3/4=	J
Ontario cumulative eligible capital balance F - J				=	42,489 K

If K is negative, enter zero at line M and proceed to Part 2

Current year deduction 42,489 K x 7%* = 2,974 L

*The maximum current year deduction is 7%. However, you can claim any amount up to the maximum.

Enter amount in box 651 of the CT23

Ontario cumulative eligible capital - closing balance K - L (if negative, enter zero) = 39,515 M

Note: Any amount up to the maximum deduction of 7% may be claimed. Taxation years starting after December 21, 2000, the deduction may not exceed the maximum amount prorated for the number of days in the taxation year divided by 365 or 366 days.

Part 2 - Amount to be included in income arising from disposition

Complete this part only if the amount at line K is negative

Amount from line K above show as a positive amount N

Total of cumulative eligible capital deductions from income for taxation years beginning after June 30, 1988		1	
Total of all amounts which reduced cumulative eligible capital in the current or prior years under subsection 80 (7)		2	
Total of cumulative eligible capital deductions claimed for taxation years beginning before July 1, 1988		3	
Negative balances in the cumulative eligible capital account that were included in income for taxation years beginning before July 1, 1988		4	
Line 3 deduct line 4		5	
Total lines 1 + 2 + 5		6	
Line T from previous Ontario Schedule 10 for taxation years ending after February 27, 2000		7	
Deduct line 7 from line 6			O
N - O (cannot be negative)			P
Amount on line 5 x 1/2			Q
P - Q			R
Amount on line R x 66.6667			S
Lesser of line N or line O			T
Amount to be included in Income S + T			

Note: For taxation years ending after February 27, 2000 and before October 18, 2000 use 8/9 to calculate S

OConsent

Ontario Consent Form

This form authorizes the Ontario Ministry of Finance to release confidential client information to a designated third party representative in matters pertaining to applicable legislation. **Note: This authorization is valid until the client or authorized signing person cancels it in writing. Please complete a separate form for each representative.**

The purpose of this form is:

☒ **To authorize** a third party representative or ☐ **To cancel** a third party representative

1. Client identification

Name

FORT FRANCES POWER CORPORATION

Ontario Corporations Tax Account Number

1800090

2. Authorized third party identification

Authorized individuals' name

Address

Phone number

() -

Authorized firm's name

BDO Dunwoody LLP

Address

375 Scott Street Fort Frances, Ontario P9A 1H1

Phone number

(807) 274-9848

3. Details of authorization

Indicate the period for which authorization or cancellation applies:

All years



OR

Specific years

OR

All years prior to

4. Authorized signature (client or authorized signing officer)

Mark McCaig

Name

(907) 274-9291

Telephone number

2004/05/25

Date signed

CEO

Position, office or rank

Signature of client or authorized signing officer

Corporations Tax Account Number
1800090

Return I.D. # (Ministry Use Only)

Please check appropriate boxes if applicable:

- | | | |
|--|--|---|
| <input type="checkbox"/> First year of filing | <input type="checkbox"/> Final taxation year up to Dissolution | <input type="checkbox"/> Change of Control fed.s.249(4) |
| <input type="checkbox"/> Amended return | <input type="checkbox"/> Final taxation year before Amalgamation | Date Control was acquired: _____ |
| <input type="checkbox"/> Taxation year end has changed (approval by CCRA required) | <input type="checkbox"/> Floating Fiscal year end | |
| <input type="checkbox"/> Exempt from filing | <input checked="" type="checkbox"/> Subject to CMT | |

Date of incorporation
2000/06/19

Return for taxation year
Start 2003/01/01
End 2003/12/31

CCRA Business No.
864205893RC0001

Jurisdiction Incorporated
Ontario

Corporation's legal name and mailing address
FORT FRANCES POWER CORPORATION
Care of

Change of information? Yes ☐ No ☒

Address
320 Portage Avenue

City
Fort Frances

Province
ON

Country
CA

Postal code
P9A 3P9

Transmitter Details

Transmitter number A0008029
Transmitter name BDO Dunwoody LLP
Name of person to contact Forch Mauro
Telephone number (807) 274-9848
Facsimile number (807) 274-5142
Transmitter Address 375 Scott Street
Fort Frances, Ontario P9A 1H1

Disk Reference Number

Aggregate of Total Revenue	210	6,800,834
Aggregate of Total Assets	209	7,188,378
Taxable Income (Non-capital Loss)	10	40,853
Total Tax Payable	950	4,475
Payments:	990	
Enclosed:		

Apply to: Year
Apply Amount:

975 Refund: Yes ☐ No ☒
If Yes, Due to:

Loss Carryback:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Overpayment:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Refundable tax credit	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

Certification

I am an authorized signing officer of the Corporation. I certify that this Return, including all schedules and statements filed with or as part of this 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
Mark McCaig
Title
CEO
Full Residence address

City
Province Country Postal code

Signature
Phone Number (907) 274-9291 Date 2004/05/25

ProFile Version 2003.4.0 Approval code 0104

Payment Advice

Corporations Tax Account Number	1800090
Date of Incorporation	2000/06/19
Corporation Name	
FORT FRANCES POWER CORPORATION	

Enter the amount of payment and indicate taxation year.

Taxation Year End	Payment amount
	\$
2003/12/31	\$
Total Payment	\$

Submit your cheque (drawn on a Canadian financial institution) or money order in Canadian Funds, payable to: The Minister of Finance

Send to: Ontario Ministry of Finance
Corporations Tax Branch
P.O. Box 642
33 King Street West
Oshawa ON L1H 8T1

Incomplete information will result in a delay processing an assessment.

Instalments

Ontario tax instalments

Instalment base

Year-end	Estimate for current year 2004/12/31	First instalment base 2003/12/31	Second instalment base 2002/12/31
Taxable income		40,853	226,926
Base amount of tax		5,107	28,366
Small business tax credit		2,860	14,750
Surtax on CCPCs			
Manufacturing and processing profits credit			
Foreign tax credit			
Specified tax credits			
Other tax credits			
Income tax payable		2,247	13,616
Corporate minimum tax payable			
Capital tax payable		2,228	3,568
Premium tax payable			
Total tax payable		4,475	17,184
Days in taxation year	365	365	365
Tax payable adjusted for short taxation years		4,475	17,184
Estimated tax credits for the current year			
Instalment base		4,475	17,184
Monthly payment		373	1,432
Quarterly payment		1,119	4,296

Instalment payment options

- ☐ 1. based on estimated taxes for the current year
 ☐ 3. based on the first and second instalment base
- ☒ 2. based on the first instalment base
 ☐ 4. instalments are not required

Instalment payments

Date	Instalments required	Instalments paid	Instalments payable
2004/01/31			
2004/02/29			
2004/03/31	1,119		
2004/04/30			
2004/05/31			1,119
2004/06/30	1,119		1,119
2004/07/31			
2004/08/31			
2004/09/30	1,119		1,119
2004/10/31			
2004/11/30			
2004/12/31	1,119		1,119
Total	4,476		4,476